

SIMS BUILDING

Department: Property

EXECUTIVE SUMMARY

- 1 The purpose of this report is to provide an update for Council on the building at 2 Beach Street, Port Chalmers, known as the Sims Building, and the work done with the Port Chalmers Foundry Trust ('The Trust') since 10 Year Plan 2021-2031 deliberations in May 2021.

RECOMMENDATIONS

That the Council:

- a) **Notes** the Sims Building Update Report.

BACKGROUND

History of the building and site

- 2 The Sims Building consists of two parts; the first part, formerly the Stevenson and Cook Foundry was constructed in 1880, and the second part constructed circa 1930's. The building was a key part of the ship building history of Aotearoa New Zealand in the 19th and 20th centuries and remained in operation until about 1990.
- 3 As part of the 1989 Local Government amalgamation the site came to the Council from the Port Chalmers Borough Council.
- 4 Asbestos was discovered in and around the Sims Building in 2016, which resulted in the Port Chalmers Yacht Club (the tenants at that time) moving out. Work was then undertaken to remove the bulk of the asbestos from the building and site, including the removal of the asbestos roof.
- 5 Since 2016 there has been community interest in the retention and restoration of the building, and interest in potential future development options for the building and site.
- 6 The building sits across various land titles as follows -
 - A small part of the 1930s extension sits on **6 Beach Street**, land owned by The Maori Trustee and leased to Port Otago.
 - Another part of the 1930s extension sits on **4 Beach Street**, land also owned by The Maori Trustee and leased to the Dunedin City Council.
 - A small part of the 1930s extension sits on legal road reserve on **Macandrew Road**.

- The remaining part of the 1930s extension and the original 1880 building sits on **100 Blueskin Road** (though often referred to as 2 Beach Street). This land is vested in the Dunedin City Council as Recreation Reserve subject to the Reserves Act 1977 ('the Act'), and forms part of the Port Chalmers Town Belt Reserve



The Trust

- 7 The Trust was formed in 2019 with the intention of developing plans and then fundraising to renovate and develop the Sims Building to create a community venue that would support a variety of cultural, creative, and recreational activities.
- 8 In May 2021 the Trust made a submission (817085) to the 10 Year plan 2021-2031 to seek Council support for
 - retention of the building,
 - entering into an appropriate written agreement with the Trust, which would allow the Trust to undertake fundraising and secure partners for the project, and
 - a commitment by Council to make the site safe prior to any development.
- 9 On 31 May 2021, as part of 10 Year Plan 2021-2031 deliberations, Council passed the following resolution:

Moved (Cr Jim O'Malley/Cr Steve Walker):

That the Council:

Requests that staff continue to work with the Port Chalmers Foundry Trust and other stakeholders on developing options for making the Sims Building safe and report back to Council in time for the 2022/23 Annual Plan.

Motion carried (CNL/2021/126)

DISCUSSION

- 10 Council staff have worked to give effect to the resolution and have proceeded on the basis that the request to 'making the Sims Building safe' included both the building and surrounding site.
- 11 To make the site safe, the site would need to be decontaminated and the stabilisation work undertaken on the bank .

Working with the Trust

- 12 Council staff have met regularly with the members of the Trust and the relationship between staff and the Trust has grown over the past 12 months.
- 13 The focus of meetings with the Trust has been to understand the vision and plans that the Trust have for the site, to ensure that the Trusts plans fit with the uses permitted under the Act, and to further discuss options and costs to make the site safe for development.
- 14 As outlined in their submission to Council on 12 May 2021, the Trust have been working with architects and project management consultants to develop plans for the building, and in late 2021 shared initial concept plans for the proposed development in confidence with Council staff. These concept plans are included in a separate report to Council in the confidential part of the agenda.
- 15 The Trust has also continued to have discussions with the Port Chalmers community, with potential partners and donors for the project, and have indicated to Council staff that they have received positive responses.
- 16 The Manahautū also met with the Trust and advised them to meet with iwi to discuss their development plans. Staff have offered to help facilitate any meeting between the Trust and iwi.
- 17 The Trust has commenced a fundraising programme with an event in October 2021, with further events planned for 2022.

