

8. APPLICATION FOR GRANTS FROM THE CHRISTCHURCH EARTHQUAKE MAYORAL RELIEF FUND

General Manager responsible:	General Manager Regulation and Democracy Services
Officer responsible:	Democracy Services Manager
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PURPOSE OF REPORT

1. The purpose of this report is to request the Council to:
 - (a) approve the allocation of a grant of \$49,700 and additional underwriting of up to \$39,760 from the Christchurch Earthquake Mayoral Relief Fund to the Tramway Historical Society, to provide financial assistance towards the construction of a tram storage facility for the city trams at Ferrymead Heritage Park, and
 - (b) note that a donation of \$300,000 has been made to the Christchurch Earthquake Mayoral Relief Fund by a private sponsor on the conditional basis that the funding be used specifically for an International Speakers Series and Event for Christchurch Professionals, to be held as part of the Council's preparation of the Central City Recovery Plan under the Canterbury Earthquake Recovery Authority Act.

FINANCIAL IMPLICATIONS

2. Specific financial details for each project/activity are outlined in the Background section of this report. As at 10 June, the balance of the Mayoral Earthquake Relief Fund was \$3,733,214.38.

LEGAL CONSIDERATIONS

3. There are no legal implications arising from the recommendations of this report.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

4. Not applicable.

ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council's strategies?

5. Not applicable.

CONSULTATION FULFILMENT

6. The request for financial assistance towards the tram storage facility has included discussions with the sub-lessees (Christchurch Tramway Ltd). No other parties have been formally consulted although there has been some media publicity about the need for storing the trams and the fundraising campaign being undertaken by the Society.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) approve a grant of \$49,700 from the Christchurch Earthquake Mayoral Relief Fund towards the costs of Stage One of construction of a tram storage facility for the city trams at Ferrymead Heritage Park, ie towards the building of a Totalspan shelter, and
- (b) agree to the Christchurch Earthquake Mayoral Relief Fund underwriting any shortfall of up to \$39,760 in the balance owed to TotalSpan when due, to be paid back to the Fund once the necessary funds have been raised

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- (c) note the grant allocation of \$300,000 to be made from the Christchurch Earthquake Mayoral Relief Fund, at the request of a private donor, to fund an International Speakers Series and Event for Christchurch Professionals to be held as part of the Council's preparation of the Central City Recovery Plan under the Canterbury Earthquake Recovery Authority Act.

MAYOR'S RECOMMENDATION

That the staff recommendation be adopted.

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BACKGROUND (THE ISSUES)**Purpose of the Fund**

7. At the Council meeting of 12 May 2011 it was resolved:

...(b) That the Christchurch Earthquake Mayoral Relief Fund was established, and will continue to be maintained, by the Council as a "public fund" (as described in section LD 3(2)(d) of the Income Tax Act 2007) exclusively for the purpose of providing money for any one or more charitable, benevolent, philanthropic or cultural purposes related to and in particular to provide relief to the people of Christchurch from the adverse effects of the 4 September 2010 and 22 February 2011 earthquakes, and associated aftershocks, by providing money for the any activity or work required as a result of those events that:

- (i) contributes to the rebuilding of the social and physical infrastructure of Christchurch, and*
- (ii) assists in:*
 - remedying hardship suffered by individuals, groups, community organisations and businesses, and/or*
 - protecting, repairing damage to or enhancing the physical fabric of the city.*

Request for Grant from Tramway Historical Society

8. The Tramway Historical Society (THS) and its subsidiary the Heritage Tramways Trust (HTT), both registered as charities, own six of the seven trams that were operating in the city prior to the 22 February 2011 earthquake. The trams are leased to the Christchurch City Council, which in turn subleases them to the tram operator Christchurch Tramway Ltd (CTL).
9. The THS had previously intended to add an extension to the existing main tram barn in order to improve its storage and restoration capabilities. The earthquake resulted in an immediate cessation of tram operations in the city, with four trams isolated outside in Armagh Street and Cathedral Square, and the tram shed unable to be accessed for what appears to be at least a year. The tram shed is damaged though repairable, and the trams have suffered only minor damage. There is damage to the tram tracks, which at this stage appears to be mainly limited to Armagh Street. At the request of Civil Defence, the outside trams were over a period of weeks loaded on to a transporter and relocated to Ferrymead, where they remain outside as no covered storage is available. As the trams will need refurbishment before being returned to service, relocating them to Ferrymead was seen as the appropriate action as the refurbishment can be undertaken at the Ferrymead tram workshop.
10. The Heritage Tramways Trust wrote to the Council in late March raising concern about the trams being stored out in the open. The Trust has a serious concern that the trams will suffer further damage and deterioration unless they can be provided with secure and covered storage. Being constructed partly of wood and canvas, the trams were not designed to be left in the open for long periods. The Trust believes there is an urgent need to resolve their storage before the full onset of winter.
11. While there is an urgent need to provide shelter, there would also be longer term advantages in investing in the erection of a tram shelter at Ferrymead. Representatives of the Heritage Tramways Trust/Tramway Historical Society and Christchurch Tramway Ltd have discussed solutions for storing and protecting the trams at Ferrymead. A number of options for storing the trams have been investigated, including leasing space elsewhere in the city, covering them with tarpaulins, or using a light weight tent type structure. Influencing factors in identifying Ferrymead were: the costs of both leasing short term storage and the further transporting of the trams were they to be moved to and from another site; the difficulties of obtaining space with sufficient height and manoeuvring room; and the need for the trams to be at Ferrymead for refurbishment, where appropriate workshop facilities including 600v DC power are available. Because of the strong wind conditions commonly experienced at Ferrymead, neither the tarpaulins nor the tent options would be satisfactory

