

# **CHRISTCHURCH CITY COUNCIL AGENDA**

**THURSDAY 15 MARCH 2012**

**9.30AM**

**COUNCIL CHAMBER, CIVIC OFFICES,  
53 HEREFORD STREET**

## CHRISTCHURCH CITY COUNCIL

**Thursday 15 March 2012 at 9.30am**  
**in the Council Chamber, Civic Offices, 53 Hereford Street**

**Council:** The Mayor, Bob Parker (Chairperson).  
Councillors Peter Beck, Helen Broughton, Sally Buck, Ngaire Button, Tim Carter, Jimmy Chen,  
Barry Corbett, Jamie Gough, Yani Johanson, Aaron Keown, Glenn Livingstone, Claudia Reid and  
Sue Wells.

ITEM NO	DESCRIPTION
1.	APOLOGIES
2.	CONFIRMATION OF MINUTES - COUNCIL MEETING OF 1.3.2012
3.	DEPUTATIONS BY APPOINTMENT/PUBLIC FORUM
4.	PRESENTATION OF PETITIONS
5.	REQUESTS ARISING FROM PREVIOUS PUBLIC FORUM
6.	COMBINED COMMUNITY BOARD REPORT FROM MEETINGS HELD BETWEEN 17 FEBRUARY AND 14 MARCH 2012
7.	INFRASTRUCTURE REBUILD MONTHLY REPORT
8.	CHRISTCHURCH CITY COUNCIL LEVELS OF SERVICE UPDATE
9.	HERITAGE REINSTATEMENT PROGRAMME – LINWOOD COMMUNITY ARTS CENTRE EARTHQUAKE REPAIRS
10.	HERITAGE REINSTATEMENT PROGRAMME – AVEBURY PARK EARTHQUAKE REPAIRS
11.	FACILITIES REBUILD PLAN – 245 MILTON STREET
12.	NOTICES OF MOTION
13.	RESOLUTION TO EXCLUDE THE PUBLIC

**15. 3. 2012**

- 1. APOLOGIES**
- 2. CONFIRMATION OF MINUTES - COUNCIL MEETING OF 1.3.2012**

Attached.

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**3. DEPUTATIONS BY APPOINTMENT/PUBLIC FORUM**

Roger Sutton, Chief Executive, Canterbury Earthquake Recovery Authority.

**4. PRESENTATION OF PETITIONS**

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5. REQUESTS ARISING FROM PREVIOUS PUBLIC FORUM

Officer responsible:	Chief Executive
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PURPOSE OF REPORT

1. This report provides information, or an update on progress to provide that information, in response to queries arising from previous public forums.

EXECUTIVE SUMMARY

2. At its meeting on 1 December 2011, the Council requested that each agenda for Council Earthquake meetings include a report answering questions asked/issues raised in the public forum section of previous meetings. **Attachment one** provides information on the issues raised by public forum participants at the Council's meetings on 16 February and 1 March.

STAFF RECOMMENDATION

It is recommended that the Council note the information contained in attachment one on responses to issues that have been raised during the public forum agenda item of the 16 February and 1 March 2012 Council meetings.

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**6. COMBINED COMMUNITY BOARD REPORT FROM MEETINGS HELD BETWEEN 17 FEBRUARY AND 14 MARCH 2012**

Attached.

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### 7. INFRASTRUCTURE REBUILD MONTHLY REPORT

<b>General Manager responsible:</b>	General Manager Capital Programme, DDI: 941-8528
<b>Officer responsible:</b>	Infrastructure Rebuild Client Manager
<b>Author:</b>	Will Doughty - Infrastructure Rebuild Leader

#### PURPOSE OF REPORT

1. To provide the Council with a monthly update on the infrastructure rebuild.

#### EXECUTIVE SUMMARY

2. At its 28 April 2011 meeting, the Council gave approval for an Alliance to be formed to deliver the reinstatement of the City's damaged infrastructure. It was also agreed that the Chief Executive would report regularly to the Council on progress with regard to the reinstatement work.
3. The report (**Attachment A**) is the sixth of what will be a regular monthly report that is provided to both Council and the Canterbury Earthquake Recovery Authority (CERA).

