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11th February 2018

Invercargill City Council
C/- Planz Consultants
PO Box 1845
CHRISTCHURCH 8140
Attn: Jonathan Clease

Dear Jonathan

**JOB NO 6466 – HWCP MANAGEMENT LTD, LAND USE CONSENT APPLICATION, INVERCARGILL INNER CITY REDEVELOPMENT,
ICC Ref: RMA/2018/148 – Further Information Request**

The following paragraphs detail the changes to the architectural plans and demolition process that have evolved since the application was notified. These changes are largely in response to submitters concerns as well as resulting from requests from potential tenants and research into market requirements.

Amendments to the Architectural Plans:

Since the application was notified the applicant has made a number of changes to the plans for the Block. The most significant changes to the plans are as follows:

- Removal of the heritage facades on Tay Street (Fairweather building) and Kelvin Street (Thompson Building);
- Retention of the Cambridge Arcade façade on Esk Street;
- Reorganisation of car park building mass with reduced area over the site but an additional floor added;
- Increased height and area on the medical centre – Tay and Dee Street elevations;
- Removal of heritage images on Tay Street and inclusion of ‘southern lights’ screens on car park building.

The full list of changes can be found in the summary of changes page in the Resource Consent Amendment Plans prepared by Buchan dated 29 January 2019. A discussion of the reasons for and design philosophy behind the changes is also contained in the same document.

Amendments affecting heritage

The Fairweather and Thompson buildings were originally included to allow for retention of heritage facades on all four street fronts on the block. However, these facades are small buildings with little known significance to Invercargill residents. The small facades were becoming lost in the scale of the surrounding buildings and the design team felt that these frontages would be better served through a comprehensive modern build on these facades.

The inclusion of the Cambridge Arcade is considered to have higher merit through its higher heritage classification (with demolition effects identified as major adverse as opposed to moderate for the Thompson and Fairweather buildings) and through its cultural connection for Southlanders. The retention of the Cambridge Arcade facade allows for a higher degree of retention in the Esk Street environment which helps create a heritage precinct in this area. The consolidation of heritage facades in one area is considered to have higher merit than retaining small isolated facades on Tay and Kelvin Streets. Although the arcade (through to Tay Street) is not able to be maintained as a result of the internal layout, the connection to the arcade is maintained.

The other significant change to the proposed heritage features to be incorporated is the removal of the heritage imagery which was proposed for the Tay Street elevation. This imagery, along with the Takitimu mountains imagery, is to be replaced with vertical fin screens which will be artificially lit to reflect a Southern Lights pattern (see attached imagery in Design package). The intention here, as discussed by Buchan in the design statement is to change the imagery from a backdrop to a beacon of arrival to Invercargill Central.

Further detail and analysis of the effect on heritage resulting from the changes to the heritage fabric originally proposed to be part of the redevelopment can be found in the NZ Heritage Properties addendum.

This change to the proposed heritage retention has been discussed with Andrew Coleman of Heritage New Zealand and the amendments have been met favourably.

Bulk and Mass Amendments

The change to the Civic and Medical Centres has been undertaken in response to requests from potential future tenants. The amendments will create a greater bulk around the Bank of NSW than what was previously proposed and in order to mitigate the effects of this the top floor has been set back from the street edge, maintaining a similar building mass adjoining the Bank of NSW.

As part of the evolving design process Buchan determined that it would be more appropriate to centralise the mass of the car park on Tay Street. This resulted in an additional floor being added to the car park, increasing the height by 3.1 metres to 22.5m. Buchan have assessed the effects of this centralisation of mass and have determined that there will be no additional effect on Esk Street and with the reduced wall length of the car park façade on Tay Street the overall massing of the development has been reduced. Buchan consider this to have reduced the effects of the activity. Shading diagrams are also attached the design plans and show minimal additional shading as a result of change and a reduction in shading in some areas. I concur Buchan's assessment and consider the overall bulk and mass of the development is similar to or less than the originally proposed plans. It is noted that buildings shown on both the notified plans and the revised plan set exceed the maximum height for buildings within the Business 1 Zone of 10 metres.

