

19. Facilities Rebuild Programme Update

Reference: 17/545882

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Confidentiality

| | |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section under the Act: | The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7. |
| Sub-clause and Reason: | s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. |
| Plain English Reason: | The figures quoted in the attachments, if disclosed, are likely to prejudice Council's commercial position at the time of tendering these works. |
| Report can be released: | 29 June 2018 End of financial year, works should be tendered. |

Public Excluded Item 19

1. Purpose and Origin of Report

Purpose of Report

- 1.1 The purpose of this report is to inform the Council of the status of the Council's Facilities Rebuild programme.

Origin of Report

- 1.2 This report is being provided to fulfil Social and Community Development Committee resolution CNCL/2017/00145 - Request staff to prepare a report on the Facilities Rebuild Programme in terms of how it operates and the nature of the projects within the programme.

2. Significance

- 2.1.1 Not applicable to this information-only report.

3. Staff Recommendations

That the Social and Community Development Committee recommends that Council:

1. Receive the information in the report.

4. Key Points

- 4.1 The Facilities Rebuild Programme ["the programme"] is the Council's Earthquake approach to managing the demolition, repair and rebuild of key suburban facilities damaged in the 2010/2011 earthquakes.

- 4.2 Key projects were prioritised by Community Boards and then Council in 2014. The key projects were bulk funded to allow the programme to operate in lieu of a global insurance settlement [which was later settled in 2015]
- 4.3 The programme comprises several hundred suburban Community Facilities including, but not limited to, toilets, libraries, community centres, sports pavilions; and Heritage Facilities including, the Sign of the Kiwi, Mona Vale, and Gaiety Hall.
- 4.4 The programme is now an estimated 75% complete with the majority of the programme expected to be delivered within budget by the end of 2018. A catalogue of facilities already complete and reopened by the Facilities Rebuild team, is provided at Attachment 1.
- 4.5 Additional unforeseen costs have arisen during this programme, due to the age of facilities and changes to building code requiring upgrades to fire systems, accessibility etc. A number of pre-existing conditions are being encountered and resolved as part of the repair.
- 4.6 The total programme fund is \$90M covering over 200 facilities across the city and the peninsula.

5. Context/Background

Establishment

- 5.1 During the first year of the programme the Council was in discussion with Loss Adjusters and Insurers about each facility on a case by case, building by building basis. Accordingly approvals to proceed with repairs or rebuild were presented to Council one by one. Some early examples of these include Aranui Community Centre, Scarborough Paddling Pool, Hei Hei Community Centre and Waltham Pool.
- 5.2 This process was time consuming and inefficient in delivering a quick, nimble and agile recovery of services across the city. At the request of The Mayor and Councillors in mid-2014, it was agreed that a prioritised programme should be prepared and associated funding supported in lieu of an insurance agreement.

Prioritisation and Cost Estimation

- 5.3 It was agreed by Councillors in 2014 that a Facilities Rebuild strategy needed to be developed. The several hundred buildings in the Council's portfolio would be prioritised. Staff reported to Council that the priority should be to work on repairing closed facilities and rebuilding demolished or "total loss" facilities. This would allow these buildings to "re-open" thus returning a level of service to the community.
- 5.4 Any non-critical facility which had passed a DEE assessment and was open under Councils' Public Occupancy Policy, had its repair deferred into the BAU maintenance programme and funded through future budgets.
- 5.5 Once this prioritisation was applied, the list was then workshopped with all the Community Boards and internal Asset Owners. The prioritisation of this list was based on criteria including Community Impact and Strategic Value, approved by the then CRAC Committee and Council in 2014.
- 5.6 The Community Impact category considered that if the damaged facility led to a reduction in level of service, operational performance or inconvenience to the community (due to a lack of other available facilities in the area) then the focus on a solution should be high. The Strategic Alignment category took into consideration a number of factors. These include whether the facility aligned with, or supported a relevant strategy, eg: Area Plans, Facility Plans, Central

Christchurch Recovery Plan and also the LTP. Facilities that align with, and support, existing or future Council Strategies and Levels of Service allow for wider public benefit and were given a higher score than those that do not.

- 5.7 This process took time but was a robust process to ensure that the key projects were prioritised. The programme being delivered now was developed using this process. The list was delineated into immediate priorities– funded as Tranche 1 via the Building and Infrastructure Improvement Allowance [Betterment Fund] and secondary priorities in Tranche 2 funded via an LTP bid.
- 5.8 The project budget for each of these prioritised buildings was compiled nearly three years ago. The accuracy of each estimate was based on a number of factors, such as a full Quantity Surveyors cost estimation exercise, a rough order cost based on a Damage Assessment, or the existing Sum Insured amount. The Facilities Rebuild team worked with Council's Insurance Team to establish the global claim amount, so a number of the figures were based on Council's insurance policy wording limitations.

Implementation

- 5.9 The Council resolved to approve the list of prioritised projects and associated funding in August 29 2014.
- 5.10 Two teams [community facilities and heritage] of professionally qualified Project Mangers had already been working for the previous two years on managing the Detailed Engineering Evaluation [DEE] assessments [structural strength of the building] and Damage Assessments [what's broken and how do you fix it] on all of these buildings. Once funding was confirmed the teams were straight into delivering the repairs and rebuilds.
- 5.11 The projects, whether they be repair or rebuild follow a typical Council delivery process. A scope of works is prepared, a concept design produced following community consultation, Community Board approval, funding secured from the programme fund and any Asset Owner input and works undertaken.

Programme Management and Operational Aspects – “how it works”

- 5.12 The overall approved funding is separable into two work streams of community facilities and heritage. The projects in each workstream are managed and delivered as a programme of work. A programme is a group of related projects managed in a coordinated manner to obtain benefits not available from managing them individually.
- 5.13 Each facility project was drawn-down from the total programme funding. This is all managed in the Council's enterprise wide Capital Programme Management System [CPMS].
- 5.14 The amount initially drawn down for each building project was the sum that was signed off by Council in the prioritisation exercise. This figure was based upon the knowledge of the damage and repair option at that time.
- 5.15 Early in the programme, an emerging issue facing the team [and by default the internal Asset Owner], was that in the majority of cases when the Facilities Rebuild team undertook repairs and strengthening work, a number of pre-existing conditions were encountered. This includes such items as deferred maintenance, accessibility upgrades triggered by building consents and new building code requirements such as fire and electrical upgrades.
- 5.16 This is a particular issue for heritage buildings as quite often intrusive investigations are not undertaken until a Resource Consent is gained. Once all linings are removed, significant unforeseen issues are encountered, such as construction detail not matching as-built drawings, dry and wet rot, etc.

- 5.17 The additional costs associated with unforeseen issues had not been allowed for in the original funding request. In essence, the earthquakes have served a “Pandora's Box” effect upon all of the buildings in the programme. This places a strain on Asset Owner budgets, as the existing Renewal and Replacement budgets do not anticipate the level of additional needs coming all at once.
- 5.18 Allowing the programme to function financially as a singular programme budget has allowed the Facilities Rebuild team to manage the additional costs associated with the unforeseen issues mentioned above. A report was taken to ELT seeking approval to manage the additional costs from the overall programme contingency [the contingency] in July 2015 and subsequently approved. The Asset Owner is still required to fund any betterment and genuine maintenance issues. All financial approvals align to Council financial delegations.
- 5.19 The original budget compared with the final completed project cost can be different for many reasons, as alluded to above. The “gap” funding is a combination of the contingency, Asset Owner funding contribution to the project and in some cases third party funding such as Lions and Christchurch Earthquake Appeal Trust.
- 5.20 The Facilities Rebuild programme contingency was set at \$15M or 20% of the total \$90M repair and rebuild estimate.
- 5.21 The contingency fund has been dutifully managed over the past 3 years to allow for ‘unders and overs’ across the projects in the programme. Many projects have been completed within the original budget approved by Council. This project surplus is returned to the programme contingency. Conversely, some projects require additional funding, for reasons as illustrated above, and are therefore put forward as candidates for top up from the contingency.
- 5.22 It should be noted that recently, Council resolved to allocate \$4M of the contingency to the Nga Puna Wai Sports Hub project.
- 5.23 A summary of the remaining programme contingency fund of \$6.7M and possible candidates requiring access to this fund are contained in Attachment 2.
- 5.24 There are still a large number of candidates seeking potential access to the contingency and it currently indicates that the fund is over-subscribed by \$8.9M.
- 5.25 It is recommended that towards the end of this current financial year 17/18, a review of the remaining contingency is undertaken and reported back to Council.