#### STAFF RECOMMENDATION

It is recommended that the Council receives the Infrastructure Rebuild Monthly Report for March 2012.

8. CHRISTCHURCH CITY COUNCIL LEVELS OF SERVICE UPDATE

<b>General Manager responsible:</b>	General Manager Corporate Services, DDI: 941-8528
<b>Officer responsible:</b>	Manager Planning and Performance
<b>Author:</b>	Peter Ryan - Manager Planning and Performance

**PURPOSE OF REPORT**

1. To brief the Council on circumstances affecting the Levels of Service approved in the Long Term Council Community Plan 2009-19 / Annual Plan and to recommend variations for the current year.

**EXECUTIVE SUMMARY**

2. Levels of Service exist to ensure that the Council's performance standards are transparent to the community and that staff have clear direction on what they must deliver. Ideally they should be kept relevant even in a changing environment. Council approved 623 levels of service as part of the 2009-19 LTCCP and has approved a number of amendments to these via its Annual Plans over the past three years. The last amendments were as part of the 2012/13 Annual Plan process when the Council approved a number of changes as a result of the earthquakes.
3. The majority of the Council's levels of service and targets are still achievable. However there are some targets staff are recommending be adjusted because new information has become available. Further, there are other levels of service that did not previously exist that are recommended for adoption.

**FINANCIAL IMPLICATIONS**

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

4. Yes. The recommended changes do not carry any additional financial implications.

**LEGAL CONSIDERATIONS**

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

5. The recommendation is in line with the Local Government Act 2002. Keeping performance standards transparent and current is a basic tenet of the Act.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

6. This recommendation would keep targets relevant until the next Annual Plan and the rigorous overhaul that will occur as part of the 2013 Long Term Plan process (note that the latter commences with Council workshops from April 2012, however any changes arising will not take effect until July 2013, hence the need for a stopgap solution).

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

7. As above.

**Consultation fulfilment**

8. Consultation on the Council's levels of service occurs via the Special Consultative Procedure in the LTCCP / Annual Plan process. The measures and targets proposed for change (with the exception of those coming from Canterbury Development Corporation (CDC) and Christchurch and Canterbury Tourism (CCT)) have been consulted upon in this way. Legal Services advises that to amend levels of service during the year in which they apply, Council must approve those changes and ensure that the changes are highlighted in the Annual Report. This is also in line with advice from Audit New Zealand.



8 Cont'd

**STAFF RECOMMENDATION**

It is recommended that the Council:

- (a) adopt the recommended changes to targets for 2011/12 outlined in **Attachments 1 and 2**, and
- (b) adopt the additional levels of service in **Attachment 3**.

**BACKGROUND**

9. There are several reasons for re-examining performance targets. These include:
  - the direct effects of the June and December aftershocks on current-year targets (note that targets were set before the June and December events)
  - the consequential effects of the February 2011 earthquake (for example the closure of the Art Gallery for earthquake repairs in 2011 and 2012 were not known when the Council resolved on its levels of service for 2011/12). This group of targets also include those where the Council requested staff report back on an updated level of service when new information became available.
  - new targets for the current 2011/12 year for CCT and CDC. The Council resolved as part of its 2011/12 Annual Plan that all levels of service for CCT and CDC would be revised in the light of the earthquakes.
10. The appendices attached contain level of service changes recommended by staff across the Council. They make up approximately 20 percent of all CCC levels of service.
11. Note that the recommendations in this report apply only to changes proposed for the current year. Any proposals for change in the coming 2012/13 year will be presented to the Council separately in the recommended draft Annual Plan in early April 2012. If they are approved, they will then proceed through normal community consultation procedures.

**THE OBJECTIVES**

12. To provide the community and staff with a clear and current picture of what must be achieved in terms of service delivery.

