

Christchurch City Council
PUBLIC EXCLUDED EXTRAORDINARY AGENDA
Confidential

Date: Friday 30 June 2017
Time: 4pm
Venue: Council Chambers, Civic Offices,
53 Hereford Street, Christchurch

Membership

| | |
|--------------------|------------------------------|
| Chairperson | Mayor Lianne Dalziel |
| Deputy Chairperson | Deputy Mayor Andrew Turner |
| Members | Councillor Vicki Buck |
| | Councillor Jimmy Chen |
| | Councillor Phil Clearwater |
| | Councillor Pauline Cotter |
| | Councillor Mike Davidson |
| | Councillor David East |
| | Councillor Anne Galloway |
| | Councillor Jamie Gough |
| | Councillor Yani Johanson |
| | Councillor Aaron Keown |
| | Councillor Glenn Livingstone |
| | Councillor Raf Manji |
| | Councillor Tim Scandrett |
| | Councillor Deon Swiggs |
| | Councillor Sara Templeton |

29 June 2017

Principal Advisor
Dr Karleen Edwards
Chief Executive
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Jo Daly
Council Secretary
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Public Excluded

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4. Council Consideration of an Urgent Funding Proposal

Reference: 17/683754

Contact: Carolyn Ingles carolyn.ingles@ccc.govt.nz 941 8999

1. Purpose and Origin of Report

Purpose of Report

- 1.1 The purpose of this report is to enable the Council to consider whether or not to support a proposal by the Crown for a financial package to enable the reinstatement of the ChristChurch Cathedral.

Origin of Report

- 1.2 The report is in response to a request from the Crown for the Council to identify potential areas of support for the proposal, which the Crown intends submitting to the Church Property Trust. The Crown's request is set out in Attachment 1. The Council also received a deputation on 22 June 2017 and requested an urgent report from staff on the ChristChurch Cathedral work party report – this report also fulfils that request.

2. Significance

- 2.1 The future of the ChristChurch Cathedral has generated a great deal of interest in the city, with strong views for and against reinstatement. Any decision by the Council to support an option, particularly if it involves a substantial financial commitment, would be of high significance in relation to the Council's Significance and Engagement Policy.
- 2.2 For this reason, before the Council was in a final position to make such a commitment it would need to have given consideration to the views and preferences of the people affected by or with an interest in the matter.
- 2.3 However, the Council is advised that the Church Property Trust requires the Crown's proposal (inclusive or not of the Council contribution) to be submitted by 4 July 2017 otherwise it will not be considered by the Anglican Synod.
- 2.4 Given the lack of opportunity and impracticality to consult before this 4 July 2017 date, any decisions the Council makes in response to the Crown's request must therefore be of an interim nature only and be subject to consultation. The decisions recommended by staff in this report reflect that obligation.
- 2.5 This reduces the level of significance of the decisions recommended in this report (they are primary "in principle" decisions, and subject to further consultation and final decision making), and the advice from staff is that the Council is able to make them without first consulting with its community.

3. Staff Recommendations

That the Council:

1. In response to a request from the Crown – and recognising the heritage and civic value of the ChristChurch Cathedral - approves in principle the following support for the reinstatement of the ChristChurch Cathedral:
 - a. A grant of \$10 million (spread over 4 years) towards the capital cost of reinstatement, to be made available once other sources of agreed funding have been applied to the reinstatement project.
2. Resolves that the Council's approval is subject to
 - a. The Anglican Synod deciding to reinstate the ChristChurch Cathedral;
 - b. The Crown and other contributors confirming their financial commitment to the reinstatement;
 - c. Public consultation and, depending on the outcome and a final decision by Council, the Council's contribution being provided for in its 2018-28 Long Term Plan.
3. Considers as part of the 2018-2028 Long Term Plan process whether the Council contributes operating funding to support the broader cathedral visitor experience
4. Notes that the Chief Executive may exercise her authority to consider and provide in kind support for the ChristChurch Cathedral reinstatement project as appropriate.
5. Approves consultation being undertaken either:
 - a. As soon as practicable after the Synod's decision is known; or
 - b. As part of the 2018-2028 Long Term Plan consultation process.
6. Resolves that the report and attached information be released when the provider of the information agrees to it being publicly available and the Chief Executive is satisfied that there are no longer any grounds for withholding it.

