

2. HERITAGE GRANT APPROVAL – 129 CAMBRIDGE TERRACE, CHRISTCHURCH

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PURPOSE OF REPORT

1. The purpose of this report is to:
 - (a) Consider approval of additional Heritage Incentive Grant Funding.
 - (b) Consider agreement to an amended form of covenant for the Canterbury Club.
 - (c) Approve an extension to the 18 month grant funding period.

EXECUTIVE SUMMARY

2. On 2 August 2007 Council approved a Heritage Incentive Grant of \$217,350 for the Canterbury Club, 129 Cambridge Terrace. This grant amounted to approximately 40 percent of the total heritage-related costs of \$543,386. The grant makes an essential contribution towards the Canterbury Club's retention, deferred maintenance and the continuing life of the heritage building. The approved grant was to be staged over three years. The works have now been completed and a revised scope of work submitted for consideration as the full extent of the conservation and maintenance work was greater than anticipated. The Committee is requested to consider additional grant funding of \$21,206.
3. The Heritage Covenant Officer Subcommittee approved a Full Conservation Covenant for the Canterbury Club, a full covenant being a condition for grants in excess of \$50,000. A covenant must be in place prior to grant funds being uplifted. The Canterbury Club have considered the Council's standard covenant form and requested a revised form be considered. The proposed changes alter the area to which the covenant applies. The Committee is requested to consider the amended form of covenant at **Attachment 2**.
4. The Heritage Incentives Grant Policy, section 5, Payment of Grants, notes that approved grant funding is available for a period of 18 months from the date of written approval of the Grant. This period may be extended with the written consent of this Committee. Due to the delays incurred in the planning and construction of the facility, and in agreeing a revised form of covenant, it is recommended that the Committee approve an extension of the grant period to allow for the covenant to be signed and payment of the grant to be made now that works are completed.
5. The 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 the Statement of Significance.
6. The Canterbury Club have now completed the planned conservation works consisting of a new two-storey addition between the main building and the 1873 caretaker's cottage, with this cottage moved slightly to accommodate the new building. The new addition is used to support social, business and gym activities. The main heritage related works were restoration of the original fabric and maintenance of both the club building and caretaker's cottage. The total project cost was approximately \$1.75 million of which the heritage components were only one part.

7. At the time of the original grant application a subdivision of the site to the west was intended to provide part of the finances for the Canterbury Club development. This subdivision has now taken place and the Latitude Tower has been constructed. The applicant has indicated that a further subdivision may be sought for land south of the club building which is currently occupied by the club's car park.

SCOPE OF WORK

8. The Heritage Conservation Policy Terms and Conditions for Grant Approval provides for a further scope of work to be agreed, and a revised grant application submitted, where the full extent of the conservation and maintenance work is greater than anticipated. The conservation works have now been completed and a revised scope of works has been submitted by the applicant for consideration.
9. The original costs for conservation, including code compliance and maintenance works are outlined in the table below, with the revised figures.

Particulars	Approved 2007/08	Revised Claim 2009/10
Fire Protection including relocation of valve house	96,425	94,550
Cottage		
Divide in half, relocate, new foundations, weatherboard restoration	51,988	77,171
Rebuild chimney & fire place	2,352	2,902
Reroof, new spouting	6,140	6,140
Window repairs	4,705	6,910
Internal walls, timber trims	2,352	5,337
Clubhouse Building		
Structural strengthening work	55,676	57,075
Removal of asbestos ceilings/linings	5,928	13,161
Reroofing incl slates, spoutings, downpipes	169,610	145,875
Replace rotten timbers including Oriel window	16,035	22,817
Reinstate original billiards room walls	10,585	10,585
Remove 1970's bar and restore to 1908 plan	17,643	17,643
Exterior redecoration including removal of red lead paint	26,083	86,611
Repairs and maintenance to windows	17,643	20,005
Repair large stairwell window	21,172	4,536
Main dining room floor repair	1,411	1,411
Internal wall repairs, trim	5,881	5,881
Strengthening work to chimneys	14,114	
Allowance for replacing rotten timbers in walls/roof	17,643	
New works		
Stone foundation restoration		4,760
Rotten front portico posts		95
First floor external wall insulation		13,000
Billiards room dado restoration		7,450
Billiards room wall, chimney breast, fireplace restorations		2,344
Chipped front step tiles		100
Remove "new" soil pipe above slate roof		1,023
Cambridge Room sashes restored to original timber grain		950
Restore rusting balcony		1,071
Approved heritage conservation costs 2007/08	543,386	
Revised heritage conservation costs 2009/10		609,403

10. The revised scope of conservation and maintenance works has been reviewed and it is recommended that all are included for consideration of 40 percent grant funding, with the exception of the insulation of external walls. Unlike other additional costs which arose as a result of uncertainties over the scope of heritage works, the insulation is a known code requirement and does not contribute directly to conservation of the building fabric.

HERITAGE INCENTIVE GRANTS POLICY

11. The Operational Guidelines for the Policy provide for a grant of up to 40 percent of the total heritage related costs for a Group 2 heritage building.

