Before an Independent Hearings Panel Appointed by Christchurch City Council

under: the Resource Management Act 1991

in the matter of: proposed Plan Change 14 to the Christchurch District

Plan

and: Daresbury Limited

(Submitter 874)

Church Property Trustees

(Submitter 825)

Summary statement of Jonathan Clease (planning) on behalf of Daresbury Limited and Church Property Trustees

Dated: 17 April 2024

Reference: Jo Appleyard (jo.appleyard@chapmantripp.com)

Annabel Hawkins (Annabel.hawkins@chapmantripp.com)





SUMMARY STATEMENT OF JONATHAN CLEASE ON BEHALF OF DARESBURY LIMITED AND CHURCH PROPERTY TRUSTEES

INTRODUCTION

- 1 My full name is Jonathan Guy Clease. I am a Partner in the planning and resource management consulting firm Planz Consultants Limited.
- I provided a statement of evidence in relation to the relief sought by Daresbury Limited (*Daresbury*) and Church Property Trustees (*CPT*) on proposed Plan Change 14 to the Christchurch District Plan (*PC14*) dated 20 September 2023 (*EiC*). My qualifications, experience and confirmation I will comply with the Code of Conduct for Expert Witnesses (Part 9, Environment Court Practice Note 2023) are set out in my EiC and I do not repeat those here.
- This statement is intended to provide a brief summary of my evidence. I confirm that I have read the rebuttal evidence filed for Christchurch City Council (*Council*).

LISTING OF DARESBURY HOUSE¹ AND ST JAMES CHURCH²

- 4 PC14 seeks to give effect to both the National Policy Statement on Urban Development (NPS-UD) and Medium Density Residential Standards (MDRS). Daresbury House and St James Church are both located in residential zones³. In the case of MDRS, the standards are to be applied unless a Qualifying Matter (QM) is in play. I accept that Historic Heritage, as a s6(f) RMA matter of national importance, is a legitimate QM where the normal s32 tests are able to be met.
- I remain unclear as to where the line is drawn between what is part of PC13 and what matters fall within the ambit of PC14. Advice from Counsel is that item listing, as a QM, falls squarely within PC14, whereas amendments to the Chapter 9 heritage provisions are more likely than not to fall within PC13. As such this summary focusses primarily on whether or not these two heritage items should be listed.
- The criteria for listing are set out in Policy 9.3.2.2.1 and associated Appendix 9.3.7.1. No substantive amendments to this policy are proposed via PC13/14. In summary, identification of a building having heritage values is not the end of the matter when it comes to listing. The Policy also requires that an assessment be undertaken of the physical condition of the building, whether the effects of any repairs would be such that the building post-repair no longer contained sufficient remaining value to be listed i.e. it was

¹ 9 Harakeke Street, Fendalton

² 65 Riccarton Road, Riccarton

³ Daresbury House = Residential Suburban; St James Church = Residential Medium Density

functionally a replica; and/or whether "there are engineering and financial factors related to the physical condition of the heritage item that would make it unreasonable or inappropriate to schedule the heritage item"⁴.

- The theme of reasonableness as to repair costs is derived from the single heritage objective that "recognises the condition of buildings, particularly those that have suffered earthquake damage, and the effect of engineering and financial factors on the ability to retain, restore, and continue using them; and acknowledges that in some situations demolition may be justified by reference to the matters in Policy 9.3.2.2.8"⁵.
- 8 The Policy on demolition in turn requires that regard be had to "whether the costs to retain the heritage item (particularly as a result of damage) would be unreasonable."6.
- 9 The crux of my evidence is that for both buildings, there are indeed engineering and financial factors in play that make listing unreasonable and inappropriate.
- 10 Council experts have recommended that Harley Chambers and Portstone Cottage both be delisted, in large part due to the costs of repair and retention being unreasonable. There is therefore no difference in view as to the principle that it can be appropriate to delist an item through PC14. Instead, there is simply a difference as to whether or not for Daresbury and St James such costs are unreasonable.
- I readily accept that pre-quake, both buildings originally contained sufficient heritage value to warrant listing⁷ as evidenced by them both having gone through a s32 assessment based on the information that was available at the time the Plan was last reviewed, now some eight years ago.
- I also accept that both buildings, in their damaged state, still retain heritage value. This is not however the end of the matter. It is important to emphasise that in terms of section 32, demonstration of heritage value (even in a degraded state) is not in itself sufficient to warrant ongoing listing. The section 32 tests are not a 'heritage value trumps all other assessments' process. Listing is a tool for protecting heritage values as listed buildings are subject to rules controlling demolition and additions/alterations and works in the setting surrounding the items. The assessment for justifying the listing must therefore necessarily wrestle with the efficiency and effectiveness of the listing as a tool for maintaining heritage values,