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12. Investing in the erection of a lightweight but permanent steel framed building at Ferrymead adjacent to the existing tram sheds (see **Attachment 1** is considered to be the most viable and sustainable solution. This would be Stage One of the project. Stage Two would be to further develop the basic shelter currently proposed into a fully equipped tram shed which would provide additional space for the existing Ferrymead tram fleet once the city trams are returned to town, and this would both enhance restoration capacity including trams for the city, and allow some further tram bodies earmarked for future city service (but currently still off site) to come to Ferrymead for future restoration. The land on which the tram shelter will be located is occupied by the THS but is currently owned by the Council (formerly by the Ferrymead Trust) and is subject to a subdivision plan which will transfer ownership to the Society.
 - For **Stage One**, a suitable standard building design has been identified - a "TotalSpan" portal building 27m x 12m (enclosed shell, no fit out) which can be erected for **\$99,900** (including GST). This size is sufficient for the four trams currently stored outside at Ferrymead but is also large enough to accommodate the other three trams still in the City tram shed, should they need to be re-located. The building suppliers have advised that the construction could be completed within seven to nine weeks of a contract being signed. Volunteer labour will be used for tracklaying and other finishing works. A fully concreted floor is not included in the price and this together with other enhancements such as power, lighting and a fire sprinkler system will be installed at a later date when funds allow. Payment for the building shell is required to be in instalments:
 - (a) \$500 on contract acceptance
 - (b) \$49,701 on building consent approval
 - (c) \$39,761 on completion of footings
 - (d) \$9,940 following completion.
 - **Stage Two** of the project provides a concrete floor, adds rails, power and fire protection (sprinkler system). This cost, allowing for materials and labour, is estimated to be **\$100,993** (including GST). Some materials are on hand, others are expected to be donated, and some labour will be donated but is included in this cost.
13. The THS and HTT made the decision in early April 2011 to undertake a fundraising campaign to find the necessary funding so that the basic building could be erected as soon as possible. As at 4 June 2011, the total has reached \$41,470 in cash and pledges. Some of the pledges involve "drip feeding" over a period of time, eg some donors are paying amounts each month, so the actual funds in the THS accounts for this project are currently \$13,120, which the THS intends to be used in the first instance for consenting fees and any necessary engineering reports.
14. The THS does have \$20,000 in its accounts originally earmarked for the earlier planned building extension, but in the current absence of rental for the trams being paid by Christchurch Tramway Ltd, those funds are being used to assist in the paying of staff wages and materials to allow the completion of the Birney tram restoration project. That tram is being restored for the city tramway and had been due for completion in time for projected completion of Stage 1 of the tram extension in August 2011.
15. The amount of funding support being sought from the Mayoral Earthquake Relief Fund as at 13 June 2011 is:
 - (a) a grant of \$49,700 towards the costs of Stage One, i.e. erection of the Totalspan shelter, and
 - (b) the underwriting of any shortfall of up to \$39,760 (including GST) in the balance owed to TotalSpan when due, to be paid back once the necessary funds have been raised. The extent and longevity of the underwrite will depend on the progress of the fundraising at the time each payment is due
16. An urgent application for funding support of \$89,462 has also been made to the Canterbury Community Trust and a response is expected within the next few weeks. Depending on the outcome of the application to the CCT, the proposed underwriting in (b) above may not be required. Any funds received from the CCT above and beyond that shortfall of \$39,761 would be put towards Stage Two of the project.

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“Tagged” Grant For International Speakers Series and Event for Christchurch Professionals

17. A donation of \$300,000 has been made to the Mayoral Earthquake Relief Fund by a private sponsor on the conditional basis that the funding be used specifically for an International Speakers Series, and an event for Christchurch Professionals – the “48 hour Professional Institutes Challenge”.
18. A number of professional institutes in Christchurch are very keen to be involved with the development of the Central City Plan. An effective way to facilitate this engagement is via a 48 hour challenge event involving those institutes, working in multi-disciplinary teams to solve some of the key issues/themes that are emerging around the Central City Plan. The “48 hour Professional Challenge” scheduled for 1-3 July 2011 will be interspersed with updates/input from the speakers, and at the Challenge’s conclusion the teams will present their solutions with the international experts providing a peer review/critique of the solutions. The solutions could inform the development of the Plan and the most relevant ones could be included in the Plan, or used to promote associated events.
19. Two Christchurch based “Speakers Series” events are being held in the weeks leading up to the Challenge, with both national and international experts invited to participate. These events will essentially be a “warm-up” for the Challenge.
20. Participants will come from a range of professions including architects, landscape architects, planners, engineers and surveyors.
21. The \$300,000 provided by the private sponsor will break down into the following estimated expenditure areas:
 - Project Management - \$27,000
 - Event Management - \$16,000
 - Venue Hire - \$56,000
 - Speaker costs (air fares, accommodation, expenses) - \$100,000
 - Other costs - marketing, materials for event catering, security - \$90,000
 - Contingency - \$9,000.