

BEFORE THE INDEPENDENT HEARINGS PANEL

UNDER the Resource Management Act 1991
IN THE MATTER of proposed Plan Change 14: Housing and Business
Choice to the Christchurch District Plan
AND
IN THE MATTER of Cambridge 137 Limited (Submitter 1092)

**STATEMENT OF EVIDENCE OF MATTHEW BONIS ON BEHALF OF
CAMBRIDGE 137 LIMITED**

QUALIFYING MATTER: HERITAGE (HERITAGE SITES)

20 September 2023

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Introduction

- 1 My full name is Matthew William Bonis.
- 2 I am a Planner employed by Planz Consultants, a role I have held for over 20 years.
- 3 I hold a Bachelor of Regional Planning degree and have been employed in the practise of Planning and Resource Management for 25 years. I am a full member of the New Zealand Planning Institute and also an accredited Commissioner under the 'Making Good Decisions' Ministry for the Environment Certification process.
- 4 My experience in planning and resource management includes policy development, formation of plan changes and associated s.32 assessments; s.42A report preparation and associated evidence; the preparation and presentation of evidence at Environment Court; and the preparation and processing of resource consent applications.
- 5 I have been based in Christchurch since 1999. My Heritage experience includes: resource consents associated with AMI Stadium and Lancaster Park War Memorial Gates (RMA92006984), restoration of Christchurch Town Hall both prior to (RMA92017145) and post the Canterbury earthquake sequence (RMA92020093, RMA92023324), a number of clients during the Christchurch District Plan review including but not limited to Taylor Space (the Public Trust Building), and demolition consent for the Group 1 Listed Troup Ashburton Railway Station (*Redson Corporation Holdings Ltd vs Ashburton District Council NZEnvC 224*).
- 6 I am familiar with the site at 137 Cambridge Terrace. I undertook a site visit in October 2017 as part of compiling (the December 2017 lodged and later withdrawn) resource consent (RC2017 3196) application of the demolition of Harley Chambers and establishment of a hotel complex on the site (and adjoining Worcester Chambers).
- 7 I confirm that I have read and am familiar with the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2023. I have complied with the Code of Conduct in preparing this evidence and I agree to comply with it while giving any oral evidence during this hearing. Except where I state that I am relying on the evidence of another person, my evidence is within my area of expertise.

I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

Scope of Evidence

- 8 I have prepared this evidence on behalf of Cambridge 137 Limited (submitter number 1092) and further submission (2042) in relation to Hearing Topic – Qualifying Matter – Heritage – Heritage sites.
- 9 Pursuant to [76] of the Hearing Procedures (23 August 2023) I have also prepared a brief of evidence for Woolworths New Zealand Ltd (Woolworths, submitter number 780) in relation to Hearing Topics – Urban Design, City-wide qualifying and other matters – tree canopy, and Commercial Zones).
- 10 My evidence:
- (a) Recommends the removal of the listing of 137 Cambridge Terrace (Harley Chambers) in **Appendix 9.3.7.2** ‘Schedule of Significant Historic Heritage’ and seeks **deletion** of 137 Cambridge Terrace (Harley Chambers) from the Appendix. The basis for the recommendation is retention of the listing is neither the most efficient and effective in combination with **Objective 9.3.2.2.1**, and in particular **Policy 9.3.2.2.1(c)(i)** and **(ii)** to achieve **Objective 9.3.2.1.1** in terms of the duties expressed in s32(1)(b) (along with the other tests in the RMA for a plan change); and in combination with
 - (b) deletion of changes introduced in PC13/14 as to Rule 9.3.4.1.1(P9) and (P11) and (P12) and matters of Discretion 9.3.6.1, as identification of the ‘recovery’ context to these provisions remains the more appropriate in terms of achieving the Objectives of the Plan.
- 11 I first became involved with the Harley Chambers building in 2017.
- 12 In preparing my evidence I have reviewed, amongst others, the following documents:
- (a) Plan Changes 13 and 14 (**PC13/PC14**) as notified.
 - (b) Section 32 Report – Heritage, including Appendix 1 – Appendix 9.3.7.2.
 - (c) Statements of Significance – updates for existing items.

- (d) The Canterbury Regional Policy Statement (**CRPS**).
- (e) Mahaanui Iwi Management Plan 2013.
- (f) The Operative District Plan (**District Plan**) and the District Plan as sought to be amended by the Plan Changes (**PC13/PC14**) as notified.
- (g) Centrus Structural Engineering Report (July 2023) – 137 Cambridge Terrace (attached as Appendix B to Mr Hogg's evidence for the Council).
- (h) The Harley Chambers Condition Reports September 2023 (attached to Mr Lyttle and Mr Doig's evidence).
 - (i) Mould Assessment – SC Environmental.
 - (ii) Asbestos Survey – SC Environmental.

13 I have relied on the expert evidence of the following witnesses being called on behalf of Cambridge 137 Limited:

- (a) Mr B Gilmore – Engineering;
- (b) Mr K Pomeroy – Quantity Surveyor;
- (c) Mr H Doody – Valuation;
- (d) Mr B Gerrard – Insurance; and
- (e) Mr J Brown – Heritage.

14 In preparing my evidence, I have reviewed the following evidence prepared on behalf of the Christchurch City Council:

- (a) Ms S Oliver – Strategic Overview;
- (b) Ms A Ohs – Listed Heritage Items;
- (c) Mr T Heath – Economics;
- (d) Mr D Pearson – Conservation Architect;
- (e) Mr G Stanley – Quantity Surveyor;
- (f) Mr S Hogg – Engineering; and
- (g) Ms S Richmond – Planning in relation to Heritage Items.

Executive summary

- 15 It is not disputed that the building at 137 Cambridge Terrace (Harley Chambers) is of significant heritage value.¹ The Statement of Significance accompanying the listing in the District Plan as notified² concluded that: the building was of historical and social significance as a purpose built medical and dental rooms; has architectural and aesthetic significance as a three-story building, purpose built to house professional doctors and dentists; and is of technological significance for its internal service provision and internal construction including using 'Bell blocks'. Contextual significance is also ascribed given the wider context including Worcester Chambers, Canterbury Club and Worcester Street Bridge.
- 16 The 2014 Statement of Significance (**SoS**) was not updated to account for the consequences of the 2010 Canterbury Earthquake sequence.
- 17 Neither was the SoS for Harley Chambers updated as part of PC13/PC14. It is noted that the same material as provided with resource consent (RC2017 3196) appears to have been utilised by the Council to update the Statement of Significance for the adjoining Worcester Chambers.³
- 18 Importantly, the SoS for Harley Chambers has not been updated to address engineering and financial factors, despite this material being available with the Council since 2017.
- 19 It appears that the SoS has not been re-evaluated to account for the demonstrable and necessary post-quake physical conditions of the building, and whether any necessary retention, repairs or reinstatement work would compromise heritage values (including the integrity of the façade) to the extent that it would no longer retain its heritage significance, and hence be removed from the Appendix.

¹ Evidence in Chief (EiC) of John Brown dated 20 September 2023, paragraphs 10 and 39.

² SoS dated 23 October 2014. Also refer to EiC of Amanda Ohs of behalf of the Christchurch City Council (CCC) dated 11 August 2023, paragraph 236.

³ Appendix 4 PC13 Section 32 Report – Statements of Significance – Updates to Existing Item, Heritage Item 571, page 51, [PC-13-Appendix-4-Heritage-Statements-of-Significance-updates-to-existing-items.PDF](https://ccc.govt.nz/PC-13-Appendix-4-Heritage-Statements-of-Significance-updates-to-existing-items.PDF) (ccc.govt.nz) .