**THE OPTIONS**

13. It is possible to leave all targets as they stand, however in many instances they reflect a situation that no longer exists. In the case of CDC and CCT, not adopting the changes set by their boards will mean a misalignment with those already set in the Annual Plan.
14. This would be misleading for the community and diminish the value of the Council reports, which include levels of service tracking. In addition, Council management uses Council-approved levels of service as performance targets for accountable staff. Updating them for previously unforeseen information ensures staff are focused on delivering the services that Council has approved to the appropriate standard.

**THE PREFERRED OPTION**

15. To consider and adopt the recommended variations to targets.

9. HERITAGE REINSTATEMENT PROGRAMME – LINWOOD COMMUNITY ARTS CENTRE EARTHQUAKE REPAIRS

<b>General Manager responsible:</b>	General Manager Corporate Services, DDI: 941-8528
<b>Officer responsible:</b>	Property Asset Manager
<b>Author:</b>	Rachel Shaw – Heritage Reinstatement Programme Manager

**PURPOSE OF REPORT**

1. To seek approval to move forward with the post-earthquake permanent repair at Linwood Community Arts Centre (also known as Linwood Public Library Former), located at 388 Worcester Street.



**EXECUTIVE SUMMARY**

2. Linwood Community Arts Centre is listed in the City Plan as a Group 1 heritage building. Its heritage significance is also recognised by the New Zealand Historic Places Trust Pouhere Taonga who register the building as a Category II Historic Place.
3. The building was first constructed in 1885 as offices for the Linwood Town Board and was extended in 1924.
4. The building suffered some damage in the September earthquake but was severely impacted by the 6.3 magnitude earthquake on 22 February.
5. Damage was predominantly to the south end of the building and included the collapse of the rear brick wall, significant movement to the west wall which was forced outwards by the collapse of the roof in the south main hall, general cracking of plaster to walls and ceilings and the collapse of brick chimneys.
6. The building is insured for \$509,416 (inclusive of 10 percent policy margin clause), the total repair budget is \$537,500 designed to 90 percent of code.
7. The total cost exposure for Council is \$35,884. This sum includes \$7,800 of repair costs from the 23 December earthquake and \$28,084 due to the overall repair job exceeding the insured value. This shortfall is being requested from the Buildings Shortfall Allowance.
8. The 90 percent target supports the Council's 'Earthquake-Prone, Dangerous and Insanitary Buildings Policy 2010'. This policy states that the new target for structural strengthening to a minimum of 67 percent of code. By default the design methodology chosen for this building increases the damaged portion above 67 percent NBS.

**GEOTECH SUMMARY & ENGINEERING ASSESSMENT**

9. A preliminary geotechnical assessment was carried out which confirmed there was no evidence of liquefaction-induced settlement or lateral spreading at the site. No further geotechnical work was required.
10. The Qualitative Assessment completed in September calculated the buildings strength at zero percent NBS. This is due to the south end of the building. The north end of the building was calculated at 90 percent NBS.

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11. The proposed repair solution will increase the damage portion to 100 percent NBS. The existing portion remains at 90 percent to 100 percent NBS without additional strengthening. The overall building strength will therefore be considered at 90 percent NBS.

#### INSURANCE & STRENGTHENING COSTS

12. By default the design methodology chosen for the damage portion results in no cost difference between achieving 34 percent NBS or percent 100 NBS.
13. Tim Stephenson (Loss Adjuster for Cunningham & Lindsey) has provided the following statement:

*"The asset-specific sum insured of the building is \$463,105. As this is less than the cost of replacement of the building, the policy's margin clause (10%) is available for the reinstatement of the building; this increases the maximum available amount to \$509,416. Comparing this to the cost of repair, the asset is considered by insurers and the LAT to be beyond economical repair against its sum insured.*

*Insurers accept the specification and scope as a fair and accurate reflection of insured damage and can support a maximum claim amount for this asset (all claimable costs, demolition included) to a maximum amount payable of \$509,416".*

#### BETTERMENT

14. The building has not been insured since 1 July 2011. A further shortfall of \$7,800 has been calculated following the Q4 23/12/2011. This sum is to repair new hairline cracking and includes the related painting of these additional walls. It is recommended that this work is carried out during the repair programme.

