

7. CHRISTCHURCH EARTHQUAKE MAYORAL RELIEF FUND: APPLICATIONS FOR GRANTS



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| General Manager responsible: | General Manager, Community Services, DDI 941-8607 |
| Officer responsible: | Strategic Initiatives Manager |
| Author: | Lincoln Papali'i, Strategic Initiatives Manager |

PURPOSE OF REPORT

1. The purpose of this report to allow Council to consider the allocation of grants from the Christchurch Earthquake Mayoral Relief Fund.

EXECUTIVE SUMMARY

2. The purpose of the Christchurch Earthquake Mayoral Relief Fund as adopted by the Council on 12 May 2011 is set out in paragraph 6 below. As trustee for the Fund, the Council is bound to apply the monies only for the purposes specified in the Council resolution of 12 May 2011.
3. The proposed grants totalling \$583,500 would provide a programme of arts facilities to replace or repair buildings lost or damaged in the earthquakes. Details of the individual proposals are given in the report.
4. **Attachment 1** is a matrix showing applications to the Fund which the Council has already approved.

FINANCIAL IMPLICATIONS

5. The financial details for each project are outlined in the background section of this report. As at 12 January 2012 there was \$3,326,437 in uncommitted funds held by the Christchurch Earthquake Mayoral Relief Fund. If the proposed grants are approved, a balance of \$2,742,937 will remain.

LEGAL CONSIDERATIONS

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

6. 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.*
7. The Mayoral Earthquake Relief Fund essentially operates as a trust with the Council acting as the trustee. As trustee, the Council is bound to apply the monies only for the purposes specified in the Council resolution above.

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8. In terms of the activities that can be funded by the Mayoral Earthquake Relief Fund, the first requirement is that any grant be used to contribute to the rebuilding of the social and physical infrastructure of Christchurch. The Oxford Dictionary defines the word "infrastructure" generally as "the foundation or basic structure of an undertaking", and specifically as "the installations and services (power stations, sewers, roads, housing etc) regarded as the economic foundation of a country". The word "infrastructure" therefore implies the undertaking of physical works.
9. However, paragraph (b)(i) of the resolution refers to "...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...". It is therefore not necessary that the Mayoral Earthquake Relief Fund's monies be applied solely to rebuilding actual physical infrastructure, but it is necessary that the monies be applied to any work or activity that contributes to such rebuilding. Therefore, whilst the focus of the Mayoral Earthquake Relief Fund is the rebuilding of the social and physical infrastructure ("bricks and mortar"), it can also be used for any activity that contributes to that outcome.
10. In addition, any grant from the Mayoral Earthquake Relief Fund must also assist in either remedying hardship or protecting, repairing ... or enhancing the physical fabric of the city.

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?

11. Not applicable.

ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council's strategies?

12. Not applicable.

CONSULTATION FULFILMENT

13. Discussions with the individual applicants have been carried out.

STAFF RECOMMENDATION

14. It is recommended that the Council approve the following grant allocations from the Christchurch Earthquake Mayoral Relief Fund:
 - (a) \$100,000 to the Court Theatre towards the costs of their temporary theatre at Addington.
 - (b) \$250,000 to The Loons (Lyttelton Workingmen's Club) toward the costs of rebuilding the Theatre.
 - (c) \$3,500 to the Gordon Scout Group towards the shortfall between the insurance payout and the cost of repairing the Scout Hut.
 - (d) \$70,000 to the Music Centre of Christchurch towards costs incurred in planning a replacement Music Centre.
 - (e) \$80,000 to CPIT Creative Industries Faculty towards the costs of the 'Artbox' project, providing workspace for displaced artists.
 - (f) \$80,000 to CHART towards the costs of a central rehearsal space for musicians.

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15. It is recommended that the Council decline the following grant applications:
- (a) Canterbury Repertory Theatre: \$3.25 million to rebuild the Repertory Theatre.
 - (b) Be The Change NZ: \$30,000 towards workshops to help youth cope with the challenges posed by the earthquakes.
 - (c) Stephen Carbines: \$1,600 towards the costs of a specialised Earthquake trauma counselling course in Australia.
 - (d) Canterbury Charity Hospital: \$1 million towards the conversion of a newly-acquired building as an earthquake counselling centre.
 - (e) Little River Wairewa Community Trust: \$138,000 towards setting up a new social services centre for local residents.
 - (f) Governor's Bay Volunteer Fire Brigade: \$6,000 towards additional furniture for meetings displaced from the earthquake-damaged Community Hall.
 - (g) Burwood Academy: \$25,000 towards a research project into people with multiple trauma due to the earthquakes.
 - (h) The Merevale Corner: \$1,000 a month towards the rent of alternative storage space for the furniture and equipment from the centre.
 - (i) Pulzar FM: \$50-80,000 to allow the radio station to re-start broadcasting.