Programme Governance

- 5.26 The programme has been in operation now for three years. The financial management is undertaken within the functions of the Council’s overall capital programme.
- 5.27 All projects are drawn down from the approved programme fund in CPMS.
- 5.28 In circumstances where a project budget requires “topping up”, a Change Request is prepared by the Project Manager and submitted through a multi-stage approval process; encompassing the Unit Manager accountable for overall programme budget, Financial Manager, PMO staff, Asset Owner and in some cases the ELT Capital Governance function.
- 5.29 Similarly, in a case where a project has been completed and there is a surplus, a Change Request is also prepared to return funds to the overall programme.
- 5.30 With regard to reporting to Elected Members, the programme has been reporting every month for three years to Committees, including currently to the Social and Community Development Committee. The report contains information on current phase, next steps and proposed opening dates.

- 5.31 Community Boards have, in a large number cases, also provided governance over the approval of new build concept designs, such as Heathcote Community Centre, Matuku Takotako and Riccarton Community Centre.

Attachments

| No. | Title | Page |
|---------------------|-----------------------------------------------------------------------------|------|
| A ↓ | Attachment ONE Community Facilities and Heritage Open to Public August 2017 | 14 |
| B ↓ | Attachment TWO FR Work left to complete v Contingency | 22 |

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

Signatories

| | |
|--------------------|----------------------------------------------------------------------------------------------------------|
| Author | Darren Moses - Manager Capital Delivery Community |
| Approved By | Mary Richardson - General Manager Citizen and Community David Adamson - General Manager City Services |

ATTACHMENT 2

Opened to Public - Community Facilities and Heritage

Opened to Public 2017



Sumner Library, Community Centre & Museum
Linwood-Central-Heathcote CB/ 19 August 2017



Bishopdale Library and Community Centre
Fendalton-Waimairi-Harewood CB/ 22 July 2017



Hagley Park North - Bandsman Memorial Rotunda
Linwood-Central-Heathcote CB/ 5 July 2017



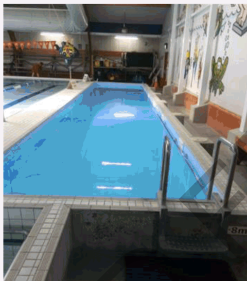
Governors Bay Old School House
Banks Peninsula CB/ 30 June 2017



Coronation Library (Akaroa)
Banks Peninsula CB/ 16 June 2017



Akaroa Court House
Banks Peninsula CB/ 16 June 2017



Wharenui Pool Building Strengthening
Halswell-Hornby-Riccarton CB/ 13 June 2017



Lyttelton (Upham) Clock Tower
Banks Peninsula CB/ 7 June 2017



Hagley Park North - RSA Bowling-Petange Club
Linwood-Central-Heathcote CB/ 5 June 2017



Sign of the Takahe
Spreydon-Cashmere CB/ 22 May 2017



Custom House, Akaroa
Banks Peninsula CB/ 8 April 2017



Parklands Library - Landscaping
Coastal- Burwood CB/ 21 April 2017



Lyttelton Library, Service Centre and Integration with Library EQ Repairs
Banks Peninsula CB/ 13 March 2017



Stoddart Cottage – Earthquake repairs - Heritage
Banks Peninsula CB / March 2017



New Brighton Library EQ Repair
Coastal- Burwood CB/ 13 Feb 2017

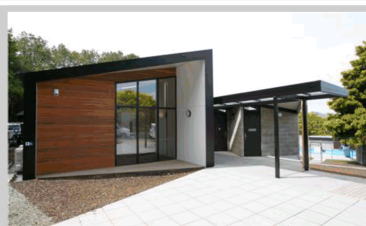


Kapuatohe Museum – EQ Repair and Strengthening. Heritage
Fendalton-Waimairi-Harewood CB / February 2017



Pioneer Womens Shelter
Linwood-Central-Heathcote CB/
February 2017

Opened to Public 2016



Governors Bay community centre
Banks Peninsula CB/ 14 December 2016



Heathcote Combined Community Facility
Linwood-Central-Heathcote CB/
14 December 2016



Memorial Cemetery Toilets – New Exeloo
Linwood-Central-Heathcote CB / 12 December 2016



Waimairi Cemetery Toilets- Strengthened
Fendalton-Waimairi-Harewood CB/12 December 2016



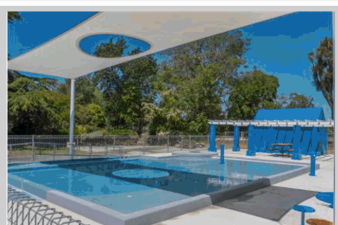
Woodham paddling pool
Linwood-Central-Heathcote CB / 8 December 2016



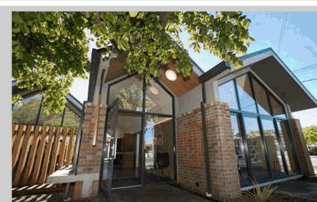
Redcliffs Library
Linwood-Central-Heathcote CB / 2 December 2016



Mona Vale Homestead – EQ Repair, Strengthening and Maintenance- Heritage
Halswell-Hornby-Riccarton CB/ 25 November 2016



Avebury paddling pool
Linwood-Central-Heathcote CB / 23 November 2016



St Martins Community Facility (Former St Martins Public Library)
Spreydon-Cashmere CB/ 21 November 2016



Edgar Macintosh paddling pool
Papanui-Innes CB / 20 November 2016



Abberley paddling pool
Fendalton-Waimairi-Harewood CB/17 November 2016



Spencer Park paddling pool
Coastal- Burwood CB/ 5 November 2016



Cave Rock Signal Box – EQ Repairs- Heritage
Linwood-Central-Heathcote CB / November 2016



Sign of the Kiwi – EQ Repairs and Strengthening- Heritage
Spreydon-Cashmere CB/ November 2016



Kaianga Hall toilets
Papanui-Innes CB / 21 October 2016



English Park - EQ Repairs
Papanui-Innes CB / 21 October 2016



Mona Vale Fernery – EQ Repairs and Strengthening - Heritage
Halswell-Hornby-Riccarton CB / October 2016



Denton Oval - Grandstand & Amenities
Halswell-Hornby-Riccarton CB/ 28 September 2016



Lytelton Mt Herbert Board Room Replacement (25 Canterbury Street)
Banks Peninsula CB / 7 September 2016



Pigeon Bay Campground Toilet -
Banks Peninsula CB / 3 August 2016



Somerfield Community Centre
Spreydon-Cashmere CB / 15 July 2016



Governors Bay Headmasters House – EQ Repair, Strengthening and Maintenance- Heritage
Banks Peninsula CB / 14 July 2016



Wharenui Rec Centre
Halswell-Hornby-Riccarton CB / 1 July 2016



Lytelton Plunket Rooms & Toy Library
Demolished & 15 year lease at Lyttelton Rec Centre
Banks Peninsula CB/ July 2016

Item 19

Attachment A

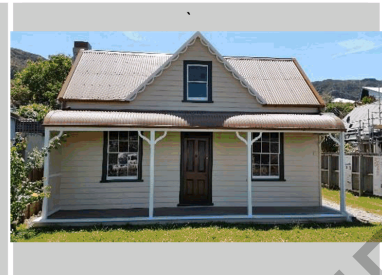
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|  |  |  |
| 180 Smith Street - Library Archive Building Linwood-Central-Heathcote CB / 30 June 2016 | Rawhiti Domain - Golf Club Buildings Coastal- Burwood CB / 23 June 2016 | Upper Riccarton Library Halswell-Hornby-Riccarton CB Phase 2 Completed 31 st May 2016 Phase 1 Completed 1 st February 2016 |
|  |  |  |
| Fendalton Community Centre Fendalton-Waimairi-Harewood CB / 20 May 2016 | Aranui Community Centre Rebuild- New Build Coastal- Burwood CB / 19 May 2016 | Halswell Domain toilet Halswell-Hornby-Riccarton CB / 13 May 2016 |
|  |  |  |
| Horseshoe Lake toilets Coastal- Burwood CB / 13 May 2016 | Mona Vale Lode - EQ Repair, Strengthening & Maintenance- <u>Heritage</u> Halswell-Hornby-Riccarton CB / 6 th May 2016 | Heathcote Domain - Former Tennis Club Shed Linwood-Central-Heathcote CB / 26 April 2016 |
|  |  |  |
| Barrington Park - Cricket Club / Community Building Spreydon-Cashmere CB / 22 April 2016 | Barnett Park - Sumner/Redcliffs Crèche Linwood-Central-Heathcote CB / 9 January 2016 (Decorative wall repairs completed 12 April 2016) | The Gaiety Hall - EQ Repair, Strengthening & Maintenance- <u>Heritage</u> Banks Peninsula CB / 1 st April 2016 |
|  |  |  |
| New Brighton Crèche Coastal- Burwood CB / 28 March 2016 | St Martins Opawa Toy Library Spreydon-Cashmere CB / 14 March 2016 | Tram Barn - Tramway Lane Linwood-Central-Heathcote CB Completed 11 th November 2015- Roof repairs in March 2016 |