#### FINANCIAL IMPLICATIONS

15. The total cost exposure to the Council ranges from \$28,084 to \$35,884. This incorporates damage following the December 23rd earthquake and a shortfall as a result of the repair work exceeding the insured value.
16. It is recommended that this shortfall be allocated from the Buildings Shortfall Allowance.

Option 1: TO REPAIR TO 90% NBS (inclusive of Q4 damage)

Repair Elements:	Insurer to Pay:	Council to Pay:
Repairs to NBS 90%	\$509,416	\$28,084
Other Betterment	\$0	\$0
Q4 Repairs	\$0	\$7,800
<b>TOTAL:</b>	<b>\$509,416</b>	<b>\$35,884</b>

Option 2: TO REPAIR TO 90% NBS (exclusive of Q4 damage)

Repair Elements:	Insurer to Pay:	Council to Pay:
Repairs to NBS 90%	\$509,416	\$28,084
Other Betterment	\$0	\$0
Q4 Repairs	\$0	\$0
<b>TOTAL:</b>	<b>\$509,416</b>	<b>\$28,084</b>

#### BENEFIT OF REPAIR

17. The repaired asset will serve as a reminder and evidence of our past history. In particular this building is one of the few remaining buildings of evidence that each community used to be a borough (note Woolston and Sumner Borough Council buildings have now been demolished).

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18. It will allow continued use of the building in the community as a meeting place and a centre for arts. There is a strong Linwood arts centre group a project of Te Whare Roimata Trust focusing on the needs of people in the Inner City, Linwood, Richmond, Phillipstown and Charleston communities.
19. It will start the rebuild of this community which has lost a number of the buildings at this intersection.

#### RISK OF DOING NOTHING

20. The asset will continue to deteriorate and the risk of vandalism will increase.

#### HERITAGE SUMMARY

21. The building is of cultural significance for its association with local government, and use as a volunteer-run suburban public library. The building has strong connections with the surrounding community, having housed and provided services ranging from local governance to recreation and education uses in the area for 125 years.
22. It was designed by Joseph Maddison, a successful city architect around the turn of the century. Maddison was a specialist in the design of hotels and industrial buildings, but also designed commercial and residential buildings. Maddison designed the Mona Vale Homestead, Belfast freezing works and the former Government Building in Cathedral Square, the latter is a good example of the classical style that he favoured for public buildings.
23. Originally built as the Linwood Borough Council Buildings and later Linwood Library, the timber constructed Linwood Community Arts Centre features Italianate stylistic conventions, with decorative elements that reflect Maddison's use of the classical style.
24. The building is a key element within the Stanmore Road shopping precinct. Its prominent corner location, community use and architectural style give this building considerable landmark value within Linwood.

#### Do the Recommendations of this Report Align with LTCCP budgets?

25. No. The purpose of this report is to gain approval for permanent repair / reinstatement works on heritage buildings as per Council policy.

#### LEGAL CONSIDERATIONS

26. Not applicable.

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

27. As above.

#### ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

28. No. The purpose of this report is to gain approval for permanent repair / reinstatement works on heritage buildings as per Council policy.

#### Do the recommendations of this report support a level of service or project in the LTCCP?

29. As above.

#### ALIGNMENT WITH STRATEGIES

30. Yes. The purpose of this report supports the facilities rebuild strategy and assists with the rebuild of Christchurch.

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31. The Council's Strengthening Communities Strategy has as Goal 5 "Ensuring that communities have access to community facilities that meet their needs." The rebuilding of the Linwood Community Arts Centre is considered to be an integral component of the rebuild of the Linwood community.

#### **Do the recommendations align with the Council's strategies?**

32. Yes, refer above.

#### **CONSULTATION FULFILMENT**

33. Not applicable. Communication and consultation will be a project workstream.

#### **STAFF RECOMMENDATION**

34. It is recommended that the Council:
- (a) Approve the insurance reinstatement / repairs for Linwood Community Arts.
  - (b) Approve the cost of \$28,084 for increasing the overall building strength to 90 percent NBS (from the Buildings Shortfall Allowance).
  - (c) Approve the betterment cost of \$7,800 for repairs resulting from the 23 December event (from the Buildings Shortfall Allowance).