4. Key Points

Consultation process

- 4.1 If the Anglican synod decides that the Cathedral is to be reinstated, it would then be necessary for the Council to consult before it could make an unconditional commitment to the Crown proposal. Staff have identified two options for dealing with this.
- 4.2 Firstly, the Council could prepare for and undertake consultation immediately after the Synod's decision is known. This would have the advantage of giving the Church Property Trust some certainty as early as possible (albeit, only by a small number of months), irrespective of the outcome, although it would mean the Council would incur additional costs.
- 4.3 A degree of certainty would also be welcomed by those with an interest in the regeneration of the central city, in particular Cathedral Square. This has become urgent, both for potential investors and visitors.
- 4.4 Secondly, the Council could undertake consultation as part of the process for preparing and adopting the 2018-28 Long Term Plan. An advantage of this would be the cost being absorbed

into the overall costs of that process. However, it would mean the Trust couldn't be certain of the Council's commitment until June 2018.

- 4.5 If consultation was to be undertaken this year (2017), there would need to be further work done on the process to be used. Because the matter is likely to be of widespread interest to the community, a special consultative procedure may be the best approach.
- 4.6 It would be important however, depending on the outcome of the consultation, for the Council to state its intention to provide for payment of the grant in the 2018-28 Long Term Plan for the years in which it will be required.
- 4.7 Should the Council decide to consult ahead of the Long Term Plan process, the risk of pre-determining an outcome of that process would need to be managed to ensure the Council is not in breach of its decision-making obligations.

Funding and Financial Impact

- 4.8 The proposed \$10M contribution for Cathedral reinstatement would be treated as a capital grant and would form part of the Council borrowing (at a rate of \$2.5M for four years). It is proposed that the Council's contribution will not be called upon until other agreed sources of funding have been applied to the reinstatement project. If spread over four years, a contribution of \$10M would result in a 0.15% rates impact (approximately .04% p/a increase). A contribution of \$15M would result in a rates impact of 0.23% over four years (approximately .06% p/a increase).

5. Context/Background

Heritage Status of ChristChurch Cathedral

- 5.1 The ChristChurch Cathedral is Highly Significant (Group 1) under the Christchurch District Plan. The Statement of Significance and map showing the heritage listing are shown in attachments 2 and 3. The heritage listing for the ChristChurch Cathedral includes the visitor centre.
- 5.2 The significance of the Cathedral is associated with the settlement of Christchurch, for its role as a civic venue and its location in the metaphorical heart of the city.
- 5.3 The building has high architectural and aesthetic significance as an important design by leading British Gothic Revival architect Sir George Gilbert Scott and is the only church he designed in New Zealand. Additions to the building have been undertaken by prominent Christchurch architects including Benjamin and Cyril Mountfort, Paul Pascoe and Alun Wilkie.
- 5.4 The Cathedral is also a Category One Historic Place on the New Zealand Heritage List which means it is a place of special or outstanding historical or cultural significance or value.
- 5.5 Demolition or partial demolition of the ChristChurch Cathedral for the purposes of reinstatement and/or reconstruction is a controlled activity. Demolition of the Cathedral in order to build new is a restricted discretionary activity.

Crown Proposal

- 5.6 The cost of the reinstatement of the Cathedral is based on the Cathedral Working Group's capped project budget of \$100M as set out in their report (<https://www.dpmc.govt.nz/cwg-report>). The Crown offer of support assumes the Church's insurance proceeds and includes the following elements:
 - A Crown contribution of a \$25M (funded from an existing tagged contingency for Canterbury infrastructure that was established in 2015)

- Establishing a fundraising trust to raise funds for reinstatement; establishing a joint venture with the CPT to deliver the reinstatement project promoting legislation to streamline regulatory processes.
- 5.7 The Great Christchurch Buildings Trust has confirmed its commitment to fundraise for the reinstatement of the Cathedral and is understood to have pledged to \$13.7M.
- 5.8 All aspects of the Crown offer, and the funding pledges received from the Great Christchurch Buildings Trust are conditional on a decision by the Anglican synod to reinstate the Cathedral.

