

Majestic House (122-126 Manchester Street) – reasons for decision

1. I have read the memo (with attachments) from [REDACTED] dated 7 March 2014.
2. I have decided to exercise my delegated power under section 38 of the Canterbury Earthquake Recovery Authority 2011 (CER Act) to determine that Majestic House (122-126 Manchester Street) should be demolished. I set out the reasons for my decision below.

Section 10 CER Act

3. In exercising my delegated power, I was required to ensure that my decision was in accordance with the purposes of the CER Act and that I reasonably considered it necessary (section 10(1) and (2)).
4. In considering my obligations under section 10 of the CER Act, I have taken guidance from the Court of Appeal decision *Canterbury Regional Council v Independent Fisheries Limited* [2013] 2 NZLR 57. In particular:
 - a. The overarching purpose of the CER Act is to restore the full social, economic, cultural and environmental well-being of greater Christchurch communities and ensure the recovery of greater Christchurch in a timely and expeditious manner.
 - b. To determine whether it can reasonably be considered necessary to exercise a power under the CER Act, there must be a consideration of whether it is necessary in order to achieve a particular purpose or purposes of the CER Act at the time the power is exercised, taking into account the nature of the particular decision, its consequences and any alternative powers that may be available.

Purposes of the CER Act

5. I consider that demolition of Majestic House is in accordance with the purposes of the CER Act for the reasons outlined below.

Section 3(b) - to enable community participation in the planning of the recovery of affected communities without impeding a focused, timely and expedited recovery

6. I acknowledge that demolishing the building under the CER Act will exclude the public from participating in any decision-making regarding the heritage building that might otherwise occur if demolition or other works are undertaken pursuant to the Resource Management Act 1991. However, I have taken into account the views of various agencies and community groups in making my decision (see paragraphs 31 to 34 of the memo). I consider that seeking additional community participation in this decision would impede a focused, timely and expedited recovery.

Section 3(d) - to enable a focused, timely and expedited recovery

7. I consider that demolishing the building is in accordance with the purpose in section 3(d) because it enables the implementation of the *An Accessible City* chapter of the Christchurch Central Recovery Plan (CCRP), specifically the widening of Manchester Street in this location to enable the creation of a boulevard environment and provide for bus-priority measures as a

major link to the future Bus Interchange. This is an important project for the reasons set out in paragraph 37 of the memo.

8. While there are other options to alter the current intersection design to allow the building to remain as detailed in **Appendix D** to the memo, I do not consider that any of the options satisfactorily meet the objectives of *An Accessible City*. Option 1 is unacceptable because it will have severe implications for safety and requires the Crown to purchase additional land. Options 2 and 3 are unsatisfactory because of the moderate implications for traffic diversion, amenity and other issues such as safety and capacity loss.
9. The balance of the land not required for the widening of Manchester Street has been acquired for the purpose of implementing the East Frame anchor project, established under the CCRP. The Majestic House site is currently intended to be used for residential development. Retaining the building as a theatre or having it repurposed for another use will require significant expenditure by the Crown. The land was originally acquired under an appropriation for the purpose of implementing the East Frame. There is currently no appropriation that would allow me to commit the Crown to the expenditure that would be required to retain the building.
10. I also consider, in line with previous advice I received in November 2012 on existing buildings in the East Frame, that Majestic House is not compatible with the design objectives of the East Frame.

Section 3(f) - to facilitate, co-ordinate, and direct the planning, rebuilding and recovery of affected communities, including the repair and rebuilding of land, infrastructure and other property

11. I consider the demolition of Majestic House is in accordance with section 3(f) because it will enable the repair and rebuilding of infrastructure by allowing Lichfield Street to be reopened and enabling infrastructure repairs to be undertaken in May 2014. However, I note that these objectives could also be achieved by undertaking some form of temporary make safe works.
12. Demolition is also in accordance with section 3(f) because the widening of Manchester Street is required as part of the implementation of the *Accessible City* Chapter of the CCRP and of residential development on this site as part of the East Frame. I consider these projects are part of the planning, rebuilding and recovery of affected communities. This is supported by the goals of the Built Environment section of the Recovery Strategy, as set out at paragraph 17 of the memo.