MAYORAL RECOMMENDATION

16. That the staff recommendations be adopted.

BACKGROUND (THE ISSUES)

Request for a Grant from the Court Theatre

17. The Court Theatre was taken out of action by the February earthquake and so the Trust has developed a temporary theatre at Addington called 'The Shed'. The total cost of the project is \$4.6 million, of which the Prime Minister's Christchurch Earthquake Appeal Trust has provided \$2.5 million, Creative New Zealand has been asked for \$500,000 and the Trust itself will provide \$750,000. The Trust has also approached other funds including the Canterbury Community Trust and Gaming Trusts. The recommended grant of \$100,000 is intended to help with the funding of the temporary theatre.

In the longer term, the Trust intends to rebuild a theatre in the central city and this is allowed for in the draft Central City Plan. When that happens, the temporary theatre in Addington will provide a secondary theatre venue for the city.

Request for a Grant from The Loons (Lyttelton Workingmen's Club)

18. The Loons Theatre was seriously damaged in the February earthquake. Total rebuilding costs including a refit of the stage and audience staging come to \$495,000 + GST. Insurance has paid out \$150,000 and the Prime Minister's Christchurch Earthquake Appeal Trust has also provided \$65,000 towards the fitting out costs of the Theatre. This leaves a shortfall of \$280,000 + GST.
19. In 2011, the venue was used for 117 performances, including a wide range of community events, school discos, plays, speech and drama competitions. The draft Lyttelton Master Plan includes proposals for the development of a 'black-box' theatre and the rebuilding of the Loons would be consistent with this objective, as well as providing a valuable venue and stimulus for the rebuilding of Lyttelton.

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20. The recommended grant of \$250,000 would contribute towards the shortfall between the insurance payout and the total project costs.

Request for a Grant from the Gordon Scout Group

21. The Gordon Scout Group is based at Burnside Park and has approximately 60 members ranging in ages from 5-16 years. The membership is made up of young people involved in cubs, scouts and venturers. They also have ten adult leaders who work alongside and support the young people. They have a good relationship with the Council's Community Recreation Advisers and are involved in supporting a number of local community events including Culture Galore which is held each year at Ray Blank Park in Ilam.
22. The recommended grant of \$3,500 would cover the shortfall between the insurance paid out on the Hall and the cost of repairs. The shortfall is due to the cost of meeting improved standards for disabled access and fire precautions.

Request for a Grant from The Music Centre of Christchurch

23. The Music Centre had to move out of its base following the February earthquake and has operated out of temporary venues. The application is for costs for planning to rebuild the Centre, which are not covered by insurance. These include an architect's design brief, legal, accountancy and valuer's costs totalling \$70,000.
24. The application is in line with the Central City Plan which envisages working with the Music Centre to find a suitable central city site for a replacement Centre.

Request for a Grant from CPIT Artbox

25. CPIT Creative Industries Faculty has created a prototype mobile building called 'Artbox' to provide gallery, shop or studio space for artists displaced by the earthquakes. Sites for Artboxes have been identified on the CPIT site and at Sydenham.
26. CPIT is seeking \$80,000 towards total project costs of \$487,000. Businesses have provided approximately \$110,000; the CPIT Foundation has provided \$50,000, Christchurch Art Gallery \$80,000 and an art auction provided \$60,000. The recommended grant of \$80,000 would go towards the costs of design and prototyping of the Artbox building.
27. The project is in line with proposals in the Draft Central City Plan to help the creative sector find cost-effective studio, workshop, exhibition and retail spaces with the Central City, and help facilitate the affordable or free use of vacant buildings and sites until these are redeveloped.

Request for a Grant from CHART

28. The CPIT Creative Industries Hub has also put forward an application for specialised temporary space for musicians, who have lost a number of rehearsal spaces and studios in the earthquakes. The proposal is to provide a central rehearsal space, using modular buildings which are an evolution of the Artbox design. These will provide sound-proofed rooms in a portable re-usable building.
29. CPIT has provided \$80,000 to CHART (which is a Charitable Trust) towards a total project cost of \$252,000 + GST. The UK Earthquake Recovery Fund has provided \$50,000; the Vodafone Fund has provided \$25,000 and CD sales have raised \$5,000 in donations. CHART is also seeking funding from other sources. A recent survey shows that the music industry supports the proposal.
30. The recommended grant of \$80,000 would cover the estimated rental costs for the space used by CHART.

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Applications for grants which are ineligible

31. Staff recommend that the following requests for grants are declined:

(a) Canterbury Repertory Theatre

The Trust wants to rebuild the Repertory Theatre, which was demolished following the February earthquake, at a cost of \$3.25 million. Council recognises that the theatre has a long and proud history in the city but note that the proposal is not consistent with the Central City Plan which identifies a range of other projects to support the arts including performing arts groups. Staff therefore recommend that this application should be declined and the Trust be invited to work with council planners to optimise their desires with the overall city design.