Lyttelton Recreation Centre and Trinity Hall Repair
Banks Peninsula CB / Completed 18th December
2015- Official Opening 20th February 2016



Lyttelton Recreation Ground – Pavilion and Shed #2
Banks Peninsula CB / 05 February 2016



**Grubb Cottage – EQ Repair and Maintenance-
Heritage**
Banks Peninsula CB / 2nd February 2016



North New Brighton Community Centre
Coastal- Burwood CB / 29 January 2016



Opened to Public 2015



Sumner Surf Club Toilets Rebuild
Linwood-Central-Heathcote CB / 11th December 2015



**Victoria Park Information Centre – EQ Repair &
Strengthening- Heritage**
Spreydon-Heathcote CB / 15th December 2015



South Hagley netball toilets
Linwood-Central-Heathcote CB / 20th November
2015



Heathcote Domain Exeloo Toilet
Linwood-Central-Heathcote CB / 30th October 2015



Cashmere Valley Exeloo Toilets
Spreydon-Cashmere CB / 30th October 2015



Bexley Park Exeloo Toilet
Coastal- Burwood CB / 23rd October 2015



Linwood Resource Centre
Linwood-Central-Heathcote CB / 20th October 2015



Shirley Library EQ Repairs
Coastal- Burwood CB / 16 October 2015



**Avebury Workshed & Toilets – EQ Repair and
Strengthening- Heritage**
Linwood-Central-Heathcote CB / 13 October 2015



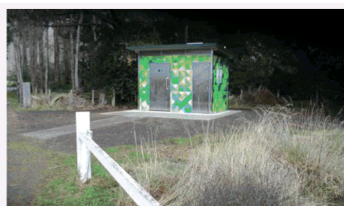
Akaroa Museum – EQ Repairs, Strengthening and Re-roof - Heritage
Banks Peninsula CB / 13 October 2015



Papanui Library EQ Repairs
Papanui-Innes CB / 13 October 2015



Botanic Gardens Tea Kiosk - Strengthening & Repair Project
Linwood-Central-Heathcote CB / 02 October 2015



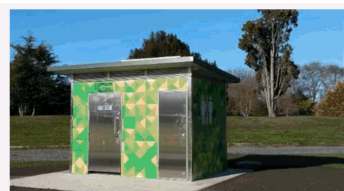
Le Bons Bay Exeloo Toilet
Banks Peninsula CB / 25th September 2015



Awa-iti Reserve Exeloo Toilet
Banks Peninsula CB / 20th September 2015



Dog Pound - Dog Shelter and Dwelling Portacom
Linwood-Central-Heathcote CB / 20th August 2015



Avon Park Exeloo Toilet
Linwood-Central-Heathcote CB / 17th August 2015



Duvuachelle Show Grounds Exeloo Toilet
Banks Peninsula CB / 12th August 2015



Sockburn Recreation Centre Strengthening and Repair
Halswell-Hornby-Riccarton CB / 7th August 2015



Bottle Lake Forest Information Centre
Coastal- Burwood CB / 31st July 2015



Duvuachelle Reserve and Campground - All Buildings
Banks Peninsula CB / 30th July 2015



Scarborough Beach - Jet Boat Shed
Linwood-Central-Heathcote CB / 21st July 2015



South New Brighton Park Exeloo Toilet
Coastal- Burwood CB / 10th July 2015



Middleton Park Public Toilet
Halswell-Hornby-Riccarton CB / 20th June 2015



Spreydon Library
Spreydon-Cashmere CB / 4th May 2015



Woolston Park Memorial to Fallen Soldiers and Pavilion Rebuild
Linwood-Central-Heathcote CB / Sports changing facilities- 8th June 2015, War Memorial Facility- 25th April 2015



Port Levy Pool Changing Shed
Banks Peninsula CB / 2nd April 2015



Cuthberts Green Softball Complex and Grandstand
Linwood-Central-Heathcote CB / 2nd April 2015



Withells Island Boat Sheds
Coastal- Burwood CB / 2nd April 2015



Edmonds Clock Tower – EQ Repairs & Strengthening- Heritage
Linwood-Central-Heathcote CB/ April 2015



Clare Park Pavilion and Changing sheds
Coastal- Burwood CB / 30th March 2015



Norman Kirk Pool Rebuild
Banks Peninsula CB / 12th February 2015



Hei Hei Community Centre – Repair & Strengthening
Halswell-Hornby-Riccarton CB / 28th January 2015



Cuthberts Green Pavilion EQ Repairs
Linwood-Central-Heathcote CB / 24th January 2015



Waltham Pool Rebuild
Linwood-Central-Heathcote CB / 17th January 2015



Cuthberts Green Softball Groundsmans Shed
Linwood-Central-Heathcote CB / 12th January 2015

Opened to Public 2014



Godley House – Foundation Remediation- Heritage
Banks Peninsula CB / December 2014



Scarborough Paddling Pool Rebuild
Linwood-Central-Heathcote CB / 20th December 2014



Yaldhurst Domain Toilet block strengthening
Fendalton-Waimairi-Harewood CB / November 2014



Waltham Park Pavilion Earthquake repair and Strengthening
Linwood-Central-Heathcote CB / October 2014



Avonhead Pavilion Earthquake repair and Strengthening
Fendalton-Waimairi-Harewood CB / October 2014



Victoria Clock (Jubilee) – EQ Repairs and Strengthening- Heritage
Linwood-Central-Heathcote CB / October 2014



Denton Oval - Amenities Below Grandstand
Halswell-Hornby-Riccarton CB / 22nd July 2014



Riccarton House – EQ Repairs and Strengthening- Heritage
Halswell-Hornby-Riccarton CB / May 2014



Jellie Park Recreation & Sports Centre - Main Plant Room Strengthening
Fendalton-Waimairi-Harewood CB / 31st January 2014

Opened to public before 2014



South Brighton Community Centre Transitional Facility
Coastal- Burwood CB / 8th November 2013



Linwood Community Arts Centre – EQ Repairs and Strengthening- Heritage
Linwood-Central-Heathcote CB / October 2013



Avebury House – EQ Repairs and Strengthening- Heritage
Linwood-Central-Heathcote CB / September 2013



Curators House – EQ Repairs and Strengthening- Heritage
Linwood-Central-Heathcote CB / November 2012



YHA Rolleston House – EQ Repairs and Strengthening- Heritage
Linwood-Central-Heathcote CB / November 2012



Beachcomber Restaurant – EQ Repairs - Heritage
Linwood-Central-Heathcote CB / November 2012



Cowles Stadium Earthquake repair and Strengthening
Linwood-Central-Heathcote CB / October 2012