Within Scope

Although there are a number of changes to the plans resulting from the evolving design process these are considered to be within scope of the existing application. The bulk and massing of the site remains

similar. As set out in the Buchan design statement the following design principles remain in place for the site:

- Activation of street edge
- Provision of gateway entrance
- Strengthening of existing pedestrian routes
- The creation of central weather protected plaza
- A clear phasing strategy, operation and delivery
- Respect of existing urban grain and façade ordering
- Respect of existing heritage and built edge datums
- Respect of canopy heights and street edge.

The effect of these changes has been considered in terms of the Invercargill City District Plan, the Regional Policy Statement and the Resource Management Act 1991. In assessing the conclusions of Buchan and Heritage Properties, it is considered that there is no effect on plan provisions from what was originally proposed.

It is also considered that no additional submissions would result if the application had been notified with the design as proposed now. There are no new issues raised as a result of the revised plans, the effects on heritage, mass and activities within the Business 1 Zone remain the same.

Holland Beckett Law have provided a legal opinion on whether the amendments can be considered to be within scope. This assessment is attached.

Demolition Process

The applicant has consulted with a specialist demolition firm – Ward Group – on alternate ways to manage the demolition process to minimise disturbance to the surrounding businesses and the ongoing viability of the Esk Street shopping area during the process.

As a result of this consultation it has been determined that no road closures will be required during the demolition process other than while the Newburgh Building and potentially the Lewis and Co building are demolished. This is due to the height and lack of structural integrity in these buildings. The length of road closure required during the demolition process for the Newburgh and Lewis and Co buildings will be determined during the detailed design process for the demolition but will not exceed two weeks.

All other demolition practices will generally follow the process below:

- Road closures will not be required for the bulk of the demolition period, other than for the demolition of the Newburgh building on the corner of Esk and Dee as discussed below. *Note - If any other building is determined to be high risk by engineers or demolition experts additional road closures may be required.*
- Most existing street furniture will remain. Where required areas such as the glass canopy which extends to the face of buildings may be removed if necessary.
- The footpath on the southern side of Esk Street will be blocked off with safety hoardings/temporary fences placed the edge of the footpath, other than outside the Max/Pascoes

building where safety fences will be placed at 45° angles to the building to join into the safety fencing on the remainder of the footpath.

- Retention structures to be used on the facades to be retained will extend over the footpath. The footpath and car park areas will need to be closed while these structures are put in place. Once in place and the site safely hoarded off (to 1 metre from building face), pedestrians will be able to walk under these structures.
- As each building is brought down the temporary fencing will be brought out to the street edge to prevent pedestrian movement along the face of the building being demolished.
- Car parks in front of buildings may need to be blocked off during phases of the demolition work, including when retention structures are being put in place for heritage facades such as Southland Times and Cambridge Place and during demolition of the building located in front of those parks. In general car parking on the remainder of the street will remain available during the demolition process.
- The total demolition timeframe is expected to be completed within approximately 1 year of the process starting.

The above process will greatly reduce effects on the retailers located on the north side of Esk Street as well as the surrounding area. The ability to retain pedestrian access, vehicular access, parking for the majority of the process ensures the on-going viability and vitality of the Esk Street area can be maintained during this process, while leaving the street furniture in place will ensure the amenity of Esk Street can be maintained.