- 20 This is despite the Council clearly having done so for other listings as identified by Ms Richmond:

“In updating Chapter 9.3 on heritage, the opportunity has been taken to correct entries in the Schedule of Significant Historic Heritage Items where circumstances have changed. This includes the deletion of items that have been demolished or have consent for demolition. It also includes instances of the level of significance of an item being corrected/upgraded from Significant to Highly Significant. This is because the level of significance recorded in the schedule does not accurately reflect the assessment and peer review of that assessment that was carried out for the heritage item at the time of the District Plan Review....”⁴ (my emphasis)

- 21 The submission seeks delisting of the building. The primary basis of the relief is that the repair strategy for the building substantively diminishes heritage values to the extent that listing is no longer appropriate,⁵ and regardless, the financial implications for retention are both *unreasonable and inappropriate*.⁶

- (a) The combined evidence of **Mr Doody** and **Mr Pomeroy** is that the building cannot be reconstructed to provide a productive use, even were there to be substantial capital expenditure to return the building to a minimum 34% NBS at a cost of \$19.38 million. Noting that **Mr Gerrard** holds the view that 67% NBS is the minimum insurance requirement⁷ which accords with the view of Ms Ohs for Council,⁸ the repair cost of which is estimated to be \$25.40 million.⁹
- (b) **Mr Gilmore** identifies that in returning the building to a minimum 34% NBS much of the work would be both substantial and intrusive with a commensurate loss of residual heritage fabric. He identifies the building as having an NBS of less than 15% and the building being an earthquake prone building¹⁰ under the Building Act 2004, with that status of the building integrity being agreed in the Council evidence¹¹.

⁴ S42A of Suzanne Richmond on behalf of CCC dated 11 August 2023, paragraph 6.1.5.

⁵ EiC John Brown dated 20 September 2023, paragraphs 12, 14, 55 to 56 and 63.

⁶ Policy 9.3.2.2.1(c)(iv).

⁷ EiC of Brett Gerrard dated 20 September 2023, paragraphs 15 to 16.

⁸ EiC of Amanda Ohs on behalf of CCC dated 11 August 2023, paragraph 246.

⁹ EiC of Keeley Pomeroy dated 20 September 2023, paragraph 24, Table 1.

¹⁰ EiC of Brett Gilmore dated 20 September 2023, paragraph 55.

¹¹ S42A Report of Suzanne Richmond on behalf of CCC dated 11 August 2023, paragraph 8.1.54.

- (c) As identified in the Corporate Evidence of **Mr Doig** and **Mr Lyttle**, the building currently earns nothing, with Citadel being liable for protection works and security costs, as well as rates insurance and maintenance costs into an indefinite future.
- 22 The evidence of the Council is that the listing should be retained.¹² However, both Ms Ohs and Ms Richmond recognise that present day assessments of economic costs of restoration '*may assist with determining the economic reasonableness of scheduling the building*'.¹³ The Council's quantity surveyor, Mr Stanley, has used a different cost escalation methodology but still estimates a cost of \$21.61 million to repair the building to 67% NBS.¹⁴
- 23 Those costs for the submitter provided in the evidence of Mr Pomeroy. Mr Doody's evidence then provides a valuation of the building under the different reconstruction scenarios. Together this evidence demonstrates that the costs of reconstruction of the building are uneconomic given the valuation of an as complete repaired building.
- 24 The statutory framework enshrined in the RMA seeks:
- (a) To protect historic heritage under Sections 6(f), which requires the protection of historic heritage from *inappropriate* subdivision, use and development.
- (b) Section 7(aa) requires the ethic of stewardship, and thereby give regard to the interests and needs of future generations, which must acknowledge whether future generations are better served by continued listing, noting this does impose a requirement to expend resources to restore a building that is of no use to the owner, nor compel the owner to restore and strengthen the building.
- (c) Sections 7(c) and 7(f) are relevant in that a strengthened and restored building would add to the amenity values and quality of the localised environment, as would a new commercial building. The current building, left in a deteriorating and secured state would

¹² S42A Report of Suzanne Richmond on behalf of CCC dated 11 August 2023, paragraph 8.1.57, EiC of Amanda Ohs on behalf of CCC dated 11 August 2023, paragraph 252.

¹³ EiC Ohs on behalf of CCC dated 11 August 2023, paragraph 250, s42A Richmond on behalf of CCC dated 11 August 2023, paragraph 8.1.56.

¹⁴ EiC of Gavin Stanley on behalf of CCC dated 11 August 2023, at 49.

detract amenity values, and act as a potential impediment to localised recovery.

- (d) These matters are subservient to section 5, which requires a broader consideration of whether the listing represents sustainable management in this instance.

25 The application of these provisions contextually, and through the recovery lens contained (and retained) in the Canterbury Regional Policy Statement (2013) and the Operative District Plan are:

- (a) CRPS **Objective 13.2.3** recognises the economic costs associated with on-going conservation and management of historic heritage;
- (b) Strategic Directions **Objective 3.3.9(a)(iii)** in the District Plan seeks to identify and *appropriately manage* historically important objects and structures;
- (c) Strategic Directions **Objective 3.3.9** seeks to both revitalise the Central City, and enhance amenity values and viability through private sector investment; and
- (d) Pre-eminence is provided to Strategic Directions **Objective 3.3.1** 'Enabling recovery and facilitating the future enhancement of the district', which seeks to foster investment certainty, and Strategic Directions **Objective 3.3.2** to minimise transactions costs and reliance on resource consents.

26 Whilst not a statutory document for the purposes of s74 and s75, the International Charter for the Conservation and Restoration of Monuments and Sites, (ICOMOS) is of relevance. Whilst the Charter speaks to the recognition and protection of historic heritage, I note that Principle 8 Use recognises '*The conservation of a place of cultural value is usually facilitated by the place serving a useful purpose*'¹⁵.

27 The matter of ongoing use is of considerable importance in the post Canterbury earthquake sequence statutory environment. This is recognised in **Policy 9.3.2.2.5 'Ongoing Use'** and **Policy 9.3.2.2.8(iii) 'Demolition'** as enshrined as to whether the costs attributable to retention as a result of damage *would be unreasonable*. These policies

¹⁵ ICOMOS New Zealand Charter 2010. Principle 8 'Use'. Page 3

have not been amended by PC13/14 insofar they relate to the demolition of listed heritage buildings.

- 28 Lastly, albeit of little relevance to the subject matter of this submission I acknowledge that PC14 is an intensification Plan Change. I have listed out the relevant provisions of the NPS-UD in my evidence for Woolworths NZ and rely on that evidence.
- 29 This evidence focuses on the de-listing of Harley Chambers. The issue I discuss in my evidence can principally be synthesised as to whether, for the purposes of s74, s75(c) and s32, the identification of Heritage Item Number 78 (and setting 309) *efficiently* and *effectively* achieves and implements the respective policies and objectives of the Plan, as grouped in the context of the following issues:
- (a) The safety of people and communities (represented by the public, workers in and around the building, and buildings and associated people in close proximity to the building);¹⁶
 - (b) The section 6(f) RMA presumption and public interest in preserving heritage in the Christchurch context;¹⁷
 - (c) The financial and economic interest of people (the building owner) and communities (the wider public in the context of CBD recovery).¹⁸
- 30 I conclude on balance, it is neither efficient nor effective in terms of the sustainable management to retain the listing of the building and setting at 137 Cambridge Terrace.