FY18 Beyond : Contingency Calculations as at August 2017

| CPMS ID | Project Title | Phase | Current Budget | May be Required from Contingency Fund | Probable Year Needed | Comments |
|-------------------------------------------------|-------------------------------------------------------------------------|----------|----------------|---------------------------------------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Community Facilities to Compete in FR Programme | | | | | | |
| 33419 | Allandale Community Centre Repair | Execute | \$500,000 | \$100,000 | FY 18 | |
| 32202 | Cathedral square toilets rebuild | On Hold | \$750,000 | \$750,000 | FY20 | Expect that the design will need to be iconic. Number of toilets may need to increase with increased tourism. Current budget is \$750k. |
| 34860 | Centennial Hall - Spreydon Community Centre Earthquake Repairs | Concept | \$250,000 | \$1,697,000 | FY18/FY19 | Budget is \$250k. Initial repair estimates range from \$800k - \$1.25M. If the facility were demolished and not replaced a return of \$250k could be expected. If it was deemed that a new build was required (current building constructed in 1955) the calculation for budget is as follows: Area 354m ² (area of current building) which equates to a new build value of \$4,400/m2 for construction cost + 25% for professional fees and other costs. Total \$1,947,000 |
| 27191 | Cracroft Caverns Reserve - Cashmere Caverns | Initiate | \$1,032,597 | \$2,000,000 | FY21/FY22 if not sooner | Current budget \$1,032,597 (in FY21 & FY22). High risk that this will need further budget but no idea at this point what it might be. Best case is that the caverns are memorialised which would mean making sure that the caverns are closed off to the public. There are several entrances that would need to be worked on and the cost to do this could be considerable especially with the H&S requirements for entering a poorly ventilated confined space that could contain noxious gas with some areas of clearly unstable roof and other areas of potentially unstable roof, a floor littered with rockfall debris and limited access points will require considerable expertise. |
| 27102 | Jellie Park / Pioneer Recreation and Sports Centres - EQ Repair Project | Execute | \$23,000,000 | \$1,139,525 | FY18/FY19 | While no further budget is expected and there is already a contingency of 15% in place for the construction, this is a repair and until tiles are lifted off pools etc; we do not know the true state of these facilities (cracks in pool/asbestos etc.). Also a HAIL site at Pioneer which could have consequences for some of the horizontal infrastructure work. Suggest an additional contingency of 5% kept based on current project budget. We will have a much better idea as to whether or not this is needed by June 2018. |
| 34866 | Opawa Public Library Earthquake Repairs | On Hold | \$650,000 | \$150,000 | FY 18 | Cost to repair-sitting at ~ \$830k with sunk capital cost of \$61,761. |
| 27184 | Parklands Queenspark Library | On Hold | \$368,000 | \$200,000 | FY 19 | Stage 3 main earthquake repair work starts 01 July 2018. Contingency needed as currently no idea of how cracked the slab will be once carpet raised and may find other earthquake damage as we progress. Current budget is \$368k. |
| 20051 | Riccarton community house | On Hold | \$4,654,279 | \$500,000 | FY19 | Community Board revising design. Expect that additional funds will be required. |
| 20053 | Shirley Community Centre | Concept | \$2,621,400 | \$2,378,600 | FY21/FY22 | Current budget is \$2,621,400 which is available in FY21 & FY22. Contingency needs to be made for community expectations. The current budget would only build back a facility of 447m2. The size of the demolished building was 1,500m2. If we were to build back to the same meterage we would need \$8,250,000. Have therefore put in a contingency to allow for a total facility cost of \$5M. |
| 20836 | South Library and Service Centre EQ | On Hold | \$9,637,489 | \$1,313,736 | FY22/FY23 | Budget for this is in FY20 thru to FY 23. Although a lot of work has been done to come up with a repair & strengthening scheme, until Detailed Design is done & costed and you have actually started work on the building it is difficult to know whether this budget is sufficient so far out. As this was part of the original CF list we should make a contingency of an 15% of budget at this point. Building Code could also change for all we know. |
| 27103 | Spencer Park Campground - All Buildings | Execute | \$2,802,675 | \$400,000 | FY 18 | The new build cost is higher than expected and there are still earthquake repairs to complete. |
| 21131 | St Albans Community Centre | Plan | \$3,155,290 | \$250,000 | FY 18 | Project looking to be up to \$250k over budget. |
| 14835 | St Albans Crèche - EQ Repair | On Hold | \$207,545 | \$50,000 | FY18 or FY19 | This project currently in a stalemate |
| 27187 | St Albans Park - Pavilion/Toilets | On Hold | \$416,000 | \$134,000 | FY 18 | This budget is very light \$416k). Based on Woolston Park Memorial Pavilion Rebuild (~ \$550k) a contingency of \$134k |
| TBD | Yaldhurst Memorial Hall | Concept | \$0 | \$2,310,000 | FY18/FY19 | This facility has to be demolished as it is not repairable. This facility was not on any list as it was not identified that Council owned the building until some time after the Community Facilities Programme was put together. Worst case would be that a new build is required. Calculation for budget is as follows: Area 420m2 (area of current building) which equates to a new build value of \$4,400/m2 for construction cost + 25% for professional fees and other costs. Total \$2,310,000 |
| Community Facilities Totals | | | \$50,045,275 | \$13,372,861 | | |

| | | | | | |
|-------------------------------------------------------------|---------------------------------|---------|-------------|--------------|-----------|
| Heritage Facilities to complete in FR Programme | | | | | |
| 3335 | Addington Water Station | Execute | \$213,400 | \$150,000 | FY17/FY18 |
| 3350 | Cob Cottage | On Hold | \$346,090 | \$200,000 | FY17/FY18 |
| 3364 | Kukupu Hostel | On Hold | \$372,997 | \$250,000 | FY20/FY21 |
| 3376 | Risingholme Hall | Execute | \$1,024,193 | \$200,000 | |
| 3366 | Little River Coronation Library | On Hold | \$785,550 | \$750,000 | FY22/FY23 |
| 3377 | Risingholme Homestead | Execute | \$1,586,611 | \$500,000 | |
| 3349 | The Chokebore Lodge | Execute | \$977,595 | \$200,000 | |
| Heritage Totals | | | \$5,306,436 | \$2,250,000 | |
| All Community Facilities (incl. Heritage) Rebuild Programme | | | | \$15,622,861 | |
| Remaining Facilities Rebuild Programme Contingency | | | | \$6,693,942 | |

20. Council Owned Heritage Buildings Status Report

Reference: 17/631611

Contact: Adela Kardos adela.kardos@ccc.govt.nz

941-6433

Confidentiality

| | |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section under the Act: | The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7. |
| Sub-clause and Reason: | s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). |
| Plain English Reason: | The estimated costs associated with the strengthening and repair works, as well as the funding requirements initially estimated from the Council are commercially sensitive at this stage. Until such time as contracts are entered into, releasing the information is likely to undermine Council's negotiating position. |
| Report can be released: | Once contracts are entered into by Council and the information is no longer commercially sensitive. |

1. Purpose and Origin of Report

Purpose of Report

- 1.1 The purpose of this report is to provide Council with information in respect of Council owned heritage buildings, including options for a process to determine the future use, potential ownership and funding post-earthquake repairs where there is currently a funding gap.
- 1.2 The purpose of this report is not to recommend a specific outcome on the use or ownership of Council owned heritage buildings.

Origin of Report

- 1.3 This report is provided to fulfil Council resolution (CAPL/2017/00022) dated 20 June 2017:

"That the Council:

- a. Notes that staff are reporting to Council on a baseline report on Heritage facilities (prioritisation; current status etc.) in August 2017.*
- b. Requests staff provide a report on the repair options (including future use, funding and ownership) of heritage buildings owned by the Council such as the Provincial Council Chambers and Our City Ōtautahi to inform decision making as part of the 2018-2028 Long Term Plan process."*

2. Significance

- 2.1 The initial decisions recommended by staff are of low significance in relation to the Council's Significance and Engagement Policy. However once a way forward is identified in respect of each heritage building owned or administered by the Council, the level of significance may rise according to what is proposed. The Council will need to give consideration to the views and preferences of those people affected by or with an interest in the affected buildings, largely in proportion to the significance of the decision to be made (s.79 LGA 2002).
- 2.2 The Council will also need to consider the implications of s. 97 of the LGA 2002, which applies to the transfer of ownership or control of a strategic asset to or from the Council. The strategic assets included in the Significance and Engagement Policy include Council-owned listed heritage buildings and structures. Not all heritage buildings will be strategic assets, but each will need to be assessed to determine whether or not s.97 applies. If it does, any decision to transfer ownership or control must be explicitly provided for in the Council's Long Term Plan 2018-2028 (LTP).
- 2.3 More detailed advice on these matters will be provided at the appropriate time.