⁴ Policy 9.3.2.2.1(c)(iv)

⁵ Objective 9.3.2.1.1(a)(ii) & (iii)

⁶ Policy 9.3.2.2.8(a)(iii)

⁷ Daresbury = Highly Significant item #185; St James = Highly Significant item #465

- and also the costs and benefits of the regulation on both the building owner and the wider community.
- For heritage buildings to endure they must have an ongoing functional use. In order to have a functional use they must be safe to occupy and in a repaired state. In order for the necessary repairs and strengthening to be undertaken, the owner must have both the requisite financial resources, AND the value of the resultant building will need to justify such expense. No responsible owner embarks on a repair project where the end result will be a building that is worth significantly less than the cost of repairing it. To require such would be unreasonable. In the case of CPT such considerations go a step further where such actions by the Trustees are likely to be unlawful, especially where the parish has no functional need for the building given the Riccarton Parish already has an alternative 'home' in St Martins Church at 50-60 Lincoln Road.
- The engineering evidence for both buildings is that a repair is technically feasible, albeit more so for St James than for Daresbury, where the extent of works necessary for Daresbury is little short of a replica rebuild due to the triple brick ground floor being severely compromised. Mr Pearson considers that the extent of intrusive repair works necessary for Daresbury would result in that building's heritage values reducing from 'highly significant' to 'significant'.
- 15 The Quantity Surveying (QS) and valuation evidence for Daresbury is that the costs are significant \$8.1m+gst. The valuation evidence of Mr Shalders identifies that the end value of the repaired dwelling would be \$4.3-\$4.9m excluding land. In short, the repairs would result in a loss of approximately \$3.2 \$3.8m.
- 16 The QS evidence for St James is that the costs are again significant at \$5.89m +gst. I note that the cost estimates for St James exclude provision for foundation repairs; inflation adjustments; and change of use and increased NBS requirements.
- 17 For St James, Mr Holley on behalf of CPT has set out that they have twice marketed the building for sale with no serious interest received. They have recently sold St Saviour's Church in Sydenham (200 Colombo Street), for significantly less than the repair costs of St James, with St Saviours being a newer building that also includes an adjacent dwelling. CPT's legal advice is that it is likely that the trustees would be acting unlawfully were they to spend parish funds on restoring a building to then on-sell, knowing that the eventual sale was highly likely to result in a loss.
- There is minimal prospect of heritage grants being made available to bridge this significant gap for either building⁸. There are no insurance proceeds available for either building. Daresbury was purchased from the original owner on an 'as is where is' basis,

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⁸ Evidence of Mr Pearson for Daresbury and evidence of Mr Holley for CPT

- whilst for St James the parish have utilised their share of CPT's global settlement on amalgamating with an adjacent parish and on furthering their mission and social outreach programmes.
- The difference between repair cost and end value will remain the same for any future owner i.e. the unreasonableness of the finances around retention is enduring. This unreasonableness is evidenced by the lack of garnering any interest from two marketing campaigns to sell St James on an 'as is where is' basis and in particular no interest from any party indicating an interest in any form of adaptive re-use. Were an alternative use to be proposed, the Building Act requires upgrades to as near as practicable to 100% NBS. For alternative uses the costs are therefore likely to be higher still.
- 20 Some thirteen years has now elapsed since the Canterbury earthquakes. Detailed new information on both engineering and QS matters is now available since the District Plan was last reviewed. Both buildings remain vacant and subject to significant damage. Retention of the listing does nothing to bridge the gap between repair cost and resultant value. At best it retains a 'future hope' strategy that a different owner with appear who is willing to absorb a substantial loss. Listing does not therefore see the buildings repaired and reoccupied, rather it simply perpetuates the sites remaining vacant at significant cost to the land owners, and at lesser cost to eh community who have the amenity and vibrancy of their neighbourhood degraded by the presence of vacant, damaged buildings.
- 21 I do not consider such an outcome to align with the overall sustainable management purpose of the Act, especially as s6(e) seeks only to protect historic heritage from <u>inappropriate</u> subdivision use and development. In my view both buildings readily meet the matters set out in Policy 9.3.2.2.1(c)(iv), namely that there are engineering and financial factors related to the physical condition of the item that would make it unreasonable or inappropriate for them to be listed.

Jonathan Clease 17 April 2024