Church Property Trustees and Synod Process

- 5.9 In December 2016 the Crown presented a proposal to the Church Property Trust (CPT) in support of the reinstatement of the Cathedral. The Crown's proposal was based on the recommendation of the Cathedral Working Group that the CPT and the Government agree to reinstatement of the Cathedral at a capped project budget of \$100 million
- 5.10 The proposal of support was considered by the Trust; however in May 2017 the Bishop announced the transfer of decision-making on the Cathedral from CPT to the Synod. The Synod will meet in early September and will consider the option of building a new Cathedral (it is understood a design for a new cathedral has not been agreed, but that the intended cost of the new build will be within insurance proceeds).
- 5.11 The Bishop has also agreed that the Synod will be asked to consider and decide on whether to accept the Crown's offer to assist with reinstatement. The revised offer must be with the Church before pre-Synod meetings begin on 4 July 2017.
- 5.12 Officers understand that the Restore ChristChurch Cathedral Group Inc support the Cathedral Working Group recommendation.

ChristChurch Cathedral contribution to the city

- 5.13 Information from ChristchurchNZ indicates that for domestic and international audiences the image of the Cathedral is strongly linked with the city's image. Prior to 2011 ChristChurch Cathedral was used in every brochure, website and travel itinerary to portray the essence of the Christchurch experience.
- 5.14 Many audiences are now (unfairly) associating the progress of the Cathedral rebuild with the progress of the rebuild of the city as whole. The frustration around the lack of progress is voiced by many in the tourism industry and global audiences raise the issue on a regular basis with city-based visitor industry representatives. Anecdotally some international travel trade are not returning to Christchurch or not spending time in the city because of the state of the Cathedral and Cathedral Square.
- 5.15 The current state of the building and its immediate surrounds is an issue. Regular questions from trade ask why there is no signage to explain to visitors what is happening to the building. Advice from ChristchurchNZ indicates that improving the visitor experience in the Square requires immediate action to address 3 key areas: signage, lighting and a general tidy up of the space.
- 5.16 Research from the 2016 Visitor Insights Programme indicates that the Cathedral and Heritage are important to visitors. 1000 people were asked "During your current stay in Christchurch which of these have you done or intend to do?" Results show the Cathedral ranked fourth of all the experiences, with 45% of respondents indicating they had or intended to visit. When asked "which of the following experiences do you associate with Christchurch", History and Heritage ranked first for international visitors and third for domestic visitors.
- 5.17 Resolving the future of the Cathedral provides certainty and confidence to the community, business and investors and protects the Crown and Council investment in the rebuild and

regeneration of the central city. A decision by the Church not to reinstate the building is likely to cause further delay and uncertainty.

- 5.18 If a new build were proposed and legal action is taken by parties opposed to such an outcome, it is likely that regeneration of the Square and surrounds could be delayed for a further 3-5 years with the consequent local, national and international impact on the city's reputation and economy.
- 5.19 For the above reasons, there may also be a case for Council to contribute to the operational costs of the visitor experience (in addition to a capital contribution), but that approval is not sought at this time. Rather, it is recommended that the Council considers any operating cost contributions as part of the 2018-2028 Long Term Plan.

Previous Council Support

- 5.20 The Council has previously provided funding recognising the heritage value of the Cathedral and the economic and tourism contribution of the Cathedral to the city. The most recent grants are as follows:
- 2001 – historic building retention grant for Cathedral Strengthening - \$225,000
 - 2002/2003 – heritage grant - \$312,000
 - 2008 – a one-off grant for electrical upgrade and renewal - \$1,082,000
 - 2005-2011 – annual grant to the Cathedral Visitor experience which contribute to salaries, administration, volunteer support and the music programme - \$240,000 per annum.
- 5.21 As with other non-rateable properties, the Cathedral is rated for sewerage and water only (with a further 50% community remission applied on top of that). All other rates are not charged.