3. Staff Recommendations

That the Social and Community Development Committee:

1. Notes the current delegations contained in Part D - Sub-Part 1 of the Council's Delegations Register.
2. Notes that with respect to the "List 1" heritage buildings detailed in this report, these buildings do not require decision making at this time because they:
 - a) Have already been repaired and are currently occupied, or
 - b) Have an identified future use and are either awaiting repair or being repaired and no additional funding is required.
3. Recommends to Council that with respect to the "List 2" heritage buildings detailed in this report, the Council endorses staff to:
 - a) Enter into discussions with the Crown and/or any other relevant public agencies on funding and ownership options; and
 - b) Simultaneously undertake an Expressions of Interest process to engage with the community and explore potential partnerships for the repair, future use, funding and ownership of these buildings on the basis that they are deemed metropolitan projects. Noting that prior to release, the terms and conditions of the Expression of Interest are endorsed by the Social and Community Development Committee and any potential change of ownership would require careful consideration of any heritage implications and the legal process to be followed.
4. Recommends to Council that with respect to the "List 3" heritage buildings detailed in this report, the Council instructs staff to collaborate with each respective Community Board to develop:
 - a) Community lead solutions for future use, funding of repairs and/or ongoing management of the heritage buildings within that Community Board area on the basis that they are deemed local projects. Noting that any community lead solution would be informed by advice from staff on the District Plan requirements, the significance and intactness of the building and other heritage criteria, as appropriate;

- b) A prioritisation programme for the heritage buildings within each Community Board area and endorses staff to then develop a prioritisation programme across all Community Board areas to inform LTP decision making.
5. Acknowledges that because heritage buildings are listed as Strategic Assets in Council's strategic asset register, any consideration that may give rise to the potential for disposal of an asset/building (whether a building within List 2 or 3 detailed in this report) will require a decision of Council, following the appropriate consultative procedure(s), which cannot be delegated to Community Boards.
6. Recommends to Council that the repair and restoration of any List 2 and 3 heritage buildings detailed in this report shall not proceed until the future use of the respective building is identified and approved by either the relevant Community Board or Council, as per Council's Delegations Register.
7. Recommends to Council that \$650,000 per annum is allocated in the draft LTP to fund the prevention of further deterioration of Council owned heritage buildings, whilst the future use, ownership and funding for repair is identified and implemented.

4. Key Points

- 4.1 This report supports the [Council's Long Term Plan \(2015 - 2025\)](#):
 - 4.1.1 Activity: Heritage Protection
 - Level of Service: 1.4.1 Implement a programme to ensure a consistent and broadened level of historic heritage protection within Banks Peninsula and Christchurch City
- 4.2 The Council has expressed concern that the repair and restoration of Council owned heritage building projects were being presented to Council for decision making on an ad hoc basis rather than as part of a city-wide heritage asset repair strategy. The Council has asked for more detailed information to enable the Council to understand the overview of the future use issues and funding implications.
- 4.3 Staff recommend that the preferred option for determining both the repair strategy, future use and funding should be a process led by the Community Boards assisted by staff where the interest in the building is primarily local.
- 4.4 In the case of the heritage buildings associated to the regeneration of the city centre the repair strategy, future use and funding should be considered and determined by Council following discussions with the Crown and an expression of interest (EOI) process.
- 4.5 On the above basis, the following feasible options have been considered:
 - Option 1 – EOI process for List 2 buildings and a community led process for List 3 buildings (preferred).
 - Option 2- EOI process for all List 2 and List 3 buildings.
 - Option 3 - Retain status quo
- 4.6 Option Summary - Advantages and Disadvantages (Preferred Option)
 - 4.6.1 The advantages of this option include:
 - Increasing the opportunities for collaborative community involvement and innovative partnership approaches to develop a sustainable future for Council owned heritage buildings and the associated heritage values of the buildings.
 - The opportunity to potentially fund the repair of Council's heritage buildings through contributions from external funding sources such as "public private

partnerships” which provides an opportunity to close the funding gap and financial pressure on the Council.

- Greater collaboration amongst the community, Community Boards, staff and key stakeholders.
- The potential for innovative approaches to determine future use, repair strategies, funding and ownership options which may include the establishment of community funding trusts and/or management trusts.
- Ensuring that the future use of each building is identified prior to its repair to enable a long term sustainable future for each building.
- Ensuring that any proposed process to repair and identify future use is in accordance with the District Plan Rules to preserve the heritage nature of the respective buildings.

4.6.2 The disadvantages of this option include:

- The EOI process may not be successful in that there may be no interest from the market to engage with Council to develop partnerships.
- The community lead solutions may take some time to determine and implement because the objective is for the community to reach agreement on the solution.
- The repair of List 2 and 3 buildings will be delayed until future use and funding is identified which may potentially contribute to further deterioration of the building.

5. Context/Background

Overall Status of the Heritage Buildings Rebuild Programme

5.1 Below is an overview of the current status of the Council owned heritage buildings repair programme. An example of the information which has been collated by staff and will be provided as part of the decision making process for each building is attached as **Attachment 1**. Considerations to note:

- The Christchurch Town Hall is not included in this report because decision making regarding that building has been the subject of previous reports.
- The group of buildings that make up the Canterbury Provincial Chambers are treated as one building for the purposes of this report.
- This report does not cover heritage “assets” which are not deemed a building, such as memorials, historic artworks, etc. Many heritage assets are also managed by the Parks Unit and will be dealt with separately.

List 1 Heritage Buildings

5.2 The following “List 1” heritage buildings are buildings that do not require decision making at this time because they:

5.2.1 Have already been repaired and are currently occupied, or

5.2.2 Have an identified future use and are either awaiting repair or being repaired and no additional funding is required.

Repaired and Occupied – List 1

- 5.3 Since the earthquakes a total of 17 Council owned heritage buildings have been repaired at a cost of \$8,900,000. All 17 buildings are currently occupied. A list of these buildings is provided as **Attachment 2**.

In Repair/ Future Use Determined – List 1

- 5.4 There are seven buildings which are currently in repair and the total cost is estimated at \$6,727,203. Each of these buildings has a future use determined. There is no additional funding required because the repair costs are already budgeted.

| Heritage Building | Funding Requirement |
|----------------------------------------------------------------------------------|--------------------------------------------|
| Former Halswell Quarry Singlemen's Quarters | Nil – Already Budgeted |
| Remaining Former Halswell Quarry Crusher Buildings, Foundations, Retaining Walls | Nil – Already Budgeted |
| Former Cashmere Servants' Quarter (Old Stone House Cracroft) | Nil – Already Budgeted |
| Former St Mary's Covent Chapel (Rose's Chapel) | Nil – Already Budgeted |
| Courthouse (Akaroa) | Nil – Already Budgeted |
| Former Akaroa Post Office | Nil – Already Budgeted |
| Former Custom House (Akaroa) | Nil – Already Budgeted |
| No additional funding is required | Total: 6,727,203 – Already Budgeted |

List 2 Heritage Buildings

- 5.5 The following "List 2" heritage buildings are buildings located within the Inner City therefore they are metropolitan projects. They currently have no future use determined. Additional funding of \$116,300,000 is required because it is currently unbudgeted. The tables below provides further detail:

To Be Repaired / No Future Use Determined – List 2

| Heritage Building | Funding Requirement |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Canterbury Provincial Council Buildings – List 2 | |
| Ōtautahi (Old Municipal Chambers) - List 2 | |
| Former Edmonds Band Rotunda | Nil – Already Budgeted |
| Edmonds Pavilion | Nil – Already Budgeted |
| | Total: [REDACTED] <i>* Does not include repairs costs for buildings where the funds are already budgeted</i> |

To Be Repaired / Future Use Determined – List 2

| Heritage Building | Funding Requirement |
|------------------------------------------|---------------------|
| Robert McDougall Art Gallery and Setting | 10,000,000 |

Note: This building is subject to a separate report which was considered by the Committee on 2 August 2017

List 3 Heritage Buildings

- 5.6 The following “List 3” heritage buildings are buildings which are deemed local projects because they have a local impact within the Community Board's boundaries rather than a metropolitan project. A decision is required with respect to the following buildings because either they currently have no future use determined or additional funding is required because it is currently unbudgeted. Further detail is provided below.

Repaired / No Future Use Determined – List 3

- 5.7 Two buildings have been repaired at a cost of \$4,200,000 however a future use for these two buildings has not yet been identified – Former Governor’s Bay School Master’s House and Sign of the Takahe.

In Repair / No Future Use Determined – List 3

- 5.8 There are two buildings which are currently in repair, the Former Dwelling and Setting of Halswell Quarry Manager and the Mona Vale Gate House. They currently have no future use determined. The total cost of repairs is \$1,598,091. There is no additional funding required because the repair costs are already budgeted.