¹⁶ RMA, s 5(2); Canterbury Regional Policy Statement (**CRPS**) Objective 6.2.3(5).

¹⁷ RMA, ss 5(2)(a), s6(f) and s7(aa); CRPS Objective 13.2.1, 13.2.3, Policy 13.3.1 and Policy 13.3.4; Strategic Directions Objective 3.3.9(a)(iii); Objective 9.3.1 and associated Policies.

¹⁸ RMA, ss 5(2); s7(b), s7(c), s7(f); CRPS Objective 13.2.3, 6.2.3; Strategic Directions Objective 3.3.1(a)(i) and (a)(ii), 3.3.2(a), Objective 3.3.5, 3.3.7(vii), Objective 9.3.2.1.1(a)(ii) and Policy 9.3.2.1.2.1(c)(iii) and (iv).

PART A – BACKGROUND AND FACTUAL BASIS

Background

- 31 Harley Chambers, 137 Cambridge Terrace is a three-level character building, with the northern portion originally dating from 1929, and the southern 1934.
- 32 Until 2011, the building was used for numerous small to medium size offices, predominately for medical and dental practice rooms.
- 33 The Canterbury earthquake sequence (and subsequent deterioration) has rendered the seismic compliance rating of the building as a whole at around 15% NBS.
- 34 The building has been unoccupied since February 2011, apart from a high level of vagrant and antisocial behaviour despite ongoing security efforts by both the previous and current owners.
- 35 The building is notated as Significant (second tier heritage significance) in the Christchurch District Plan (Heritage notation 78 and setting notation 309).
- 36 The building is also listed as a Category 2 Historic Plan by NZHPT / Pouhere Taonga. I understand that any prospect of funding grants from NZHPT is constrained to Category 1 listed items.

Structural Consequences of the Earthquakes and deterioration

- 37 The building has been untenanted since the earthquakes.
- 38 **Mr Gilmore** outlines the consequences of the earthquakes, and subsequent and secondary deterioration of the building in his evidence.¹⁹
- 39 I understand that there is agreement between the Council experts and Mr Gilmore that the building *as a whole is earthquake prone and has an assessed earthquake strength of 15% NBS.*²⁰
- 40 The definition of 'earthquake-prone building' under s133AB of the Building Act 2004 is:

¹⁹ EIC of Brett Gilmore dated 20 September 2023, paragraph 30 to 50.

²⁰ EIC of Brett Gilmore dated 20 September 2023, paragraph 55, Section 42A Report of Suzanne Richmond on behalf of CCC dated 11 August 2023, paragraph 8.1.54, EIC of Stephen Hogg on behalf of CCC dated 11 August 2023, paragraphs 23 and 26.

133AB Meaning of earthquake-prone building

- (1) *A building or part of a building is earthquake prone if, having regard to the condition of the building or part and to the ground on which the building is built, and because of the construction of the building or part, -*
- (a) *the building or part will have its ultimate capacity exceeded in a moderate earthquake ; and*
 - (b) *if the building or part were to collapse, the collapse would be likely to cause-*
 - (i) *injury or death to persons in or near the building or on any other property; or*
 - (ii) *damage to any other property.*

- 41 For completeness, I record that I understand that Mr Gilmore has concluded that the condition of Harley Chambers does not extend to being a Dangerous Building, as determined against s121 of the Building Act 2004. The definition of a Dangerous Building is as follows:

121 Meaning of dangerous building

(1) *A building is dangerous for the purposes of this Act if,—*

(a) in the ordinary course of events (excluding the occurrence of an earthquake), the building is likely to cause—

(i) injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or

(ii) damage to other property; or

(b) in the event of fire, injury or death to any persons in the building or to persons on other property is likely.

- 42 Given the definition specifically excludes the occurrence of an earthquake, Mr Gilmore's conclusion is based on the building's concrete floors and frames, meaning that the building doesn't need to rely on the bricks to stand up under fire, and would therefore likely to be able to withstand this load case.

- 43 I acknowledge the non-statutory, but relevant application of the Christchurch City Council's Earthquake-Prone, Dangerous and Insanitary Buildings Policy 2018 (**Policy**).²¹ The Policy identifies at

²¹ Christchurch City Council's Earthquake-Prone, Dangerous and Insanitary Buildings Policy 2018, <https://ccc.govt.nz/assets/Documents/The-Council/Plans-Strategies-Policies-Bylaws/Policies/Dangerous-and-Insanitary-Buildings-Policy-2018.pdf>.

Section 8.2 that the Policy will apply equally to heritage buildings, and when considering how to respond, the Council will take into account the heritage values of the building in determining possible courses of action and seek to avoid demolition wherever possible (my emphasis).

- 44 Pursuant to s124 and s125 of the Building Act, I understand that hoardings have been established along the North Durham façade, although as identified by Mr Gilmore these are not located at the preferred distance from the building.²²
- 45 However, even once a Council is 'satisfied' that a building is dangerous or earthquake prone under the Building Act, there is nothing that requires the building be demolished, or partly demolished. Work necessary to reduce or remove the danger could require demolition, but equally for the Harley Chambers building, the Council could require the long-term retention of the existing security fence and additional propping further extending into North Durham Street.
- 46 The repair strategy as outlined in the evidence of **Mr Pomeroy** (to 34%, 67% and 100% NBS) requires substantial removal and reduction of heritage fabric, as set out in the evidence of **Mr Brown**²³, as individually listed with associated estimated costings.²⁴ Owing to the definition of 'partial demolition' in the District Plan:

"in relation to a heritage item, means the permanent destruction of part of the heritage item which does not result in the complete or significant loss of the heritage fabric and form which makes the heritage item significant".

Despite application to the scheduled exterior of the building, it is arguable that the comprehensive nature of the repair strategy would be caught by this definition requiring consent as a *restricted discretionary activity*.²⁵

- 47 **Mr Doig** and **Mr Lyttle** have outlined as the landowner that, based on the costing provided by Mr Pomeroy, reconstruction is not viable given the inherent costs.²⁶ Whilst either the redevelopment of Harley Chambers or the redevelopment of the site²⁷ would improve amenity and

²² EIC of Brett Gilmore dated 20 September 2023, paragraph 37.

²³ EIC of John Brown dated 20 September 2023, paragraphs 55 to 56.

²⁴ EIC of Keeley Pomeroy dated 20 September 2023, Appendix 2.

²⁵ Christchurch District Plan, Rule 9.3.4.1.3(RD1) as an 'Alteration of a Heritage Item'.

²⁶ EIC of Michael Doig and Jonathan Lyttle dated 20 September 2023, paragraph 51.

²⁷ As subject to Urban Design – Christchurch District Plan, Rule 15.10.1.3(RD1).

the quality of this environment,²⁸ the evidence of Mr Doody²⁹ identifies that retention at the losses identified below would be unrealistic. Notably the costs exclude some of the actual costs that will be incurred.³⁰

Table 1: Residual Values

Scenario	Residual value
Option 1A: 34% Building restatement and strengthening.	NA ³¹
Option 1B: 67% Building restatement and strengthening.	-\$14.715 million
Option 1C: 100% Building restatement and strengthening.	-\$16.955 million
Option 2A: Façade retention and New Open Plan at 100%.	-\$9.795 million

- 48 The long-term retention of the building in its current state, and with security fencing and potentially external propping is detrimental to the amenity, design and investment outcomes outlined in the District Plan. This has been cogently established as far back as 17 May 2017 (when the Christchurch City Council issued a letter to the landowners identifying Harley Chambers as one of the derelict 'dirty 30' barrier sites to redevelopment (**Attachment A**)).