Attachments

| No. | Title | Page |
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| A | Letter from Minister supporting Greater Christchurch Regeneration to Mayor of Christchurch - CONFIDENTIAL | 11 |
| B | Statement of Significance - ChristChurch Cathedral | 12 |
| C | Cathedral Square - District Plan heritage items map | 16 |

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

| | |
|--------------------|---|
| Authors | Ian Thomson - Senior Legal Advisor, Governance Carolyn Ingles - Head of Urban Regeneration, Urban Design and Heritage Nicola Shirlaw - Senior Advisor |
| Approved By | Brendan Anstiss - General Manager Strategy and Transformation |

Released



Office of Hon Nicky Wagner

MP for Christchurch Central

Minister supporting Greater Christchurch Regeneration
Minister for Disability Issues

Associate Minister of Conservation
Associate Minister of Health
Associate Minister of Tourism

20 June 2017

Mayor Lianne Dalziel
Christchurch City Council
PO Box 73016
CHRISTCHURCH 8154

Dear Lianne

The Government is developing a proposal which it plans to submit to the Church Property Trust in support of reinstatement of the Christchurch Cathedral. It is my intention that this proposal will include the support and tangible commitment of a wide range of interested parties to address the concerns the Trust has in relation to reinstatement of the Cathedral.

I am writing to you to request that the Christchurch City Council also play a leadership role.

It is intended that this proposal would be formally submitted to the Trust in early July in order that it then be submitted by the Trust to the Anglican Church Synod for its deliberations around the future of the Cathedral in early July.

I appreciate that any Christchurch City Council commitment would need to be formally considered by the Council and that public consultation would need to occur to commit funds. However I further understand that support from the City Council could take other, equally valuable forms.

Understanding the need for haste, it would be appreciated if the potential areas of support could be identified and considered in the form of a letter of intent that could be provided to the Church Property Trust as a part of the proposal.

The issue of the future of the Christchurch Cathedral is a sensitive one. The Government's efforts to develop this proposal, and in particular its discussions with a range of stakeholders, are being treated in confidence at this stage. I would appreciate it if the City Council would treat this request and its initial discussions in confidence also.

I will be asking my officials to urgently follow up with your staff, to provide you with details and enable progress to be made on this important project.

Please do not hesitate to contact me or any of my staff if you wish to discuss anything further.

Yours sincerely



Hon Nicky Wagner
Minister supporting Greater Christchurch Regeneration

DISTRICT PLAN – LISTED HERITAGE PLACE
HERITAGE ASSESSMENT – STATEMENT OF SIGNIFICANCE
HERITAGE ITEM NUMBER 106
**CHRISTCHURCH CATHEDRAL, 100 CATHEDRAL SQUARE,
CHRISTCHURCH**



PHOTOGRAPH : M.VAIR-PIOVA, 5/12/2014

HISTORICAL AND SOCIAL SIGNIFICANCE

Historical and social values that demonstrate or are associated with: a particular person, group, organisation, institution, event, phase or activity; the continuity and/or change of a phase or activity; social, historical, traditional, economic, political or other patterns.

ChristChurch Cathedral has high historical and social significance for its association with the Anglican settlement of Christchurch and its first Bishop, H J C Harper, and its role as the seat of the Bishop of Christchurch.

The Cathedral was planned by the Canterbury Association as the physical and symbolic heart of the city. Originally named Ridley Square, the city's main square was known as Cathedral Square from 1851. No concrete plans were put in place however until the project was taken in hand by new bishop Henry Harper in 1858. It was primarily due to Harper's persistence that the Cathedral was seen through to completion. Plans for the building were commissioned from Sir George Gilbert Scott, a leading British Gothic Revival architect with experience in designing for the colonies. It was the only church designed by Scott in New Zealand. British architect Robert Speechly was brought out to supervise construction, and the foundations were laid in 1864 but construction stalled in 1865 due to lack of money. The project recommenced in 1873 with leading Canterbury architect, Benjamin Mountfort as

supervising architect, and the Cathedral was consecrated in 1881. It was not until 1904 however, a full forty years after commencement, that the building was finally completed.