Revised Grant Consideration		
Total revised heritage conservation costs [less \$13,000 for external wall insulation]		\$596,403
Total approved heritage conservation costs 2007/08		\$543,386
Additional claimed heritage conservation costs 2009/10		\$53,017
Proposed additional grant 2009/10 (40%)		\$21,206
Grant approved 2007/08		\$217,350
Total final Grant (40%)		\$238,556

FINANCIAL IMPLICATIONS

	2009/10
Annual Budget	\$842,106
Commitment from previous year (St Paul's Presbyterian Church)	\$142,000
Total Grant funds committed year to date	\$178,667
Balance of 09/10 funds	\$521,439
2009/10 Fund approval for 129 Cambridge Terrace	\$21,206
Total Available Funds 2009/10	\$500,233

The original grant approval was to be staged over three years with \$72,450 in each year. Commitments have been made in previous financial years. The additional funding recommended of \$21,206 will need to be approved from the 2009/10 grant fund.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

12. Yes. The Heritage Incentive Grant budget is an annual fund provided for in the 2009-19 LTCCP.

LEGAL CONSIDERATIONS

13. A Full Covenant is required for grants of \$50,000 or more. The draft covenant at **Attachment 2** is a Full Covenant with the covenanted area being limited to those parts of the site on which the buildings are located and the immediate curtilage, as defined as Areas E, F, G, H, I and K by the attached survey plan (**Attachment 3**). The proposed covenant would not apply to the area south of the buildings currently occupied by the club's car park defined as Areas C, D, L and J on the attached survey plan.

The northern boundary of the car park is within approximately one and a half metres of the heritage buildings. The Club approached the Council seeking an amended covenant due to this being a central city site with an existing modern building to the west of the club buildings (with covenant), and the car park area to the south which may also be developed in future. Discussions have now taken place and the covenant area recommended ensures a covenant is in place over the club buildings, not the whole site. Any future development of the car park site would be subject to consent under the City Plan provisions, rather than the covenant, and would need to have regard to the adjacent heritage buildings.

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

14. Yes. Covenants are a more comprehensive form of protection of the buildings because they are registered against the property title, ensuring that the Council's investment is protected. Whilst the proposed covenant does not cover the entire site on which the listed heritage building is positioned it is considered desirable to have a covenant in place over the listed buildings.

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*' (LTCCP 2009-19, page 50). 'Community Outcome 9. Development' provides for, among other things, ensuring "*our lifestyles and heritage are enhanced by our urban environment*" (page 54). One of the success measures is that "*Our heritage is protected for future generations*" (page 54). "*Progress will be measured using these headline indicators ... number of heritage buildings, sites and objects.*" (page 54). Heritage Incentive Grants contribute towards the number of protected heritage buildings, sites and objects, which is a measure under the outcome.
16. Within the 'Activities and Services' section of the LTCCP, is 'City planning and development' which aims to help improve Christchurch's urban environment, among other things. One of the activities included in 'City planning and development' is 'Heritage protection'. "*A city's heritage helps to sustain a sense of community identity, provides links to the past, and helps to attract visitors. The Council is committed to protecting the heritage of our city and works with developers, landowners and other stakeholders to conserve heritage buildings, areas and other items*" (page 187).
17. 'Heritage Protection', requires the Council to "*Research and promote the heritage of Christchurch and Banks Peninsula. Work with developers, landowners and other stakeholders to conserve heritage areas, buildings, and other items. Promote development that is sensitive to the character and heritage of the city and existing communities.*" (page 192). 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 2009-19 LTCCP?

18. Yes.

ALIGNMENT WITH STRATEGIES

19. Alignment of the requirement for Heritage Incentive Grants and Conservation Covenants stems from the Heritage Conservation Policy which in turn is relevant to:

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, Section 4, City Identity, Objective 4.3 Heritage Protection provides for objectives and policies in relation to Heritage protection. It recognises that Christchurch is a cultural and tourist centre, a role mainly dependent on its architectural, historic and scenic attractions. Much of its distinctive character is derived from buildings, natural features, other places and objects which have over time, become an accepted part of the cityscape and valued features of the City's identity ... Protection of heritage places includes cultural, architectural, ... areas of character, intrinsic or amenity value, visual appeal or of special significance to the Tangata Whenua, for spiritual, cultural or historical reasons. This protection may extend to include land around that place or feature to ensure its protection and reasonable enjoyment. A heritage item may include land, sites, areas, buildings, monuments, objects, archaeological sites, sacred sites, landscape or ecological features in public or private ownership.

Central City Revitalisation Strategy

Inner city Heritage improvement 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 our Central City. The Christchurch Central City contains over half of the city's entire heritage assets.

New Zealand Urban Design Protocol

Heritage 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 Limited Covenants will contribute towards the implementation of the New Zealand Urban Design Protocol of March 2005 of which the Council is a signatory body.

Heritage Conservation Policy

The Heritage Incentive Grants are provided for under section 8 of the Heritage Conservation Policy. As noted above under the LTCCP heading, the Heritage Conservation Policy aligns with the Community Outcome "An attractive and well-designed City" through the indicator "Number of heritage buildings, sites and objects".

The Heritage Grants Policy is aligned with the ICOMOS New Zealand Charter 1993 for the Conservation of Places of Cultural Heritage Value, which the Council has adopted. 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.

Do the recommendations align with the Council's strategies?

20. Yes

CONSULTATION FULFILMENT

21. There is no requirement for community consultation for Heritage Incentive Grants or Covenants.

STAFF RECOMMENDATION

It is recommended that the Heritage Grants and Covenants Committee approve:

- (a) An additional Heritage Incentive Grant of up to \$21,206 for conservation and maintenance work for the protected heritage building at 129 Cambridge Terrace, bringing the total Grant approval to \$238,556.
- (b) An amended form of covenant as per **Attachment 2** that limits the covenanted area to the buildings and immediate curtilage (excluding the car park) and authorises the execution of the covenant in that form by the Council under common seal.
- (c) An extension to the 18 month grant funding period to allow for the covenant to be signed and paid now that works are completed.