Economic context for investment

- 49 **Mr Pomeroy's** evidence³² outlines the estimated costs for repair, plus costs for a comparative new build and façade retention option. These costs are relatively similar. The costs for repair (as rounded) range from \$19.4m (34% NBS), \$25.4m (67%), and \$27.8m (100%). The costs of façade retention (as associated with a 100%) new build is \$20.8m and a modern equivalent 3-level building is costed at \$13.6m.

²⁸ As these s7(c) and (f) RMA matters are ascribed in the Christchurch District Plan (e.g Objective 3.3.8(b) *'The amenity values, function and economic, social and cultural viability of the Central City are enhanced through private and public sector investment'*).

²⁹ EiC of Hayden Doody dated 20 September 2023, paragraphs 40 to 43.

³⁰ For example, escalation costs beyond the date of the estimate and costs associated with the demolition and removal of basement and foundations beyond a certain depth.

³¹ EiC of Hayden Doody dated 20 September 2023, paragraph 38.

³² EiC of Keeley Pomeroy dated 20 September 2023, paragraph 24, Table 1.

50 However, as outlined in the evidence of **Mr Doody**,³³ the 100% NBS repair results in a likely building value of only \$13.5 million, with 67% NBS repair resulting in a building value of \$13.2 million. There is agreement between Mr Doody and Ms Ohs that 34% NBS repair is unacceptable to the market.

51 Accordingly, and reliant on that evidence, reconstruction results in a substantial net economic cost in terms of the residual value of the physical resource represented by the building.

52 As concluded by Mr Doody³⁴:

“All scenarios are uneconomic from a commercial pragmatic feasibility perspective”.

Heritage

53 Mr Pearson in his evidence for the Council considers a contemporary application of the condition of Harley Chambers to the SoS. He concludes that despite the extent of degradation post-earthquake sequence that values such as ‘historical and social significance’, ‘rarity’ and ‘contextual significance’ still warrant listing of the building in the District Plan.³⁵

54 Mr Pearson identifies that in his view, the building’s contextual value is not lessened by the damage caused the earthquake sequence.³⁶

55 Importantly, Mr Pearson considers that:

“However, the condition of a building does not impact on its heritage values. In paragraph 8.2 of my evidence, I list the criteria in the District Plan for assessing significance. The condition of a building is not included in the list of criteria”. (my emphasis)

56 I disagree in terms of the ultimate consideration as to whether a building warrants listing within the District Plan, which incorporates directive considerations as to the existing physical condition of the heritage item.³⁷

57 **Policy 9.3.2.2.1** ‘Policy Identification and assessment historic heritage for scheduling in the District Plan’, includes the following:

³³ EIC of Hayden Doody dated 20 September 2023, paragraph 37.

³⁴ EIC of Hayden Doody dated 20 September 2023, paragraph 42.

³⁵ EIC of David Pearson on behalf of CCC dated 11 August 2023, paragraphs 4, 34, 37.

³⁶ EIC of David Pearson on behalf of CCC dated 11 August 2023, paragraph 53.

³⁷ Also identified in the EIC of David Pearson on behalf of CCC dated 11 August 2023, paragraph 81.

- (c) Schedule significant historic heritage as heritage items and heritage settings where each of the following are met:

...unless

- (iii) the physical condition of the heritage item, and any restoration, reconstruction, maintenance, repair or upgrade work would result in the heritage values and integrity of the heritage item being compromised to the extent that it would no longer retain its heritage significance; and/or
- (iv) 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.

58 Again, the relevant parts of this policy are unamended by PC13/14.

59 I note that this issue was also front of mind for the Independent Hearings Panel when considering the Heritage provisions and Statements of Significance through the replacement Christchurch District Plan process.

60 The IHP also released a Minute leading up to Decision 45.³⁸ The relevant consideration to this issue is:

[17] In addition, the Council's s32 evaluation did not involve any structured or formal evaluation, in consultation with landowners, or engineering feasibility and / or financial or economic viability issues. As we shortly address, the evidence we have heard on those matters for various submitters has informed our view that several listings should be deleted or modified....

[18] Those problems have their consequences for the Notified Proposal. One consequence concerns the reliability or otherwise of the heritage list in the Notified Proposal, given the quality control matters we have identified...

61 **Mr Brown** has considered the extent of works, and likely residual fabric.

62 He concludes agreement with Mr Pearson that the building (in the absence of works) is significant,³⁹ however the residual fabric subject to necessary repair / reconstruction (including that associated with the façade) would mean the merit for inclusion within Appendix 9.3.7.2 is highly doubtful from a heritage point of view.⁴⁰

³⁸ Hearing Panel Minute Regarding Topics 9.1 – 9.5, 22 February 2016. [Minute-Regarding-Topics-9.1-9.5-22-2-2016.pdf \(ihp.govt.nz\)](#).

³⁹ EIC of John Brown dated 20 September 2023, paragraph 39.

⁴⁰ EIC of John Brown dated 20 September 2023, paragraphs 14 and 63.

PART B – STATUTORY FRAMEWORK

Nature of the Dispute

63 The question is whether the listing of Harley Chambers is appropriate in the context of s32, s74 and s75 when considered against the following issues as grouped (within their respective statutory provisions – as provided in **Attachment B** (as grouped into the headings below):

- (a) The **safety of people and communities** (represented by the public, workers in and around the building, and buildings and associated people in close proximity to the building);⁴¹
- (b) The section 6(f) presumption and public interest in preserving **heritage in the Christchurch context**.⁴² This includes consideration as whether residual associated heritage fabric actually merits the building's listing given:
 - (i) The damage sustained to the heritage fabric as a result of the earthquake sequence;
 - (ii) Loss of fabric in the aftermath of the earthquakes through works undertaken to secure the building, ongoing vandalism and deterioration, and investigative works to assess structural integrity; and
 - (iii) The additional and necessary loss of fabric associated with the repair strategy; and
- (c) The **financial and economic** interest of people (the building owner) and communities (the wider public in the context of CBD recovery).⁴³

⁴¹ RMA, s 5(2); CRPS Objective 6.2.3(5).

⁴² RMA, ss 5(2)(a), s6(f) and s7(aa); CRPS Objective 13.2.1, 13.2.3, Policy 13.3.1 and Policy 13.3.4; Strategic Directions Objective 3.3.10(a)(iii); Objective 9.3.1 (particularly clause (a)(ii) and associated Policies, especially Policy 9.3.2.2.1.

⁴³ RMA, ss 5(2); s7(b), s7(c), s7(f); CRPS Objective 13.2.3, 6.2.3; Strategic Directions Objective 3.3.1(a)(i) and (ii), 3.3.2(a)(i), 3.3.5, 3.3.8.

Statutory Tests

- 64 I have set out the statutory tests within Section 3 of my PC14 evidence for Woolworths New Zealand (Submitter 740) and adopt them for this evidence. In summary, and in the context of retaining the listing of Harley Chambers (as a provision), the test is pursuant to s32(1)(b) of the RMA.
- 65 This requires an examination of whether the *provision* is the most appropriate way to achieve the objectives by identifying other reasonably practicable options for achieving the objectives, assessing the efficiency and effectiveness of the provisions in achieving the objectives, including the costs and benefits of the options, and the risks of acting or not acting, and summarising the reasons for deciding on the provisions.
- 66 The examination of *effectiveness* requires a consideration of whether the listing implements the policy⁴⁴ and achieves the objectives; and the examination of *efficiency* requires consideration of associated benefits and costs - in a quantifiable way if possible - including the opportunities for economic growth and employment).
- 67 Lastly, in the Christchurch context, the recovery context in **Objective 3.3.1** and **Objective 3.3.2** is to be expressed and achieved in subsequent provisions a manner consistent with those objectives⁴⁵. These provisions are not amended by PC14, and I understand economic advice from Mr Heath identifies that the City Centre (at least) is still in a recovery phase⁴⁶.