ChristChurch Cathedral was damaged in the Canterbury Earthquakes of 2010-2011. The building suffered particularly in the event of 22 February 2011 when the tower and spire collapsed. The 13 June 2011 event badly damaged the west elevation with its iconic rose window; this collapsed in the December 2011 event. On 9 November 2011 the Bishop of Christchurch, Victoria Matthews, deconsecrated the Cathedral to allow "make safe" work on the site to begin. On 15 December 2012 all work was halted by a High Court judgment which granted an application for judicial review of the decision to demolish made by the Diocese of Christchurch. In early December 2013, the Supreme Court rejected the bid to halt demolition of the Cathedral. Controversy over its future still continues. The Cathedral Community currently worships at the Transitional Cathedral in Latimer Square which opened August 2013.

CULTURAL AND SPIRITUAL SIGNIFICANCE

Cultural and spiritual values that demonstrate or are associated with the distinctive characteristics of a way of life, philosophy, tradition, religion, or other belief, including: the symbolic or commemorative value of the place; significance to Tangata Whenua; and/or associations with an identifiable group and esteemed by this group for its cultural values.

ChristChurch Cathedral has high cultural and spiritual significance for its former role as the cathedral church of the Anglican diocese in Canterbury, for its civic role as a venue for important cultural events, and as the physical and metaphorical heart of the city.

As the Canterbury province's Anglican Cathedral, the building was at the heart of Anglican spiritual and communal life in Canterbury for 130 years. Reflecting this role, many of the building's features were gifted, often to commemorate loved ones. These elements included plaques, stained glass windows, furnishings, and bells. The windows (all but one) and the bells have been retrieved but the plaques and other commemorative elements remain in the building. As a large building located at the physical heart of the city in front of its major civic space, and connecting with its spiritual function, the Cathedral has also served as a symbol for the city as a whole, a venue for cultural performance and civic occasion, and an important tourist attraction.

ARCHITECTURAL AND AESTHETIC SIGNIFICANCE

Architectural and aesthetic values that demonstrate or are associated with: a particular style, period or designer, design values, form, scale, colour, texture and material of the place.

ChristChurch Cathedral has high architectural and aesthetic significance as an important design by leading British Gothic Revival architect Sir George Gilbert Scott, with alterations and additions by a number of noted Christchurch architects including Benjamin and Cyril Mountfort, Paul Pascoe and Alun Wilkie.

Scott (1811-1878) was a prolific Victorian architect, producing many churches and other religious buildings. His best-known works include London's Albert Memorial and St Pancras Railway Station. The construction of ChristChurch Cathedral was supervised initially by Robert Speechly and then by well-known Canterbury Gothic Revival architect Benjamin Mountfort. Mountfort remained true to the essence of Scott's design but made significant changes during the course of construction, including the addition of balconies and pinnacles to the tower. He also supplemented the building's decorative detailing. Notable fittings

designed by Mountfort included the font, pulpit, bishop's chair, and Bishop Harper's memorial. Following Benjamin Mountfort's death in 1898 his son Cyril took over his father's role. By 1904 the Cathedral was complete.

In 1962 choir accommodation and a vestry were added to the chancel by Paul Pascoe. Pascoe had been appointed to the position of Cathedral Architect on the death of his predecessor R. S. D. Harman in 1953. A controversial addition by Alun Wilkie, the Cathedral Visitor's Centre, was opened by the HRH the Queen in 1995. The Centre was built to help accommodate the more than 300,000 visitors who visited the Cathedral annually. In 2000 a standalone columbarium, a place to house the ashes of the dead, was built in the grounds to the south. Although the Cathedral has suffered damage following the earthquakes and has been partially deconstructed in some areas, it still retains its architectural and aesthetic significance.