(b) Be The Change NZ

The organiser wants to run 'Be The Change' workshops for youth in schools at a cost of \$30,000. The workshops would help youth cope with the challenges posed by the earthquakes. This application does not meet the criteria as it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

(c) Stephen Carbines

The applicant has enrolled on a specialised Earthquake trauma counselling course in Australia and is applying for part-funding for the course of \$1,600. This application does not meet the criteria as it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

(d) Canterbury Charity Hospital

The Trust is setting up an earthquake counselling centre in a newly-acquired building at 351 Harewood Road and seeking \$1 million towards the conversion of the building for this purpose. However, the purpose of the application is not directly related to rebuilding the social and physical infrastructure of Christchurch – rather it is an expansion of an already-existing facility. Staff therefore recommend that this application should be declined.

(e) Little River Wairewa Community Trust

The Trust wants to set up a new social services centre for local residents, especially children, at a cost of \$138,000. This application does not meet the criteria as it is a new facility and so it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

(f) Governor's Bay Volunteer Fire Brigade

The fire service has bought additional furniture for meetings displaced from the earthquake-damaged Community Hall at a cost of \$6,000. This is not a rebuilding scheme and so it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

(g) Burwood Academy

The Academy wishes to fund research into people with multiple trauma due to the earthquakes and has requested \$25,000 towards this project. This is not a rebuilding scheme and so it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

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(h) The Merevale Corner

The community centre at St Mary's has been closed due to earthquake damage. The Corner is asking for a grant to cover the rent of alternative storage space for the furniture and equipment from the centre at a cost of \$1,000 a month. This is not a rebuilding scheme and so it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

(i) Pulzar FM

The radio station is off the air due to a shortfall in advertising sponsorship and so has asked for a grant of \$50-80,000 to allow it to re-start broadcasting. This is not a rebuilding scheme and so it is not related to rebuilding the infrastructure of the city. Staff therefore recommend that this application should be declined.

| Date Application Form Received | Applicant | Type | Purpose Description | Amount Sought | Mayor's Recommendation | Council Decision | Amount Approved |
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| N/A | CCC - City Environment | Organisation | Interment Site for the Unidentified Victims of the 22 February 2011 Christchurch Earthquake | \$170,000.00 | Approved | Resolved 9 June 2011 Council meeting | \$170,000.00 |
| 9 June 2011 | Hagley Golf Club Inc | Business | Operating costs | \$40,000.00 | Approved | Resolved 9 June 2011 Council meeting | \$40,000.00 |
| 20 May 2011 | The Tramway Historical Society Inc | Organisation | Building costs associated with housing of trams | \$49,700 1st installment and any shortfall up to \$39,761 2nd installment | Approved | Resolved 23 June 2011 Council meeting | \$49,700.00 |
| 24 May 2011 | CCC - Central City Plan Project Team | Organisation | International Speakers Series and Event for Christchurch Professionals | \$300,000.00 | Approved | Resolved 23 June 2011 Council meeting | \$300,000.00 |
| 1 July 2011 | CCC - City Environment | Organisation | Council projects as agreed with Auckland City Council | \$1,500,000.00 | Approved | Resolved 28 July 2011 Council meeting | \$1,500,000.00 |
| 4 July 2011 | Sumner Urban Design Group (MC Architecture) | Group | The applicant is seeking funds for office and staffing costs to help support and continue Sumner's community-led master planning approach to help support and direct the recovery/rebuild. | \$149,800 | Approved for lesser amount of \$13,350 | Resolved 27 October 2011 Council meeting | \$13,350.00 |
| 4 August 2011 | Halswell Hall Inc | Incorporated Society/Charitable Trust | <p>The Halswell Hall is a community owned hall and was built in 1913 with money raised by local people on land which is believed to be donated by Sir Cecil Rhodes. It is used by Drama, Indoor Bowls, Garden, Dancing, Tai Chi, Probus, Craft, Walking, AA, Women in Motion and Tai Kwon Do, Clubs on a weekly basis. Other organisations on an as needed basis and local people use it for social occasions on a regular basis. The local Police have an office in the hall.</p> <p>The Trust is seeking funds to cover building repairs not covered by their insurance claim.</p> <p>The Trust has advised the total cost is \$786,467.31 but that their insurance will cover \$669,891.93 leaving a shortfall of \$116,575.38. The Trust is only seeking \$50,000 as they believe they can raise the remainder and organizing local fundraising. It should be noted that some of this money will be used to upgrade the kitchen of the hall. A detailed schedule is attached to their application.</p> | \$50,000.00 | Approved | Resolved 27 October 2011 Council meeting | \$50,000.00 |

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| 31 August 2011 | Heathcote Cricket Club | Incorporated Society/Charitable Trust | Repairs to infrastructure | \$95,000.00 | Approved | Resolved 24 November 2011 Council meeting | \$95,000.00 |
| 23 August 2011 | Council of Social Services in Christchurch | Incorporated Society | Furniture storage | \$1,130.00 | Approved | Resolved 24 November 2011 Council meeting | \$1,130.00 |
| 20 October 2011 | Athletics Canterbury | Incorporated Society/Charitable Trust | Establishment of a new athletics facility at Rawhiti Domain replacing QEII | \$45,000.00 | Approved | Resolved 8 December meeting | \$45,000.00 |