Heritage Protection Framework, the 'Christchurch context'

- 68 The Christchurch context for Heritage protection is as follows:
- (a) **CRPS Objective 13.2.3** recognises the economic costs associated with on-going conservation and management of historic heritage;
 - (b) **Strategic Directions Objective 3.3.9(a)(iii)** seeks to identify and appropriately manage historically important objectives;

⁴⁴ RMA, s 75(1)(c).

⁴⁵ Christchurch District Plan. Section 3.3 Interpretation.

⁴⁶ EiC of Tim Heath on behalf of CCC dated 11 August 2023, paragraphs 4, 97, 98, 101 and 102.

- (c) **Strategic Directions Objective 3.3.8** seeks to both revitalise the Central City, and enhance amenity values and viability through private sector investment; and
- (d) **Strategic Directions Objective 3.3.1** 'Enabling recovery and facilitating the future enhancement of the district' which seeks to foster investment certainty, and **Strategic Directions Objective 3.3.2** to minimise transactions costs and reliance on resource consents, to which pre-eminence must be provided.
- (e) **Objective 9.3.2.1.1 Historic Heritage** seeks to maintain the overall contribution of historic heritage, in a way 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*'.
- (f) **Policy 9.3.2.2.1** seeks to identify historic heritage through the assessed categories of 'Highly Significant' (clause b(i)) or 'Significant' (clause b(ii)), *unless* as identified above, the reinstatement of material due to the physical condition of the item would not warrant significance (clause c(iii)), and or there are engineering or financial features that would make it '*unreasonable or inappropriate*' to schedule the heritage item.

Importantly, it is noted that clauses (c)(iii) and (iv) are disjunctive. That is, a decision to not list (or remove from the heritage schedule) can be made on either residual fabric and / or reasonableness grounds.

- (g) **Policy 9.3.2.2.8 Demolition** contains a number of criteria (human safety, residual heritage fabric subsequent to necessary works, reasonableness of costs for retention, ability to retain values through a reduced degree of demolition, and level of heritage significance).

69 In conclusion, I do not consider that there is a statutory presumption that listing is the most appropriate in terms of achieving the objectives of the District Plan. In terms of s32(6)(b) I do not consider that the retention of the listing is the more appropriate in terms of the 'purpose of the proposal'.

- 70 Heritage recognition and protection, in the 'Christchurch context' provides considerable, but qualified, flexibility in the appropriate management of historic heritage.
- 71 Those qualifications are directive and incorporate matters associated with physical condition, the value of residual heritage fabric post reconstruction works, and the engineering and financial costs which would make it unreasonable or inappropriate to warrant scheduling.

PART C – CONSIDERATION OF DELISTING

Reasonably Practicable Options (s32(1)(b)(i))

- 72 The reasonably practicable options for achieving the objectives are considered as:
- (a) Status quo – retention of the listing (left in state);
 - (b) Listing of the façade only;
 - (c) Removal of the listing.
- 73 **Attachment C** identifies the benefits and costs of each option.
- 74 I have undertaken the analysis based on the grouping of the costs and benefits under the safety, heritage and economic categories, derived from the statutory basis outlined at paragraph 63.
- 75 I conclude that the removal of the listing to implement **Policy 9.3.2.2.1** and the higher order objectives is the more appropriate, having regard to the following:
- (a) Demolition or repair of the building must be anticipated. The building: is an earthquake prone building with respect to s133AB of the Building Act 2004; has been untenanted since 2011; and is in severe state of disrepair as identified by the City Council (**Attachment A – Barrier Sites**), with ongoing risks to public safety.⁴⁷
 - (b) The engineering solution favours substantial and invasive demolition of the structure particularly as related to the interior of

⁴⁷ EIC of Brett Gilmore dated 20 September 2023, paragraph 121.

the building,⁴⁸ noting that this extends to the façade albeit Council witnesses consider these works are not overly intrusive,⁴⁹ whereas **Mr Gilmore** considers these works to be more comprehensive including demolishing the building behind the face.⁵⁰ **Mr Brown** concludes that based on the extent of reconstruction required to the heritage fabric removal of the building from the heritage schedule is consistent with the District Plan policies, including Policy 9.3.2.2.1.⁵¹

- (c) Engineering and financial costs associated with reconstruction are unreasonable as comparable to the development of a new building on the site. There are substantial economic costs in capital value and commensurate rentals associated with reconstruction as outlined in the evidence of **Mr Doody**. **Mr Doig** and **Mr Lyttle** identifies that there is no appetite for considering heritage reconstruction.⁵²
- (d) Both **Mr Brown**⁵³ and Mr Pearson⁵⁴ agree that 'facadism' is a lesser heritage outcome, with Mr Brown going further and identifying that façade retention only would unlikely be sufficient in terms of a reassessment associated with the SoS.

From a planning context, the '*stepping back*' contrast to a new building as outlined by Mr Pearson⁵⁵ would have a reductive consequence on commercial feasibility given both the spatial extent of the site and the 'building tower setback' provision as required under PC14 as notified.⁵⁶

Status quo – retention of the listing, left in state

- 76 There is general agreement as to the repair strategy and resultant loss of heritage fabric, and that economic costs would be substantial. The

⁴⁸ EiC of Stephen Hogg on behalf of CCC dated 11 August 2023, paragraph 26(c).

⁴⁹ EiC of Stephen Hogg on behalf of CCC dated 11 August 2023, paragraph 26(f), EiC of David Pearson on behalf of CCC dated 11 August 2023, paragraph 91.

⁵⁰ EiC of Brett Gilmore dated 20 September 2023, paragraphs 27, 103-108.

⁵¹ EiC of John Brown dated 20 September 2023, paragraph 63.

⁵² EiC of Jonathan Lyttle and Michael Doig dated 20 September 2023, paragraph 51.

⁵³ EiC of John Brown dated 20 September 2023, paragraph 74.

⁵⁴ EiC of David Pearson on behalf of CCC dated 11 August 2023, paragraphs 97, 100.

⁵⁵ EiC of David Pearson on behalf of CCC dated 11 August 2023, paragraph 101.

⁵⁶ PC14 Rule 15.11.2.14 *All parts of the building tower shall be set back from any boundary by a distance equal to 10% of the total height of the building.*

relevant experts depart on the full range of intrusive works and costs as associated with the facade. Accordingly, it is considered that:

- (a) Based on the extent of agreement, I consider retention to be the less appropriate option in terms of giving effect to the CRPS which seeks to recognise the economic costs associated with on-going conservation and management of historic heritage;
- (b) Is the less appropriate in achieving terms Strategic Directions **Objective 3.3.9(a)(iii)** and **Objective 9.3.2.1.1** which seeks to appropriately manage heritage objects and '*recognises the condition of buildings, particularly those that have suffered earthquake damage, and the effect of engineering and financial factors*'. Application of the verb *recognises* in the Objective is implemented (wired to) by **Policy 9.3.2.2.1(c)** which requires consideration of physical condition in terms of a determination for listing.
- (c) Results in a scenario where the likelihood of the building being left 'as is' cannot be dismissed. Substantial economic loss is derived from reconstruction; a reasonable economic return cannot be derived from subsequent use. The Council would then be left in the position of being required to respond to the situation under the Building Act 2004 (s133AB) and functions under its earthquake policy.
- (d) Retention of a 'Significance' listing, and subsequent discretionary activity status for demolition also works against those aspects of the statutory framework that seek to revitalise the Central City (**Objective 3.3.8**), foster investment certainty (**Objective 3.3.1**), and minimise transaction costs (**Objective 3.3.2**).