TECHNOLOGICAL AND CRAFTSMANSHIP SIGNIFICANCE

Technological and craftsmanship values that demonstrate or are associated with: the nature and use of materials, finishes and/or technological or constructional methods which were innovative, or of notable quality for the period.

ChristChurch Cathedral has high technological and craftsmanship significance for the quality of its masonry construction and the accomplishment of the constructional and applied decoration. The ornate interior scheme, which included stained glass windows and decorative tiles, was designed by Benjamin Mountfort. In the early 2000s a programme of structural strengthening was designed and implemented by Holmes Consulting. This work employed the latest design technology of that time.

CONTEXTUAL SIGNIFICANCE

Contextual values that demonstrate or are associated with: a relationship to the environment (constructed and natural), a landscape, setting, group, precinct or streetscape; a degree of consistency in terms of type, scale, form, materials, texture, colour, style and/or detail; recognised landmarks and landscape which are recognised and contribute to the unique identity of the environment.

ChristChurch Cathedral has high contextual significance on its site, in its Cathedral Square setting and within a wider inner city context. The Cathedral is located at the eastern end of Cathedral Square, surrounded on three sides by grassy plots containing mature trees, and on the fourth by a large public space. The setting of the Cathedral is Cathedral Square, the Maltese Cross-shaped square at the heart of Christchurch. This setting, which extends a block down the Square's intersecting streets in each direction, contains a number of listed heritage items. These include the Citizen's War Memorial to the north, the Godley Statue and its plot to the west, and the plaques outside the former Chief Post Office. The wider context of the Cathedral includes those few remaining heritage buildings that surround the Square, including the former Chief Post Office and the former Government Building. It also includes the intentional vista down Worcester Street to the frontage of Benjamin Mountfort's Canterbury Museum, which physically and metaphorically unites two pillars (the spiritual and educational) of the Canterbury Associations' plan for their Canterbury Settlement. Although damaged and without the presence on the skyline that it previously had, the Cathedral remains one of the city's most important landmarks.