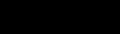
To Be Repaired/ Future Use Determined – List 3

- 5.9 The following table sets out four buildings which are yet to be repaired. The future use of each of these buildings is determined. Additional funding of \$850,000 is required because it is currently unbudgeted.

| Heritage Building | Funding Requirement |
|--------------------------------------------------|------------------------------------------------------------------------------|
| Former Little River Railway Station (Goods Shed) | 350,000 |
| Nurses Memorial Chapel | 1,900,000 – Already Budgeted |
| Former Dwelling and Setting, Langlois-Eteveneaux | 276,000 – Already Budgeted |
| Former Dwelling Risingholme | 500,000 – proposed funding from the Facilities Rebuild Programme contingency |
| | Total: 850,000 |

To Be Repaired / No Future Use Determined – List 3

- 5.10 There are 14 buildings which are yet to be repaired. They currently have no future use determined. Additional funding of \$4,011,000 is required because it is currently unbudgeted. The table below provides further detail:

| Heritage Building | Funding Requirement |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chokebore Lodge | 200,000 – proposed funding from the Facilities Rebuild Programme contingency |
| Penfolds Cob Cottage | 200,000 – proposed funding from the Facilities Rebuild Programme contingency |
| Coronation Hall | Unknown until further investigations are undertaken |
| Kapuatohe Dwelling | Nil – Already Budgeted |
| Kapuatohe Cottage | Nil – Already Budgeted |
| Lyttelton Borough Council Stables and Setting | |
| Kukupu Hostel | 250,000 – proposed funding from the Facilities Rebuild Programme contingency |
| Barbadoes Cemeteries (Sextons House) | |
| Little River Library | 750,000 proposed funding from the Facilities Rebuild Programme contingency |
| Bangor Street No.3 Pump House | |
| Second World War Bunkers/Cracroft Caverns | Unknown until further investigations are undertaken |
| Yew Cottage/40 Rue Jolie, Akaroa/Jenny's Cottage | Unknown until further investigations are undertaken |
| Mona Vale Bath House | Nil – Already Budgeted |
| Risingholme Hall | 200,000 – proposed funding from the Facilities Rebuild Programme contingency |
| | Total:  <i>* Does not include repairs costs for buildings where the funds are already budgeted</i> |

Note: calculation of the funding requirements referred to in the tables above includes a rough order magnitude allowance of plus 30% to recognise the complexity of estimating the repair of heritage buildings. Furthermore, the figures exclude any expenditure to date to provide clarity in respect of additional funding required to be budgeted/secured. The figures are drawn from Council's capital project management system.

Total Heritage Buildings Repair Programme Funding Requirement

- 5.11 A total of \$121,161,000 further funding is required to complete the current heritage buildings repair programme because those funds are currently unbudgeted.

Key Risks

- 5.12 The buildings (and associated heritage values) which are not yet to be repaired are at varying degrees of risk of deterioration. Staff are continuously assessing the deterioration risks and working to mitigate them until a decision is made on each building. The operational cost of

mitigating deterioration of these buildings is approximately \$650,000 per annum. This cost is not currently budgeted in the LTP. Depending on the decision making regarding the timing of repairs, an operational budget should be allocated in the LTP to fund mitigation costs of the unrepaid buildings.

- 5.13 The majority of the funding risk applies to three central city iconic buildings:

5.13.1 Canterbury Provincial Council Buildings

5.13.2 Ōtautahi (Old Municipal Chambers)

5.13.3 Robert McDougall Art Gallery.

- 5.14 The landscape in Christchurch has changed dramatically, in particular associated to building rentals. There are many new buildings with available space, particularly in the commercial, retail and hospitality sector, with more currently under development.

- 5.15 There are a number of non-council owned heritage buildings which are being repaired and occupied by private developers or trusts. Most notably, the Christchurch Arts Centre, Café Roma, Public Trust Buildings and the Duncan Buildings. In some cases, Council has assisted in a partnership manner by contributing heritage grants to support the retention and enhancement of buildings within the city's heritage value. There is a risk that Council is seen as neglecting its own heritage portfolio whilst assisting others to fund and repair non-Council owned heritage buildings.

Decision Making under the Council's Delegation Register

- 5.16 Previous practice has been for Council to assume the role of a traditional landlord and advertise occupancy opportunities to the wider public. This relies on the buildings being in a fit for purpose state. Applicants are vetted, and Council makes lease decisions based on recommendations from the Community Board where appropriate.
- 5.17 The Council's Delegations Register currently authorises Community Boards to exercise delegations in response of "local projects":

"It is the Council's intention that Community Boards exercise their delegations in respect of local projects. A local project is any project that has only a local impact within the Community Board's boundaries. Technical and metropolitan projects are the responsibility of the Council. A technical project is a project with no public priority or design input required, or an internally focused project. A metropolitan project is a project which impacts on users across the city or is on recognised metropolitan assets. The decision as to whether the exercise of a delegated power is for a local project must be made by the General Manager Customer and Community and Corporate Services General Manager on behalf of the Chief Executive. The General Manager Customer and Community and Corporate Services General Manager may consult with the chairperson of the relevant Community Board".

Heritage Buildings Grouped within Community Board Boundaries

- 5.18 The tables below group the buildings listed in paragraphs 5.2 to 5.10 above within each Community Board boundary. These buildings require future decisions associated with either funding or future use. Note there are no heritage buildings in the Papanui Innes Community Board boundary requiring repair or decision making at this time.

Banks Peninsula

| Building | Action | List 1, 2 or 3 | Funding Requirement |
|--------------------------------------------------|-------------------------------------------|-------------------|------------------------|
| Former Lyttleton Borough Council Stables | To be repaired / no future use determined | 3 | |
| Kukup Hostel | To be repaired / no future use determined | 3 | 250,000 |
| Little River Library | To be repaired / no future use determined | 3 | 750,000 |
| Former Little River Railway Station (Goods Shed) | To be repaired / future use determined | 3 | 350,000 |
| Yew Cottage | To be repaired / no future use determined | 3 | Unknown |
| Former Governors Bay Master's School | Repaired/ no future use determined | 3 | Nil |
| Totals | | | |

Fendalton - Waimairi – Harewood

| Building | Action | List 1, 2 or 3 | Funding Requirement |
|----------------------|-------------------------------------------|-------------------|------------------------|
| Kapuatohe Dwelling | To be repaired / no future use determined | 3 | Nil |
| Kapuatohe Cottage | To be repaired / no future use determined | 3 | Nil |
| Mona Vale Gate House | In repair / no future use determined | 3 | Nil |
| Mona Vale Bath House | To be repaired/ no future use determined | 3 | Nil |
| Totals | | | Nil |

Halswell – Hornby – Riccarton

| Building | Action | List 1, 2 or 3 | Funding Requirement |
|--------------------------------------------------------|-------------------------------------------|----------------|---------------------|
| Chokebore Lodge | To be repaired / no future use determined | 3 | 200,000 |
| Former Dwelling and Setting of Halswell Quarry Manager | In repair / no future use determined | 3 | 0 |
| Totals | | | 200,000 |

Linwood - Central – Heathcote (Excluding city centre)

| Building | Action | List 1, 2 or 3 | Funding Requirement |
|---------------------------------------|-------------------------------------------|----------------|---------------------|
| Barbadoes Cemeteries, (Sextons House) | To be repaired / no future use determined | 3 | |
| Penfolds Cob Cottage | To be repaired / no future use determined | 3 | 200,000 |
| Bangor Street No.3 Pump house | To be repaired / no future use determined | 3 | Unknown |
| Totals | | | |

Spreydon - Cashmere

| Building | Action | List 1, 2 or 3 | Funding Requirement |
|-------------------------------------------|-------------------------------------------|----------------|---------------------|
| Coronation Hall and Setting | To be repaired / no future use determined | 3 | Unknown |
| Second World War Bunkers/Cracroft Caverns | To be repaired / no future use determined | 3 | Unknown |
| Sign of the Takahe | Repaired / no future use determined | 3 | Nil |
| Totals | | | Unknown |

Inner City

| Building | Action | List 1, 2 or 3 | Funding Requirement |
|------------------------------------------|-------------------------------------------|----------------|---------------------|
| Canterbury Provincial Council Buildings* | To be repaired / no future use determined | 2 | |
| Ōtautahi (Old Municipal Chambers)* | To be repaired / no future use determined | 2 | |

| | | | |
|-----------------------------------|-------------------------------------------|---|------------|
| Robert McDougall Art Gallery* | To be repaired / use determined | 2 | 10,000,000 |
| Edmonds Band Rotunda* | To be repaired / no future use determined | 2 | Nil |
| Poplar Crescent Edmonds Pavilion* | To be repaired / no future use determined | 2 | Nil |
| Totals | | | |

Note: *Each of the above buildings located within the Inner City are metropolitan projects therefore outside the current Community Board delegations. Council will be required to make decisions regarding funding and/or future use.