Request for Further Information

Demolition and Construction

- 1(a) As demolition and construction contractors have not yet been engaged we are not able to provide draft management plans. However, an example management plan has been provided by Ward Group and is attached.
- 1(b) Work will not extend into the traffic lanes on the State highway and all traffic movements will remain as existing on this roading network. During the removal/demolition of verandahs sections of car parks may need to be closed off for short periods of time. This should result in little disruption however as all retail shops along Tay Street will have been closed prior to works being undertaken.
- 1(c) As discussed above on-road parking will generally be maintained on each road frontage as currently exists other than for short periods where retention structures are being erected. For instance while the retention structures for the Southland Times facade are put in place, the footpath and car park outside this building will be closed off for a period of up to 16 weeks. Car parking along the remainder of Esk Street will generally remain in place during this process however.
- 1(d) All existing street furniture along Esk Street is able to remain in place. The area of glass canopy closest to the Cambridge Place façade may need to be removed.
- 1(e) It is not expected that dust nuisance will be a significant issue during the demolition and construction processes if typical dust mitigation processes are followed. These may include wetting surfaces down including during loading out, filter cloth will be installed to all stormwater catchpits in the street to reduce silt run-off.
- 1(f) A draft/example noise and vibration management plan has been provided with the resource consent.
- 1(g) The buildings at 49-55 Esk Street will be retained, with retailers able to be accommodated in these buildings for as long a duration as practical on site. Potential for food carts or similar is being

investigated and may be possible in areas of Esk Street. These would have to be located within the Council road reserve and may result in car parks being made unavailable. Agreement from Council for this would need to be obtained and businesses willing to set up this type of activity would need to be found.

- 1(h) A liaison group has already been established to a degree and this process will be formalised following consent being granted.

Heritage

2. Southland Times brickwork treatment

The Southland Times brickwork will be painted. Detail on this is provided on this in the Buchan Resource Consent Amendment document, including colour palette. Heritage Properties have provided an assessment of effects resulting from this, and state that while painting the façade will potentially reduce the heritage value, NZHP support this approach as the use of paint is a reversible treatment and as such the original appearance is able to be reinstated if required in the future.

3. *1908 Southland Times retention*

- 3(a) BMC Consulting provided an assessment of requirement to upgrade the 1908 portion of the Southland Times building to 100% NBS as this is the typical structural soundness requirement for tenants. A copy of the resultant report is attached.

- 3(b) WT Partnership have provided an assessment of costs to retain and refurbish the 1908 portion of the Southland Times building to 67% and 100% of the NBS. The assessments are attached.

- 3(c) Robert Todd of Telfer Young Valuations has provided a value for the restored building and this is attached.

- 3(d) A Heritage Equip grant could potentially be obtained for the strengthening of the Southland Times building. Grants are available for up to 50% of the costs of the work. An application to the fund cannot be made until all Council consents are obtained, including building consent and it is therefore not known whether, or how much, funding would be available. *It is noted on case studies available on the heritagequip website that typical grants are in the range of \$100,000 - \$200,00 – with the notable exception of the \$1.5m granted to the St James theatre in Auckland.*

It is also noted that the seismic risk for Southland was incorrectly stated as low in the AEE, the correct risk profile is medium which meets the criteria for the Heritage Equip fund.

- 3(e)(f) Robert Todd of Telfer Young Valuations provided an estimate of rent for the refurbished building in the attached valuation document.

Summary of valuation assessment

The WT assessment shows costs to bring the Southland Times building up to 67% and 100% of the NBS will result in costs of between \$7.5 – 8.75 million. The valuation prepared by Thayer Todd Valuations arrives at a market value of \$2,150,000 (+GST) for a strengthened and refurbished building ready for tenanting. The market annual rent is calculated at \$296,665 (+GST). In the comment on rental demand prepared by Geoff Thompson and Trevor Thayer (*see original application package*) it was noted that attracting tenants to buildings, in particular larger national retailers, requires buildings of 100% NBS to be available. The end value of the strengthened building is nearly 4 times less than the costs to reach the relevant standard.