Listing of the façade only

- 77 The experts disagree on the extent of works associated with retention of the façade,⁵⁷ and subsequently the extent and significance of residual heritage fabric.⁵⁸

⁵⁷ EiC of Brett Gilmore dated 20 September 2023, paragraphs 105 – 111, EiC of Stephen Hogg on behalf of CCC dated 11 August 2023, paragraph 26(f).

⁵⁸ EiC of John Brown dated 20 September 2023, paragraphs 85 to 86, and 88 and 90, EiC of David Pearson behalf of CCC dated 11 August 2023, paragraphs 97 – 101.

78 The evidence of **Mr Gilmore** acknowledges that with substantial engineering works the façade could be incorporated into a new building, and he sets these out in Attachment A of his evidence. **Mr Gilmore** also outlines the additional works to achieve that outcome including bracing frames and likely construction methodology which in itself would likely require a degree of façade removal.⁵⁹ **Mr Pomeroy** outlines the costs of such at \$20.83 million,⁶⁰ with **Mr Doody** identifying a residual value of negative \$9.80 million.⁶¹ **Mr Brown** has identified that it would be highly unlikely that a new heritage assessment of just a retained façade would conclude it should be included as a heritage listing.⁶²

79 For the Council, Mr Hogg states:⁶³

“The heritage façade on Cambridge Terrace and Worcester Boulevard will need to be stripped back to bare substrate, concrete repairs will need to be completed and the façade will need to be repainted/coated. This approach will restore heritage features to the façade”.

80 Mr Pearson identifies that:⁶⁴

“Further, in my opinion, the work to the facades outlined in the Quoin report which, is essentially repairing cracks and replastering areas and potentially significant areas of the façade, will not compromise the building to the extent that it would no longer retain its heritage significance”.

81 In relation to these matters, there are two matters for the Panel to consider for the purposes of **Policy 9.3.2.2.1**:

- (a) For the purposes of clause (c)(iiii) would the physical works associated with façade retention render the heritage significance below the threshold necessary for listing as a ‘Significant’ (Group 2) historic heritage. Both **Mr Brown** and Mr Pearson agree that facadism is a lesser approach in terms of heritage retention.⁶⁵ Mr Brown also identifies that a number of the matters of importance under Appendix 9.3.7.1 are contextually tied to the internal functioning of Harley Chambers (despite internal aspects not being part of the listing) and these would be irrevocably lost through this outcome. I concur with the evidence of **Mr Brown**.

⁵⁹ EiC of Brett Gilmore dated 20 September 2023, paragraph 111.

⁶⁰ EiC of Keeley Pomeroy dated 20 September 2023, paragraph 24, Table 1.

⁶¹ EiC of Hayden Doody dated 20 September 2023, paragraph 40.

⁶² EiC of John Brown dated 20 September 2023, paragraph 74.

⁶³ EiC of Stephen Hogg on behalf of CCC dated 11 August 2023, paragraph 26(f).

⁶⁴ EiC of David Pearson on behalf of CCC dated 11 August 2023, paragraph 86.

⁶⁵ EiC of John Brown dated 20 September 2023, paragraphs 90.

(b) Regardless, in terms of clause (c)(iv) I prefer the costings of **Mr Pomeroy** and the engineering assessment by **Mr Gilmore**. I accept their evidence on the basis of the more detailed knowledge of the building, and likely additional risks to façade retention associated with construction of a 'new stepped back building behind the façade as set out in the evidence of **Mr Gilmore**. I also note **Mr Lyttle and Mr Doig's** statement that they would not contemplate façade retention.

82 As noted above, **Policy 9.3.2.2.1(c)(iii)** and **(c)(iv)** are disjunctive. A decision that either or both are met means that retention of Harley Chambers as listed in **Appendix 9.3.7.1** is the less effective approach in terms of s32(1)(b) of implementing the objectives.

Removal from listing

83 Removal of the listing would enable the building owner to demolish the building without further consenting requirements, or associated delays, uncertainty and cost.

84 The approach provides the opportunity to construct a new building on the site. In my view, such an approach finds favour with **Objective 3.3.8(a) and (b)**; fosters investment certainty (**Objective 3.3.1**); and minimises transaction costs (**Objective 3.3.2**).

Conclusion as to delisting

85 An appropriate consideration of retention of the listing of Harley Chambers does not conclude at the assessment of the factors associated with Appendix 9.3.7.1 of the Plan.

86 The broader 'Christchurch context' to heritage recognition and protection requires consideration of matters of public safety, engineering feasibility, financial costs and the overall efficiency and effectiveness of the provisions.

87 These are to be viewed acknowledging the condition of buildings particularly those that have suffered earthquake damage, and the associated engineering and financial costs associated with retention as set out in **Objective 9.3.2.1.1**, which in itself achieves the recovery context set out in **Objective 3.3.1**, **Objective 3.3.2** and the need to

revitalise the Central City under **Objective 3.3.8**. I also consider that a well-designed replacement building,⁶⁶ would more effectively achieve the objectives than retention of the façade only.

- 88 Accordingly, I consider out of the reasonably practicable options considered, that delisting Harley Chambers is the more *effective* in implementing **Policy 9.3.2.2.1** and achieving the Objectives.
- 89 In terms of *efficiency*, I consider that retesting demolition through a subsequent application for resource consent is inefficient, as the necessary information is before the Panel, and that retention of a listing for the façade only is not the more appropriate given the extent of intrusiveness of repairs, costings, and diminished feasibility and associated residual value.
- 90 I note that any economic benefits derived from retention are predicated on repair / reconstruction, whereas the evidence of **Mr Doody** and the statement of **Mr Lyttle and Mr Doig** is that such is not feasible. Any economic or labour benefits associated with either retention or otherwise as associated with the listing would likely not be material as set against the wider extent of construction activity in the Central City.

PART D – RESIDUAL MATTERS

- 91 The submission from Cambridge 137 Limited also seeks to delete the changes introduced through notified PC13/PC14 as these relate to Rule 9.3.4.1.1(P9), and deleting of operative Rules 9.3.4.1.1(P11) and (P12), as well as Matter of Discretion 9.3.6.1.
- 92 This evidence does not pursue the submission in relation to Rule 9.3.4.1.1(P9) and (P12) as these provisions, and their amendments would not be relevant to works associated with 137 Cambridge Terrace.
- 93 In terms of the residual matters, there are a number of buildings in Christchurch, including Harley Chambers, which remain significantly damaged and vacant as a consequence of the Canterbury earthquake sequence.

⁶⁶ Christchurch District Plan, Urban Design Rule 15.10.1.3(RD1) and associated assessment matters 15.14.2.6(a)(i) and (iv) 'contextual character'.

- 94 These matters are enshrined in the respective Objective 9.3.2.1.1,⁶⁷ and subordinate policies. Accordingly, it is the more appropriate that provisions, particularly assessment matter 9.3.6.1(a) as contained in the District Plan as below is retained.