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### 10. HERITAGE REINSTATEMENT PROGRAMME – AVEBURY PARK EARTHQUAKE REPAIRS

<b>General Manager responsible:</b>	General Manager Corporate Services, DDI: 941-8528
<b>Officer responsible:</b>	Property Asset Manager
<b>Author:</b>	Rachel Shaw – Heritage Reinstatement Programme Manager

#### PURPOSE OF REPORT

1. To seek approval to move forward with the post-earthquake permanent repair at Avebury House (also known as Avebury Park Residence).



#### EXECUTIVE SUMMARY

2. Avebury House is a non-listed but valued Heritage Building located in the midst of Avebury Park, Eveleyn Couzins Avenue, Richmond. Though Avebury House is not currently listed in the City Plan it has been assessed as having metropolitan heritage significance. It sits within the Council's Restricted Assets portfolio.
3. The building suffered moderate damage in the September earthquake and additional damage was sustained following the 6.3 magnitude earthquake on 22 February.
4. Damage is typical of a weatherboard construction. This included general cracking of plaster to walls and ceilings, damage to foundation walls, movement of building on foundation and the collapse of brick chimneys.
5. The building is insured for \$1,030,397, the total repair budget is \$930,000 designed to 100 percent of code.
6. The total cost exposure for the Council is \$43,174. This sum includes \$600 of repair costs from the 23 December earthquake and \$42,574 to strengthen the building from 34 percent to 100 percent NBS. This shortfall is available from the existing Restricted Assets 2011/12 Capex Budget.
7. The difference between the cost of strengthening to 67 percent and 100 percent is negligible (\$21,294 or approximately 2.3 percent of total budget).

#### GEOTECH SUMMARY & ENGINEERING ASSESSMENT

8. A geotechnical assessment was completed given the slumping to the south east corner of the building. The geotechnical recommendations have been incorporated into the design and repair solution.
9. The Qualitative Assessment completed in September calculated the building's strength at 45 percent NBS. The recommended repair solution involves increasing the building's strength to 100 percent of NBS.

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**INSURANCE & STRENGTHENING COSTS**

10. Tim Stephenson (Loss Adjuster for Cunningham & Lindsey) has provided the following statement:

*“Insurers accept the specification and scope (with strengthening to 34%, and without consideration of recent damage) as a fair and accurate reflection of insured damage and can support reinstatement as per the supported specification. The cost of this is presently estimated at \$887,426 however this may fluctuate as repairs progress. We observe that specific sums insured apply in every case”.*

11. This results in a shortfall of between \$21,280 and \$42,574 subject to the strengthening solution agreed by the Council.

<b>Proposed Building Strength:</b>	<b>Cost of Strengthening:</b>	<b>Cost Exposure to Council</b>
NBS 100%	\$107,174	-\$42,574
NBS 67%	\$85,894	-\$21,280
NBS 34%	\$64,600	\$0

12. The building has not been insured since 1 July 2011. A further shortfall of \$600 has been calculated following the Q4 23/12/2011 event. It is recommended that this work is carried out during the repair programme.

**FINANCIAL IMPLICATIONS**

13. The total cost exposure to the Council ranges from \$21,880 to \$43,174. This incorporates damage following the 23 December earthquake and the shortfall from strengthening work.
14. It is recommended that existing funding within the Restricted Assets 2011/12 Capex Budget be allocated to cover this shortfall.