- 3(g) Buchan have provided a detailed assessment of the ability to retain the 1908 portion of the Southland Times building which can be found on page 9 of the design statement. Buchan identify the entrance location, first access to a stair core rather than a shop floor, and fragmented floor plates, providing *'limited spatial qualities of merit'* as being significant issues for any potential retailer, or other commercial operation. Buchan further discuss the location of the building in the overall block as being a significant impediment to planning flexibility for the wider development. *"the building sites in board of site boundaries – and has significant depth. This compromises the locations of the proposed major anchor tenant floor plates – or rotational and effective carp parking fields."*
- 3(h) Heritage Properties in their Addendum have provided a detailed review of the value in retaining the 1908 portion of the Southland Times building as opposed to retaining the façade only and this assessment can be found on pages 19-21. The review states *"The Southland Times is a Category 2 building listed with HNZPT, recognised for its architectural, historic and social value. The research conducted as part of Woods et al (2018) confirms the previous significance assessment, noting the well-preserved façade is an excellent example of early twentieth century Revival architecture. The 2018 assessment survey undertaken by NZHP identified that there is almost no original heritage fabric visible within the building due to numerous extensive alterations. The Southland Times relocated to their new premises at the end of 2015, and since this time much of the building has sat vacant, and even over this short time, neglect has begun to set in with overflowing buckets catching the drips off the leaking roof."*

The significant part of this statement is the recognition that there is almost no original heritage fabric visible within the building due to the numerous extensive alterations. This is contrasted with the well preserved façade which Heritage Properties states *"the design team have chosen their approach to highlight the Southland Times façade as a treasured heritage asset and contrast it against the surrounding modern buildings to emphasise the areas past whilst also embracing the present and future potential of Invercargill Central"*

Summary of 1908 retention assessment

The above documents detail the costs involved in retention of the 1908 portion of the Southland Times building, with these costs being significantly higher than what the market value of the refurbished building would be. The lack of marketability and the layout issues with the existing building are detailed in the Buchan assessment and the removal of almost all heritage fabric from the building is detailed in the Heritage Properties assessment. The combined weight of these assessments results in the conclusion that the retention of this part of the Southland Times building would be uneconomic, unviable for retail/commercial use and most significantly would not preserve heritage fabric as this has been almost entirely stripped from the building over time. The retention of the façade alone does however provide the connection to the areas past and enables the ongoing retention of this significant façade into the future.

Heritage Kerbstones

4. The only location of heritage listed kerbstones for this block is believed to be the section along Dee Street from the Bank of NSW to the old Frog and Firkin building. There is no requirement to remove these kerbstones so these will be retained in situ. If there is any likelihood of damage occurring

during demolition or construction works, the kerbstones will be uplifted and replaced at the end of those work.

Transport

5. Visibility splays have been incorporated into the Tay Street car park entrance.
6. Tracking curves for a 11.5m rigid trucks are provided along with comment from Abley Consultants regarding pedestrian safety.

Abley Consultants have also provided an updated integrated traffic assessment which reflects the revised plans. A copy of this report is attached.

Integration with nearby sites

7. There is a commitment to provide unimpeded trading for Reading Cinema during the construction and then during operation of the development. In order to achieve this, egress will need to be maintained during cinema operation hours, and the method to achieve this will form a part of the construction methodology. It is unlikely that this egress route will be the same for the duration of the build, and the changeover of route will be part of an ongoing CPU progress. The details of this are subject to the contractor selection and appointment, and are not available at this time.
8. Mid block access to Kelvin Street cannot be provided from the car park building or the anchor retailer as there is an existing service lane which services the Kelvin Hotel running along the rear of the hotel – between the car park/anchor retailer and the hotel. The applicant has no ability to curtail this access/service lane. This will not be a change from what exists currently between the Esk Street block and the H&J Smith or any other surrounding retail area.
The potential for inclusion of an air bridge was considered by the applicant in consultation with H&J Smiths but the costs were found to be prohibitive and relied on landowners outside of the development block to be undertaken. For these reasons this idea was abandoned.
There will be no change in the status quo as a result of this link not being provided.

Enclosed

1. Buchan Design Statement
2. Table detailing GFA
3. Heritage Properties Ltd Addendum
4. Abley Further Information
5. Abley revised Integrated Traffic Assessment
6. Telfer Young Valuation
7. WT Partnership QS assessment
8. BMC Structural Assessment – Southland Times
9. Thompson/Thayer discussion document

Yours faithfully

BONISCH CONSULTANTS



Christine McMillan

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