Working with other stakeholders

- 18 In recent months Council staff have been approached by another group who are interested in developing the Sims Building and site. Initial conversations indicate that their proposed development is similar to the one proposed by the Trust.
- 19 Staff are working with both parties to encourage them to collaborate.

Making the site safe

- 20 The site is classified as a HAIL site due to its previous industrial use, and an assessment completed in 2019 identified asbestos, arsenic, and other contaminants in the soil surrounding the building.

- 21 A geotechnical assessment completed in 2017 identified that the bank on the north west side of the building is unstable with potential for slips, or rock and tree fall hazards. This has compromised efforts to remove asbestos on the bank.
- 22 High level cost estimates indicate that the work to remediate contamination and to stabilise the bank are \$715k. This is for -
 - i) Full environmental clean-down of the building
 - ii) Decontamination of land and bank behind the building
 - iii) Construction of a rockfall fence to protect the building from future slips
- 23 In November 2021 the Trust commissioned their own Asbestos Management Assessment. The Trust have shared this report with Council staff, and the report identifies similar asbestos findings as the assessment commissioned by Council staff in 2019.
- 24 Budget for the remediation work will be found within the existing Property capital renewal budget, as Council will be required to undertake remediation to ensure the safety of the site.

Permitted use of the site – 2GP and reserves Act 1977

- 25 As discussed above, the bulk of the site is land vested in the Dunedin City Council as Recreation Reserve subject to the Act. The Act is clear in the permitted recreational usage of reserves –

“for the purpose of providing areas for the recreation and sporting activities and the physical welfare and enjoyment of the public, and for the protection of the natural environment and beauty of the countryside, with emphasis on the retention of open spaces and on outdoor recreational activities.”
- 26 Council staff have been able to assist the Trust to refine their ideas to ensure that any development will fit within the permitted uses allowed within the Act.
- 27 Staff have also been able to advise the Trust on the requirements of the 2GP to ensure their plans will meet regulatory requirements.

Written agreement with the Trust

- 28 As outlined in their submission, the Trust have requested to enter into a formal agreement with the council to give them surety to further develop their plans and fundraising programme.
- 29 Staff will commence work on developing a Memorandum of Understanding with the Trust (see Next Steps).

OPTIONS

- 30 As this is an update report there are no options

NEXT STEPS

- 31 Staff will continue to work with the Port Chalmers Foundry Trust, and other interested parties.
- 32 Staff will work with the Trust to develop a Memorandum of Understanding (MoU) between the DCC and the Trust. The MoU will give the Trust assurance and allow them to develop their plans and undertake a wider fundraising programme.
- 33 Council staff will develop a plan and costing to remediate the site alongside the trust and report progress regularly to Community and Culture Committee.

Signatories

Author:	Rory Hibbs - Property Manager Anna Nilsen - Planning and Support Manager
Authoriser:	Robert West - General Manager Corporate and Quality

Attachments

There are no attachments for this report.

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of communities. This decision promotes the cultural well-being of communities in the present and for the future.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts and Culture Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and Recreation Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other strategic projects/policies/plans	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The proposed development of a community operated venue supports a variety of cultural, social, creative, and recreational aspects of the Councils Strategic Framework.

Māori Impact Statement

The Manahautū has advised the Trust to have early discussions with iwi on their proposed development, and staff will seek to facilitate this

Sustainability

The proposed adaptive reuse of an existing heritage building fits with Council sustainability goals.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

The report responds to the resolution of Council as part of 10 Year plan 2021-31 deliberations

Financial considerations

The capital required to make the site safe is included in the Property capital renewal budget

Significance

This report is considered low in terms of the Council's significance and engagement policy.

Engagement – external

There has been engagement with the Trust and one other group interested in developing the site.

Engagement - internal

There has been internal engagement across Council departments including Parks and Recreation, City Development (Heritage Advisor), and Legal

Risks: Legal / Health and Safety etc.

Remediating the site will reduce health and safety risk

Conflict of Interest

There are no known conflicts of interest.

SUMMARY OF CONSIDERATIONS

Community Boards

The building falls within the West Harbour Community Board area, and the Community Board are aware of the Port Chalmers Foundry Trust proposal.