**Option 1: TO REPAIR TO 100% NBS**

<b>Repair Elements:</b>	<b>Insurer to Pay:</b>	<b>Council to Pay:</b>
Repairs to NBS 34%	\$887,426	\$0
Repairs to NBS 100%	\$0	\$42,574
Other Betterment	\$0	\$0
Q4 Repairs	\$0	\$600
<b>TOTAL:</b>	<b>\$887,426</b>	<b>\$43,174</b>

**Option 2: TO REPAIR TO 67% NBS**

<b>Repair Elements:</b>	<b>Insurer to Pay:</b>	<b>Council to Pay:</b>
Repairs to NBS 34%	\$887,426	\$0
Repairs to NBS 67%	\$0	\$21,280
Other Betterment	\$0	\$0
Q4 Repairs	\$0	\$600
<b>TOTAL:</b>	<b>\$887,426</b>	<b>\$21,880</b>

15. We strongly recommend repairing to 100 percent NBS. This involves removing the plywood and patching the existing damaged areas with either braceline or plaster. There is no negative impact on the existing heritage fabric as this will have been removed in any case.
16. It is estimated that the additional work for achieving 100 percent NBS will add an extra one-week to the project timeline.

**10 Cont'd**

**BENEFIT OF REPAIR**

17. The repaired asset will serve as a reminder and evidence of our past history. This includes association with the early development of the area, the youth hostel movement and the gifting of early estates to local government for community use.
18. It will allow continued use of the building as a vital meeting place for community and voluntary sector networks as well as being a local resource centre.
19. It hosts a commercial kitchen which could be widely utilised for functions and other formal events, e.g. weddings.
20. With the loss of Shirley Community Centre, which is close by, this building will become more important in providing a centre for the community groups displaced from there.

**RISK OF DOING NOTHING**

21. The asset will continue to deteriorate and the risk of vandalism will increase.
22. Displaced community groups will have nowhere to go and communities will continue to struggle to find suitable meeting venues.

**HERITAGE SUMMARY**

23. The house is of historical and social significance due to its association with the early development of Richmond, and with pioneer Dr Gundry, the original owner of the land, and the Flesher family, who played a significant part in municipal matters and within the local communities of Richmond, Avonside and New Brighton.
24. The house is of cultural significance on account of its present use as a community centre, and on account of it being a landmark in the community consciousness. The setting and grounds of the house have been used as a public park in council ownership for 56 years.
25. Architecturally the house is significant as a good example of the domestic architecture of local architect James Glanville, an architect who designed a number of buildings in Christchurch and Canterbury in the late 19th century and the first decade of the 20th century, few examples of which remain.
26. The house is of some technological and landmark significance, and archaeological significance. The attractive setting of the house is notable in relation to the house on account of its expansive lawn areas, planted borders, and established trees.

**Do the Recommendations of this Report Align with LTCCP budgets?**

27. No. The purpose of this report is to gain approval for permanent repair / reinstatement works on heritage buildings as per Council policy.

**LEGAL CONSIDERATIONS**

28. Not applicable.

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

29. As above.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

30. No. The purpose of this report is to gain approval for permanent repair / reinstatement works on heritage buildings as per Council policy.



10 Cont'd

**Do the recommendations of this report support a level of service or project in the LTCCP?**

31. As above.

**ALIGNMENT WITH STRATEGIES**

32. Yes. The purpose of this report supports the facilities rebuild strategy and assists with the rebuild of Christchurch.
33. The repair of Avebury House supports the Strengthening Communities Strategy by providing an opportunity for communities to be involved in the use and management of Council facilities to enhance community connectedness.

**Do the recommendations align with the Council's strategies?**

34. Yes, refer above.

**CONSULTATION FULFILMENT**

35. Not applicable. Communication and consultation will be a project workstream.

**STAFF RECOMMENDATION**

36. It is recommended that the Council:
- (a) Approve the insurance reinstatement / repairs for Avebury House.
  - (b) Approve the cost of \$42,574 for increasing the overall building strength to 100 percent NBS (from the existing Restricted Assets Capex Budget).
  - (c) Approve the betterment cost of \$600 for the repairs to the men's toilets (from the existing Restricted Assets Capex Budget).

## COUNCIL 15. 3. 2012

### 11. FACILITIES REBUILD PLAN – 245 MILTON STREET

<b>General Manager responsible:</b>	General Manager Corporate Services: DDI 941-8528
<b>Officer responsible:</b>	Strategic Property Analyst
<b>Author:</b>	Rob Hawthorne

#### PURPOSE OF REPORT

1. To seek approval to demolish a functionally obsolete, derelict Council building at Milton Street yard to enable City Care to build a portable administration block, at their expense.