9.3.6.1 Heritage items and heritage settings - ~~Alterations, new buildings, relocations, temporary event structures, signage and replacement of buildings~~

For all activities

- a. *The nature and extent of damage incurred as a result of the Canterbury earthquakes of 2010 and 2011 including the costs of repair and reconstruction.*



Matthew Bonis

20 September 2023

⁶⁷ Clause (ii) '*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*'.

**ATTACHMENT A – CORESPONDANCE FROM THE CITY COUNCIL RE
BARRIER SITE (DIRTY 30)**



17 May 2017

Attn: Gerald and Szu Siu McCoy
Lee Pee Ltd
165 Gardiners Rd
Harewood
CHRISTCHURCH 8051

Dear Gerald and Szu Siu,

Re: 137 Cambridge (Hartley Building)

The Christchurch City Council, as part of the city's regeneration efforts, is reviewing how it can reset the image of the central city. Many people, including residents, business operators and media have commented that parts of the central city are not showing enough progress and are still characterised by large areas of vacant land and derelict buildings. It is not surprising therefore that investors and business operators report that their confidence in the central city is being undermined.

On 25 May, the Council will consider a report outlining a more proactive role in addressing this problem. During an analysis of land use in the central city, 30 sites – including your property – were identified that warrant attention. These sites were seen as the most prominent examples of 'barrier sites' – properties that are considered a physical or perceptual barrier to regeneration.

Staff will contact you soon to discuss the issues preventing you from making progress with your site and to see what can be done to support you. You will be assigned a case manager whose role is to help you find solutions or offer suggestions for you to pursue. This could include connecting you with people able to do structural appraisals, commercial operators, and others helping you work through issues with insurers or other agencies.

The Council is keen that there is timely action to resolve the issues concerning your property. While Council will exercise some patience, the report sets out a framework that is intended to drive progress in the interests of regeneration across the wider city. In addition to the supportive approach outlined above, the framework sets out that:

- From 1 July, 2017, normal fees and charges will become payable for the temporary use of a legal road and for traffic management (for sites encroaching on to the footpath and carriageway). This step is being taken in the interest of fairness to those landowners and developers who are paying

Civic Offices, 33 Hereford Street, Christchurch, 8011
PO Box 73012, Christchurch, 8154
Phone: 03 941 8902
Email: Carolyn.Jingles@ccc.govt.nz
www.ccc.govt.nz

to occupy part of the road during redevelopment work. It is also possible that the Council will consider a substantial increase in these fees for inactive sites in the coming year.

- If discussions – between you and the Council – prove fruitless, the Council and its regeneration partners (Regenerate Christchurch, Land Information New Zealand and Environment Canterbury) may use other tools in existing legislation to spur on progress. Such measures would not be entered into lightly, and not without initial discussions with you or your nominated agent.

In coming months other measures to improve the appearance of sites will be explored and trialled and this will extend to a number of sites across the city. Fundamentally, it is essential that the city sustains the rebuild momentum of the past 18 to 24 months. The Council is keen to help you bring your property back into use, as this will be of benefit to the city as a whole.

At this stage, the Council does not intend to publish a list of the sites, however it is likely media or other parties may request any documents that might identify properties. The Council would be obligated to provide this information under the Local Government Official Information and Meetings Act.

I look forward to fruitful discussion between you and council staff over the coming months.

Yours faithfully,



Carolyn Ingles
Head of Urban Design, Regeneration and Heritage
Strategy & Transformation Group

ATTACHMENT B – HIGHER ORDER STATUTORY FRAMEWORK

The Canterbury Regional Policy Statement

- [A]. Pursuant to s75(3) the *pCRDP* must **give effect** to the relevant provisions within the CRPS.

Historic Heritage

- A.1 **Objective 13.2.1** seeks to the identification and protection of significant historic heritage that contribute to Canterbury’s sense of identity from inappropriate subdivision, use and development.
- A.2 **Objective 13.2.3** recognises that the repair, reconstruction, seismic strengthening, on-going conservation and maintenance of built heritage; the economic costs associated with these matters is to be recognised.
- A.3 Supporting Policies **13.3.1** and **13.3.4** seek to establish the criteria associated with the identification and protection of historic heritage, and recognise the appropriate management of historic buildings including appropriate renovations and adaptive reuse respectively.
- A.4 **Objective 6.2.3** seeks to undertake recovery and rebuild in a manner that (2) retains identified areas of historic heritage value.

Health, safety and economic

- A.5 **Objective 5.2.1(2)** recognises the need to enable people and communities including future generations to provide for their social, economic and cultural well-being and health and safety; and which (c) encourages sustainable economic development in appropriate places.
- A.6 **Objective 6.2.3(5)** seeks to ensure that the recovery and rebuilding of greater Christchurch is undertaken in a manner that: *“Is healthy, environmentally sustainable, functionally efficient, and prosperous”*. Supporting Policy 6.3.6 seeks to promote the utilisation and redevelopment of existing business land, and promote the Central City as the primary commercial centre.

Christchurch District Plan

Process Objectives

- [B]. The introduction (Section 3.1) of Strategic Directions states that the Chapter provides ‘*an overarching direction for the district plan*’, and that it has ‘*primacy over the objectives and policies in other chapters of the Plan, which must be consistent with the objectives in this Chapter*’.
- [C]. Section 3.2.5 ‘Supporting recovery and the city’s future’ states:

It is critical to ensure that the recovery of Christchurch is expedited. The District Plan plays an important role by providing certainty about where and how development will occur, and making integrated provision for the community's immediate and longer term needs for housing, business, infrastructure and community facilities. It is essential that the District Plan clearly and actively supports the rebuilding of Christchurch and its social, economic, cultural and environmental recovery, at the same time as providing for the long-term sustainability of the city and the wellbeing of its residents. (emphasis added)

- [D]. The statement is reflected in **the interpretation of the Objectives (Section 3.3)**. Pre-eminence is given to **Objective 3.3.1**, which includes clause (b) to “*foster investment certainty*”; and **Objective 3.3.2** includes clauses (a), (b) and (c) relating to clarity, minimising transaction costs, and efficiency of regulation.

Strategic Objectives

- [E]. **Proposed Objective 3.3.9** – Well-functioning urban environment seeks:

A well-functioning urban environment that enables all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future; including by recognising and providing [matters including]:

- ii. *Development and change over time, including amenity values, in response to the diverse and changing needs of people, communities and future generations;*

Objective 3.3.8(b) (amended numbering under PC14 to Objective 3.3.9) seeks that:

The amenity values, function and economic, social and cultural viability of the Central City are enhanced through private and public sector investment.