6. Option 1 – EOI Process for List 2 Buildings and Community-Led Process for List 3 Buildings (Preferred)

Option Description

- 6.1 This option proposes different approaches are applied to List 2 and 3 buildings.
- 6.2 With respect to the List 2 buildings (i.e Canterbury Provincial Council Buildings and Ōtautahi - Old Municipal Chambers) Council enters into discussions with the Crown and/or any other relevant public agencies (such as Heritage New Zealand and Our City Foundation) to explore potential funding and ownership opportunities for these two buildings.
- 6.3 Simultaneously, Council undertakes an EOI process separately for each of the List 2 buildings in order to engage with the community and the market at large. The objective is to explore potential partnerships for the repair, future use, funding and ownership of these buildings. The terms of the EOI would be presented by staff to the Social & Community Development Committee for approval before release.
- 6.4 With respect to List 3 buildings, this option proposes a community led approach to determining the future restoration and sustainable management of these heritage buildings. This option recognises the significant challenge associated to repairing the earthquake damaged buildings and the positive contribution that community members of respective communities can make. It reflects some successes already enjoyed whereby individual citizens and groups have led, participated and taken ownership of the issues associated with damaged assets. This approach sees Council taking a facilitation and supporting role rather than the lead.
- 6.5 The proposed approach is for staff to work with Community Boards to engage communities through EOIs to explore:
 - 6.5.1 Partnership opportunities for funding and repairing buildings
 - 6.5.2 Potential for alternative ownership and management options
 - 6.5.3 Resultant occupation and future use.
- 6.6 Each EOI will be publicly notified which will ensure a transparent process for those interested in contributing in any manner to the List 3 heritage buildings. The preparation of the EOI terms and conditions will make it explicit that there is a requirement for any proposal to comply with the requirements of Council's legal requirements, policies and strategies, as well as the District Plan Rules and Heritage New Zealand requirements.
- 6.7 The results of each EOI will be collated by Council staff and reported to the respective Community Boards in the first instance and subsequently to the Council with recommendations for consideration.

Significance

- 6.8 The level of significance of this option is low in relation to the Council's Significance and Engagement Policy. However once a way forward is identified in respect of each heritage building owned or administered by the Council, the level of significance may rise according to what is proposed.
- 6.9 The engagement requirements for each specific decision will be included in the EOI brief.

Impact on Mana Whenua

- 6.10 This option does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Ngāi Tahu, their culture and traditions.

Community Views and Preferences

- 6.11 This option seeks to canvas community views by engaging with each respective Community Board as well as the open market. As detailed above, the engagement requirements for each specific decision will be included in the EOI brief to clarify the process for any proposed transfer of ownership or control.

Alignment with Council Plans and Policies

- 6.12 This option is consistent with Council's Plans and Policies including the Heritage Conservation Policy and the Significant and Engagement Policy.

Financial Implications

- 6.13 **Cost of Implementation** – Based on the desire to identify alternative funding for the List 2 and 3 buildings, the associated costs are limited to operational costs to progress this option which includes engaging with other agencies and the Community Boards as well as the preparation and consideration of EOIs.
- 6.14 **Maintenance / Ongoing Costs** – As detailed above, until the List 2 and 3 buildings are repaired, there is an estimated \$650,000 per annum operational cost to mitigate deterioration of the buildings.
- 6.15 **Funding source** – the cost of implementing this option is able to be met utilising existing internal operational budgets. The cost of repairing the buildings in List 2 and 3 is being sought from external sources and is not currently budgeted in the LTP. Additionally, depending on the outcome of approaches proposed for List 2 and 3 buildings, if Council retains ownership and management of the buildings, there are likely to be operational costs of maintaining each building which are also not currently budgeted in the LTP.

Legal Implications

- 6.16 There are no legal implications with the Council undertaking the approaches proposed above as long as the EOI process is transparent and robust. Specific legal implications will arise as decisions are proposed regarding each building and these will be reported back to Council before they are implemented.

Risks and Mitigations

- 6.17 There is a risk that the repair of List 2 and 3 buildings will be delayed until the future use is determined and funding is identified. This may potentially contribute to further deterioration of the building.

6.17.1 Treatment: Council staff continue to monitor each of the buildings and utilises operational funds to mitigate deterioration of the buildings.

6.17.2 Residual risk rating: The rating of the risk is medium.

- 6.18 There is also a risk that there is little or no interest from external parties/the community to partner with Council to utilise or fund the List 2 and 3 buildings.

6.18.1 Treatment: The Council engages with external parties/the community in a collaborative manner to encourage and support partnerships and different models of funding and management.

6.18.2 Residual risk rating: The rating of the risk is medium.

Implementation

- 6.19 Implementation dependencies - there are no implementation dependencies.

- 6.20 Implementation timeframe – discussions with the Crown and preparation of the EOI for List 2 buildings could be commenced immediately. Simultaneously, engagement with the Community Boards to develop a process for community led solutions could commence as soon as all the relevant information is collated and presented to each Community Board.

Option Summary - Advantages and Disadvantages

- 6.21 The advantages of this option include:

- Increasing the opportunities for collaborative community involvement and innovative partnership approaches to develop a sustainable future for Council owned heritage buildings and the associated heritage values of the buildings.
- The opportunity to potentially fund the repair of Council's heritage buildings through contributions from external funding sources such as "public private partnerships" which provides an opportunity to close the funding gap and financial pressure on the Council.
- Greater collaboration amongst the community, Community Boards, staff and key stakeholders.
- The potential for innovative approaches to determine future use, repair strategies, funding and ownership options which may include the establishment of community funding trusts and/or management trusts.
- Ensuring that the future use of each building is identified prior to its repair to enable a long term sustainable future for each building and guiding investment decisions.
- Ensuring that any proposed process to repair and identify future use is in accordance with the District Plan Rules to preserve the heritage nature of the respective buildings.

- 6.22 The disadvantages of this option include:

- The EOI process may not be successful in that there may be no interest from the market to engage with Council to develop partnerships.
- The community lead solutions may take some time to determine and implement because the objective is for the community to reach agreement on the proposed solutions.
- The repair of List 2 and 3 buildings will be delayed until future use and funding is identified which may potentially contribute to further deterioration of the building.

7. Option 2 – Commence EOI Process for all List 2 and 3 Buildings

Option Description

- 7.1 This option is similar to Option 1 above. Option 2 proposes skipping the first part of Option 1 (engaging with the Crown, relevant public agencies and the Community Boards) and moving straight into Council staff issuing EOIs for each heritage building.
- 7.2 The objective is to immediately engage with the market to identify the repair, future use, funding and ownership options for each of the List 2 and 3 buildings. The terms of the EOI would

be presented by staff to the Social & Community Development Committee for approval before release.

Significance

- 7.3 The level of significance of this option is low significance in relation to the Council's Significance and Engagement Policy. However once a way forward is identified in respect of each heritage building owned or administered by the Council, the level of significance may rise according to what is proposed.
- 7.4 The engagement requirements for each specific decision will be included in the EOI brief.

Impact on Mana Whenua

- 7.5 This option does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Ngāi Tahu, their culture and traditions.

Community Views and Preferences

- 7.6 This option seeks to canvas community views through the open market. As detailed above, the engagement requirements for each specific decision will be included in the EOI brief to clarify the process for any proposed transfer of ownership or control.

Alignment with Council Plans and Policies

- 7.7 This option is consistent with Council's Plans and Policies including the Heritage Conservation Policy and the Significant and Engagement Policy.

Financial Implications

- 7.8 **Cost of Implementation** – Based on the desire to identify alternative funding for the List 2 and 3 buildings, the associated costs are limited to operational costs for preparation and consideration of EOIs.
- 7.9 **Maintenance / Ongoing Costs** – As detailed above, until the List 2 and 3 buildings are repaired, there is an estimated \$650,000 per annum operational cost to mitigate deterioration of the buildings.
- 7.10 **Funding source** – The cost of implementing this option is able to be met utilising existing internal operational budgets. The cost of repairing the buildings in List 2 and 3 is being sought from external sources and is not currently budgeted in the LTP. Additionally, depending on the EOI responses received and selected, if Council retains ownership and management of the buildings, there are likely to be operational costs of maintaining each building which are also not currently budgeted in the LTP.

Legal Implications

- 7.11 There are no legal implications with the Council undertaking the approaches proposed above as long as the EOI process is transparent and robust. Specific legal implications will arise as decisions are made regarding each building and these will be reported back to Council before they are implemented.

Risks and Mitigations

- 7.12 There is a risk that repair of List 2 and 3 buildings will be delayed until the future use is determined and funding is identified. This may potentially contribute to further deterioration of the building.