#### EXECUTIVE SUMMARY

2. City Care Limited (CCL) lease a property from the Council at 245 Milton Street, Sydenham. In the northwest corner of the CCL yard is a single storey building commonly known as 'the stables'. It is believed to have been built in the 1930's and is constructed of timber trusses with a corrugated iron roof supported on exterior load bearing walls. These walls are of unreinforced double brick cavity construction, with concrete bond beams, on concrete strip footings with a timber plank floor. The building was intermittently used for storage and was considered by CCL to be of limited use to them. The building was not in good condition prior to the earthquakes and had zero value attributed to it for insurance purposes.
3. Differential ground settlement is believed to have caused cracks to open up at intervals, in some places completely through the footings, walls and bond beams. The northern wing has an expansion joint in the walls within half its length, which has also opened up. The double brick cavity walls have sustained step cracking, along with cracks at the piers beside the doors and window openings. The joint at the original and extension has opened up the full height of the walls. The bond beam (or lintel) above the west face windows has cracked and opened up above the window openings. The junctions of the interior brick cross walls with the exterior walls show cracking as well as within the interior walls.
4. The building was red-stickered and the engineer's report confirmed that the building suffered structural damage in the Canterbury earthquakes (September 2010 & February 2011) and in their view is not considered economic to repair or upgrade to current code. The engineer's recommendation is that the building be demolished.
5. CCL is on a significant growth path to meet the requirements of SCIRT as well as the other earthquake-related construction work around Canterbury. Overall CCL is planning to double its workforce over the next 12 months. CCL thinks this is achievable at the Milton Street site if it can better utilise existing buildings and the site and put in place some additional office space. One of the key issues for CCL is balancing parking, storage and office space,
6. CCL is at a critical decision point with regard to its decision to stay on Milton Street or move to alternate premises. Its preference is to stay at Milton Street and better utilise the site to achieve its accommodation needs. CCL would like to demolish, at its cost, the badly damaged and structurally unsafe 'stables' building and to replace this with a large relocatable building on the same site, also at its cost. This would provide office space for around 40 people, meeting CCL's need for the foreseeable future. The new facility is estimated to cost CCL approximately \$250,000.
7. The 'stables' building was, even prior to the earthquakes, considered by Council staff to be functionally obsolete and beyond economic repair, added minimal rental revenue and had already been removed from the list of buildings insured by Council. The building is not a listed heritage building. HPT advise the site is unlikely to contain heritage remains but this needs to be monitored during the demolition and excavation works. The proposed demolition and construction would be halted if any potential heritage items were observed and HPT consulted as required.
8. Council staff are currently completing a rental valuation to support the renegotiation of the lease with CCL for the property as a whole. The ability for CCL to address their staff accommodation needs is seen as critical to the success of these lease negotiations.

11 Cont'd

**FINANCIAL IMPLICATIONS**

9. The cost of demolition is covered by CCL.

**Do the Recommendations of this Report Align with LTCCP budgets?**

10. No. The demolition of this facility was not contemplated within the 2009 – 19 LTCCP. .

**LEGAL CONSIDERATIONS**

11. Not applicable.

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

12. As above.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

13. Not applicable.

**Do the recommendations of this report support a level of service or project in the LTCCP?**

14. Not applicable.

**ALIGNMENT WITH STRATEGIES**

15. Not applicable

**Do the recommendations align with the Council's strategies?**

16. As above.

**CONSULTATION FULFILMENT**

17. Not applicable.

**STAFF RECOMMENDATION**

It is recommended that the Council:

- (a) Approve the demolition of the building known as 'the stables' at 245 Milton Street, Sydenham.
- (b) Give permission to CCL constructing a relocatable building, subject to documentation of this arrangement within the new lease currently being negotiated.
- (c) Delegate to the Corporate Support Manager the ability to renegotiate the lease with CCL for the property as a whole.

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**12. NOTICES OF MOTION**

Nil.

**13. RESOLUTION TO EXCLUDE THE PUBLIC**

Attached.