Objective 3.3.8(d) recognises that:

The Central City has a unique identity and sense of place, incorporating the following elements, which can contribute to a high amenity urban environment for residents, visitors and workers to enjoy:

- (iii) *built form and historic heritage that reflects the identity and values of Ngai Tahu, and the City's history as a European settlement; including cathedrals and associated buildings at 100 Cathedral Square and 136 Barbadoes Street;*
- (iv) *a wide diversity and concentration of activities that enhance its role as the primary focus of the City and region; and*

Objective 3.3.9 (amended numbering under PC14 to Objective 3.3.10)

A natural and cultural environment where:

- (iii) *Objects, structures, places, water/wai, landscapes and areas that are historically important, or of cultural or spiritual importance to Ngāi Tahu mana whenua, are identified and appropriately managed.*

Objective 3.3.10

The recovery and stimulation of commercial and industrial activities in a way that expedites recovery and long-term economic and employment growth through:

- (i) *Enabling rebuilding of existing business areas, revitalising of centres, and provision in greenfield areas;...*

Historic Heritage

[F]. The Chapter 9 provisions, includes:

- (a) **Objective 9.3.2.1.1 (not amended by PC14)** which seeks to maintain the overall contribution of historic heritage in a way that enables and supports ongoing retention and use, and recognises the condition of buildings particularly those subject to earthquake damage, and associated engineering and financial factors, including acknowledging demolition may be justified as subject to criteria.
- (b) **Policy 9.3.2.2.1** which sets out the identification regime associated with historic heritage which parallels the themes utilised in CRPS **Policy 13.3.1**, albeit provides exemptions to listing acknowledging physical condition, and associated engineering and financial factors, including acknowledging demolition may be justified as subject to criteria.
- (c) **Policy 9.3.2.2.8** which sets out the regime as associated with demolition of listed historic heritage. Amendments introduced through PC14 explicitly recognise where works would significantly compromise residual heritage values to the extent that the item no longer warrants listing.

Health, safety and economic

[G]. **Objective 15.2.1** seeks to recognise and facilitate commercial activity in the recovery and long term growth of the City's commercial centres (including the central City).

[H]. **As above**, both **Objective 9.3.2.1.1** and **Policy 9.3.2.2.1** and **Policy 9.3.2.2.8** recognises that listing and / or demolition of historic heritage could occur as subject to qualifiers, including health and safety; the ability to retain heritage fabric through repair and retention; and the engineering and financial factors.

ATTACHMENT C – ASSESSMENT OF ALTERNATIVES

Option 1 - Status quo

Higher Order Provisions	Benefits	Costs
Safety		<ul style="list-style-type: none"> Risks remain ongoing as building is earthquake prone.
Heritage	<ul style="list-style-type: none"> Does not foreclose ability to retain heritage fabric (within the confines of the engineering repair strategy – which identifies considerable loss of fabric) 	<ul style="list-style-type: none"> Continued loss of heritage fabric ‘by degradation’.
Economic		<ul style="list-style-type: none"> Does not revitalise central city, including potential impact on neighbouring developments.⁶⁸ Poor amenity outcomes. (unquantified) Loss of productive capacity of building (ability to derive rental).⁶⁹ On-going security, rates (and limited) maintenance costs to the landowner. Sub-optimal outcome in terms of CBD productivity and resource efficiency.

⁶⁸ Refer to **Attachment A**.

⁶⁹ EIC of Jonathan Lytle and Michael Doig dated 20 September 2023, paragraph 31.

Option 2 – Listing for façade retention only

Higher Order Provisions	Benefits	Costs
Safety		<ul style="list-style-type: none"> Residual risk until feasibility is achieved, consent is issued and works undertaken.
Heritage	<ul style="list-style-type: none"> Imposes ability to further consider extent of façade retention. 	<ul style="list-style-type: none"> The repair strategy still results in 'considerable' loss of heritage value⁷⁰.
Economic	<ul style="list-style-type: none"> Retention of façade and associated public economic benefits are unproven. Modest office floorspace provided to CBD market associated with 100%NBS New Open Plan Office. 	<ul style="list-style-type: none"> \$20.8 million (100%NBS)⁷¹. Residual value loss of - \$9.8million⁷². Repair costs substantially exceeds repaired market value of property. Rental deficit to finance works⁷³. Moderate security, rates (and limited) maintenance costs to the landowner as consent is sought and works commence. Resource consent costs – uncertainty is increased under the current discretionary status. Building consent and insurance costs. Sub-optimal outcome in terms of resource efficiency⁷⁴.

Option 3 - Removal from listing

Higher Order Provisions	Benefits	Costs
Safety	<ul style="list-style-type: none"> Removal of risk from earthquake / dangerous building 	<ul style="list-style-type: none"> Residual risk until consent is issued and demolition works undertaken.
Heritage		<ul style="list-style-type: none"> Heritage values are lost.
Economic	<ul style="list-style-type: none"> Development of new building on the site. Ability to provide contemporary building with associated functional benefits and connectivity to street / Avon River Corridor. Additional floorspace provided to CBD market. 	<ul style="list-style-type: none"> Minimal holding costs (assuming landowner is motivated to rebuild). Minimal security, rates (and limited) maintenance costs to the landowner as consent is sought and works commence.

⁷⁰ EiC of John Brown dated 20 September 2023, paragraphs 55-57, 60-65.

⁷¹ EiC of Keeley Pomeroy dated 20 September 2023, paragraph 24, Table 1.

⁷² EiC of Hayden Doody dated 20 September 2023, paragraph 39-40.

⁷³ EiC of Hayden Doody dated 20 September 2023, paragraph 43-44.

⁷⁴ EiC of Jonathan Lyttle and Michael Doig dated 20 September 2023.

ATTACHMENT D – RECOMMENDED AMENDMENTS

<p>Appendix 9.3.7.2.</p> <p>Schedule of Significant Historic Heritage</p> <p>Planning Maps – Item and Setting.</p>	<table border="1" data-bbox="448 465 1573 568"> <tr> <td data-bbox="448 465 507 568">137</td> <td data-bbox="507 465 627 568">Cambridge Terrace</td> <td data-bbox="627 465 794 568">Central City</td> <td data-bbox="794 465 1106 568">Commercial Building and Setting, Harley Chambers</td> <td data-bbox="1106 465 1209 568">78</td> <td data-bbox="1209 465 1313 568">309</td> <td data-bbox="1313 465 1441 568">Significant</td> <td data-bbox="1441 465 1573 568">3111 Category 2</td> </tr> </table>	137	Cambridge Terrace	Central City	Commercial Building and Setting, Harley Chambers	78	309	Significant	3111 Category 2
137	Cambridge Terrace	Central City	Commercial Building and Setting, Harley Chambers	78	309	Significant	3111 Category 2		
<p>Retention of Rule 9.3.4.1.1 (P11) as sought to be deleted by PC14</p>	<table border="1" data-bbox="491 846 1560 1205"> <tr> <td data-bbox="491 846 627 1205">P11</td> <td data-bbox="627 846 1066 1205"> <p><i>Reconstruction or restoration for: a. Highly Significant (Group 1) heritage items, where the works are required as a result of damage; or b. Significant (Group 2) heritage items</i></p> </td> <td data-bbox="1066 846 1560 1205"> <p><i>a. The works shall be undertaken in accordance with the certified heritage works plan prepared, and certified by the Council, in accordance with Appendix 9.3.7.5.</i></p> </td> </tr> </table>	P11	<p><i>Reconstruction or restoration for: a. Highly Significant (Group 1) heritage items, where the works are required as a result of damage; or b. Significant (Group 2) heritage items</i></p>	<p><i>a. The works shall be undertaken in accordance with the certified heritage works plan prepared, and certified by the Council, in accordance with Appendix 9.3.7.5.</i></p>					
P11	<p><i>Reconstruction or restoration for: a. Highly Significant (Group 1) heritage items, where the works are required as a result of damage; or b. Significant (Group 2) heritage items</i></p>	<p><i>a. The works shall be undertaken in accordance with the certified heritage works plan prepared, and certified by the Council, in accordance with Appendix 9.3.7.5.</i></p>							
<p>Matter of Discretion,</p> <p>Retain clause (a) as sought to be deleted by PC14.</p>	<p><i>For all activities</i></p> <p><i>a. The nature and extent of damage incurred as a result of the Canterbury earthquakes of 2010 and 2011 including the costs of repair and reconstruction.</i></p>								