Section 3(g) - to restore the social, economic, cultural and environmental well-being of greater Christchurch communities

13. One of the cultural recovery goals identified in the Recovery Strategy includes the restoration of historic buildings, where feasible, for the benefit of the community.
14. I have taken into account the heritage value of the building as outlined in the memo, including the advice provided by the Christchurch City Council Heritage Team. I have also taken into account the views expressed by the City Councillors, the Chief Executive of the Ministry for Culture and Heritage, Historic Places Canterbury and the 'Save the Majestic' group as outlined in paragraphs 33 and 34 of the memo.
15. Having carefully considered the matters set out in the memo, I do not consider it is feasible to retain and restore Majestic House. This is because of the reasons discussed above, including the widening of Manchester Street under *An Accessible City*, the overall plan for

residential development on the site as part of the East Frame and the likely cost to retain and repair all or part of the building. Additionally, it seems likely that the partial demolition required as part of any retention programme would significantly detract from the original heritage value of the building.

16. Despite the loss of many other heritage buildings since the Canterbury earthquakes, Majestic House is still listed by the Council as a Group 2 heritage building in the Council's City Plan. Although there are few examples of this type of building remaining in Christchurch, significant work is going into the restoration of the Isaac Theatre Royal. Additionally, other heritage facades have been retained in close proximity to Majestic House, including McKenzie and Willis, Victoria Black and the Excelsior Hotel.
17. Although I acknowledge that the building, if repaired, could provide an additional performing arts or related community facility in the central city, that would likely take some time and therefore would not address the current shortage of such facilities. Some of these shortages will be met in the future by the Performing Arts Precinct and other venues.
18. I also note that the residential development planned for this particular site is part of an overall objective to increase the residential population in the central city which I consider contributes to the restoration of the social and economic well-being of greater Christchurch communities.

Demolition reasonably considered necessary

19. I consider the decision required in this case is of reasonable significance. This is because of the heritage status of the building and public interest in the decision. The decision is also significant for CERA given the implications for meeting the objectives of the CCRP.
20. I have taken into account the consequences of a decision to demolish the building, namely the irretrievable loss of a heritage listed building.
21. I have considered alternative powers to a demolition under section 38 that might be available, which are outlined in the memo. I have considered the consequences of each of the options as discussed at paragraph 54 of the memo.
22. Based on the engineering advice provided with the memo, the building is dangerous. Some form of works is therefore necessary before the property (and fall-zone) can be used again.
23. I consider demolition of Majestic House is necessary because:
 - a. Part of the site is required for the widening of Manchester Street, as outlined in the *Accessible City* chapter of the CCRP. Alternative designs for the Manchester Street intersection which would enable the building to be retained are not acceptable in my view.
 - b. The balance of the site is proposed to be used for implementation of the East Frame, namely residential development. The land was acquired for that purpose and there is no appropriation to fund works to repair, restore and/or rebuild Majestic House. Although there may be some funding available from the Council and other sources, it seems unlikely there would be enough to cover the cost of repairs.
 - c. None of the other options discussed in the memo ensure the successful implementation of the relevant objectives of the CCRP in a timely and expedited manner.

Conclusion

24. For the reasons outlined above, I have decided to exercise any powers under section 38 of the CER Act to demolish Majestic House. This is on the basis that I consider demolition is in accordance with the purposes of the CER Act and is reasonably considered necessary.

	
Name	Warwick Isaacs
Title	Deputy Chief Executive, Implementation Director, Central City Development Unit
Date	12 March 2014

Released by the Canterbury Earthquake Recovery Authority