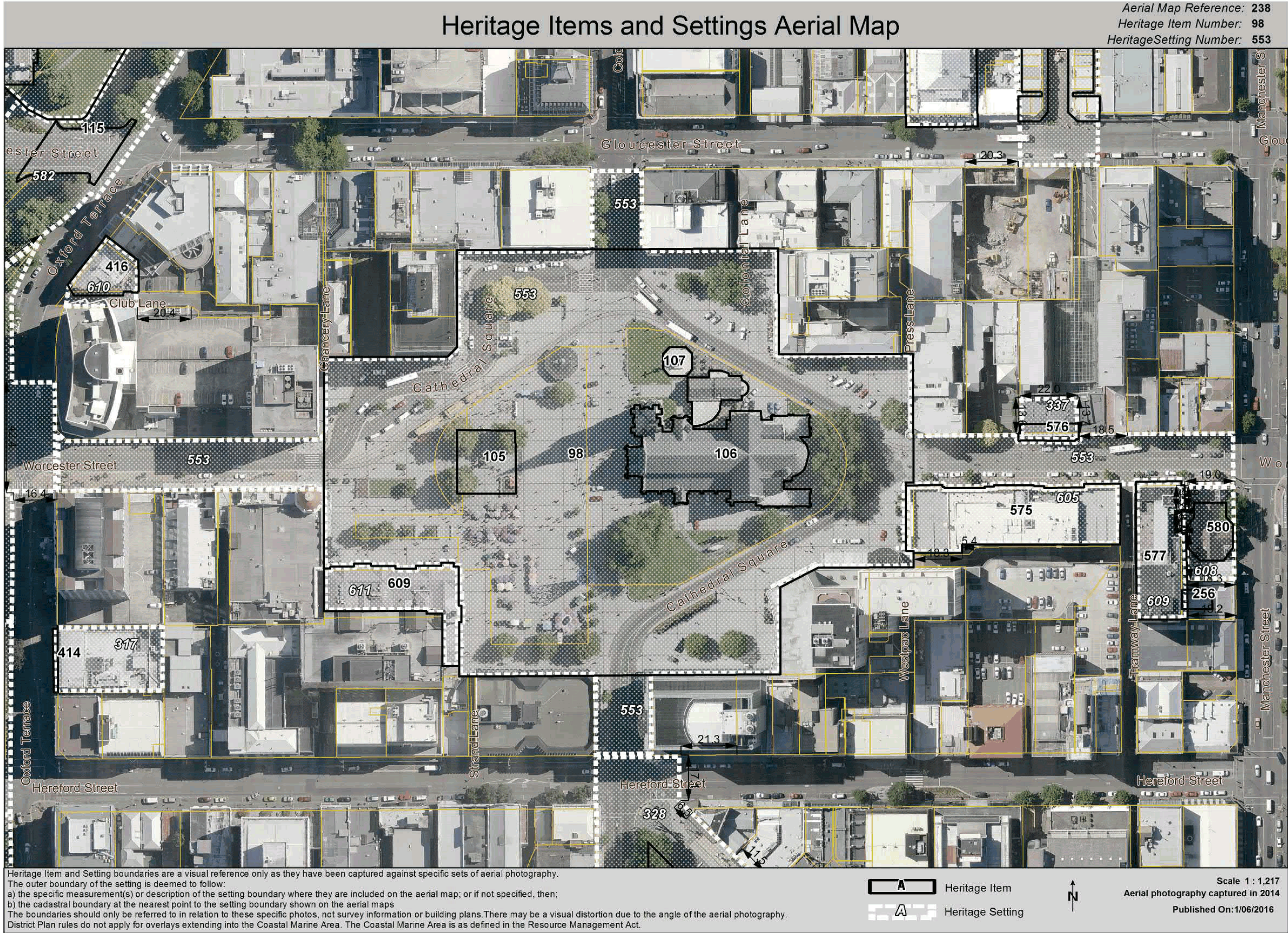
ARCHAEOLOGICAL AND SCIENTIFIC SIGNIFICANCE

Archaeological or scientific values that demonstrate or are associated with: the potential to provide information through physical or scientific evidence an understanding about social historical, cultural, spiritual, technological or other values of past events, activities, structures or people.

The ChristChurch Cathedral is of archaeological significance because it has the potential to provide archaeological evidence relating to past building construction methods and materials, and human activity on the site, possibly including that which occurred prior to 1900. The building was commenced in 1864.

ASSESSMENT STATEMENT

ChristChurch Cathedral and its setting are of high overall significance to the Christchurch District including Banks Peninsula as the Cathedral for the Canterbury Anglican Diocese and one of the city's most important landmarks. The Cathedral has high historical and social significance for its association with the settlement of Christchurch as an overtly Anglican initiative and its first Bishop H. J. C. Harper, and its role as the seat of the Bishop of Christchurch. The Cathedral has high cultural and spiritual significance for its former role as the Cathedral church of the Anglican Diocese in Canterbury, for its civic role as a venue for important cultural events, and as the physical and metaphorical heart of the city. The Cathedral has high architectural and aesthetic significance as an important design by leading British Gothic Revival architect Sir George Gilbert Scott, with alterations and additions by a number of prominent Christchurch architects including Benjamin and Cyril Mountfort, Paul Pascoe and Alun Wilkie. The Cathedral has high technological and craftsmanship significance for the quality of its masonry construction and the accomplishment of the constructional and applied decoration. The Cathedral has high contextual significance as the eponymous major feature of Cathedral Square, and as the city's defining central landmark. The ChristChurch Cathedral is of archaeological significance because it has the potential to provide archaeological evidence relating to past building construction methods and materials, and human activity on the site, possibly including that which occurred prior to 1900.



Resolution to Readmit the Public

Approval is sought to re-admit the public to the Council meeting on Friday 30 June 2017.

Recommendation

That the public be re-admitted to the Council meeting on Friday 30 June 2017.

Public Excluded