7.12.1 Treatment: Council staff continue to monitor each of the buildings and utilises operational funds to mitigate deterioration of the buildings.

7.12.2 Residual risk rating: The rating of the risk is medium.

- 7.13 There is also a risk that there is little or no interest from external parties/the community to partner with Council to utilise or fund the List 2 and 3 buildings.

7.13.1 Treatment: The Council engages with external parties/the community in a collaborative manner to encourage and support partnerships and different models of funding and management.

7.13.2 Residual risk rating: The rating of the risk is medium.

Implementation

- 7.14 Implementation dependencies - there are no implementation dependencies.

- 7.15 Implementation timeframe – preparation of the EOIs could be commenced immediately.

Option Summary - Advantages and Disadvantages

- 7.16 The advantages of this option include:

- Fast tracking the process by engaging directly with the market to explore future options for Council owned heritage buildings and the associated heritage values of the buildings.
- The opportunity to potentially fund the repair of Council's heritage buildings through contributions from external funding sources such as "public private partnerships" which provides an opportunity to close the funding gap and financial pressure on the Council.
- The potential for innovative approaches to determine future use, repair strategies, funding and ownership options which may include the establishment of community funding trusts and/or management trusts.
- Ensuring that the future use of each building is identified prior to its repair to enable a long term sustainable future for each building and guiding investment decisions.
- Ensuring that any proposed process to repair and identify future use, is in accordance with the District Plan Rules to preserve the heritage nature of the respective buildings.

- 7.17 The disadvantages of this option include:

- Lack of time spent exploring community lead solutions which may give rise to adverse community criticism.
- The EOI process may not be successful in that there may be no interest from the market to engage with Council.
- The repair of List 2 and 3 buildings will be delayed until future use and funding is identified which may potentially contribute to further deterioration of the building.

8. Option 3 - Retain Status Quo

Option Description

- 8.1 Option 3 means retaining the status quo which is to continue repairing and restoring the city's heritage buildings on an individual basis as funding allows whether a future use is determined or not.

Significance

- 8.2 The level of significance of this option is low and consistent with section 2 of this report.
- 8.3 There are no engagement requirements for this specific decision.

Impact on Mana Whenua

- 8.4 This option does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Ngāi Tahu, their culture and traditions.

Community Views and Preferences

- 8.5 Community views are not applicable at this stage however if this option is adopted community engagement will continue as is the current procedure.

Alignment with Council Plans and Policies

- 8.6 This option is consistent with Council's Plans and Policies including the Heritage Conservation Policy and the Significant and Engagement Policy.

Financial Implications

- 8.7 Cost of Implementation – no change to the status quo means no cost of implementing this option however the cost of repairing all the Council owned heritage buildings (which are yet to be repaired) will require significant funding being allocated in the LTP.
- 8.8 Maintenance / Ongoing Costs – An estimated \$650,000 per annum is required to sustain buildings not currently being repaired.
- 8.9 Funding source – Repairs of all Council owned heritage buildings continue being funded by Council through the LTP.

Legal Implications

- 8.10 There are no legal implications with this option because there are no changes to the current heritage repair programme, which is complying with Council's legal obligations.

Risks and Mitigations

- 8.11 There is a risk that Council's heritage buildings are not being fully utilised or meeting the needs of the community through the current approach.
- 8.11.1 Treatment: Council staff seek to identify future use possibilities in advance of repairs commencing.
- 8.11.2 Residual risk rating: The rating of the risk is medium.
- 8.12 There is the risk that not all heritage buildings will be repaired given the funding and financial constraints the Council is facing.
- 8.12.1 Treatment: The Council mitigates deterioration of the buildings which are yet to be repaired and prioritises the repair programme to undertake repairing the most critical buildings first.
- 8.12.2 Residual risk rating: The rating of the risk is high.

Implementation

- 8.13 Implementation dependencies - there are no implementation dependencies.
- 8.14 Implementation timeframe – the scheduled repair and restoration will continue as per funding allocated in the LTP.

Option Summary - Advantages and Disadvantages

- 8.15 The advantages of this option include:
- All heritage building repairs are managed by Council staff which minimises the risk of losing heritage values.
 - Ownership of all heritage buildings are retained by Council.

8.16 The disadvantages of this option include:

- Community engagement and involvement may be limited or on an ad hoc basis.
- Council does not have a city-wide approach to the repair and use of its heritage buildings.
- The future use, occupation and funding opportunities may not be fully explored or the encouraged through private public partnerships.
- Council is the primary funding agency and carries the financial burden for all costs.

Attachments

| No. | Title | Page |
|---------------------|------------------------------------------|------|
| A ↓ | Example of Information | 40 |
| B ↓ | Heritage Buildings Repaired and Occupied | 41 |

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:


- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

Signatories

| | |
|--------------------|--------------------------------------------------------------------------------------------|
| Author | Adela Kardos - Senior Advisor |
| Approved By | Andrew Rutledge - Head of Parks Mary Richardson - General Manager Citizen and Community |

Example: Heritage Building Information template for Community Boards

| | | | | | |
|-----------------------------------------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------------|----------------|
| Former Dwelling and Setting Risingholme | | | | | |
| 22 Cholmondeley Avenue, Opawa | | | | | |
|  | Heritage Status | District Plan | | Heritage New Zealand | |
| | | Highly Significant | | Category 2 | |
| | Conservation Plan | Yes | | | |
| | Statement of Significance | Yes | | | |
| | Authenticity/Intactness | High | Medium | Low | |
| | Geographic Level of Significance | International | National | Metropolitan | |
| Location | | Risingholme Park | | | |
| Community Board | | Linwood-Central-Heathcote | | | |
| Legal | | | | | |
| Pre-earthquake Use | | Community | | | |
| Post-earthquake Use | | Community | | | |
| Current Status | | Closed | | | |
| Repair Status | | Awaiting Repair | | | |
| Occupied | | No | | | |
| Background | | Once an early residential property the dwelling has had more than 70 years as a Community Centre. Risingholme was purchased by Sir John McKenzie following a petition by local residents for the council to buy and preserve it for the city. McKenzie gifted it to the city in 1943. | | | |
| Funding | | | | | |
| Funding required | FY18 | FY19 | FY20 | FY21-25 | FY26-48 |
| \$2,046,795 | \$1,122,665 | \$424,103 | | | |
| Funding Gap | \$500,000 | | | | |
| Risks | Stabalised and weather proofed. | | | | |
| Commentary | | | | | |
| | | | | | |

HERITAGE BUILDINGS REPAIRED AND OCCUPIED

| No. | Building Name | Community Board | Managed By | Post-earthquake Use |
|-----|----------------------------------------------------|----------------------------|------------|---------------------|
| 1 | Former Plunket Rooms (Akaroa) | Banks Peninsula | Parks | Commercial |
| 2 | Dwelling and Setting Avebury (Avebury House) | Linwood-Central-Heathcote | Parks | Community |
| 3 | Cunningham House (Botanic Gardens) | Linwood- Central-Heathcote | Parks | Community |
| 4 | Curator's House (Botanic Gardens) | Linwood-Central-Heathcote | Parks | Commercial |
| 5 | Former Governors Bay School | Banks Peninsula | Parks | Community |
| 6 | Dwelling and Setting Grubb Cottage | Banks Peninsula | Parks | Community |
| 7 | Mona Vale (Homestead) | Halswell-Hornby-Riccarton | Parks | Commercial |
| 8 | Mona Vale Lodge | Halswell-Hornby-Riccarton | Parks | Community |
| 9 | Commercial Building (Lyttelton Information Centre) | Banks Peninsula | Parks | Community |
| 10 | Sign of the Kiwi | Banks Peninsula | Parks | Commercial |
| 11 | Wharfinger's Office (Akaroa) | Banks Peninsula | Parks | Commercial |

Christchurch City Council

Heritage Building Status

| | | | | |
|----|-----------------------------------|---------------------------|----------------------|------------|
| 12 | Rolleston House | Linwood-Central-Heathcote | Parks | Commercial |
| 13 | Coronation Library (Akaroa) | Banks Peninsula | Libraries | Community |
| 14 | Former Linwood Town Board Offices | Linwood-Central-Heathcote | Community Facilities | Community |
| 15 | Gaiety Hall | Banks Peninsula | Community Facilities | Community |
| 16 | Dwelling Stoddarts Cottage | Banks Peninsula | Community Facilities | Community |
| 17 | Former Beckenham Library | Spreydon-Cashmere | Libraries | Community |

Occupiable Heritage Buildings

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