



Peer review

**Heritage Impact Assessment,
demolition of the Hydro Grand Hotel,
Timaru
October 2016**

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1 Introduction

1.1 Commission

Andrew Henderson, Beca Consultants commissioned this report, in an email of 4 October 2016.

1.2 Scope

The scope of this report is to peer review the Heritage Impact Assessment prepared by Jeremy Salmond contained in Appendix 6 of Planz Consultants, Bayhill Developments Ltd, *Demolish the Hydro Grand Hotel building and develop a mixed use office, apartment, retail, and hotel complex*, 10 the Bay Hill, Timaru, Resource Consent Application to the Timaru District Council, July 2016.

1.3 Limitations

The assessment is based purely on the Salmond assessment, “The Hydro Grand Hotel, Timaru, Commentary on Potential for Redevelopment”, (revised - July 2016), pages 1 to 6. No site visit was made, although, having made numerous visits to Timaru giving advice on a number of heritage buildings, I am aware of the building.

1.4 Heritage designation

The Hydro Grand Hotel, 360 Stafford Street, Timaru is listed on the District Plan as follows:

Planning Map	No	Name	Address	Legal description	Category
39	37	Hydro Grand Hotel	10 The Bay Hill	Pt Lots 2-3 DP3520	B

Heritage New Zealand (HNZ) also lists the following:

Building	Category	List number	Date entered	
Hydro Grand Hotel	2	2052	23 June 1983	

1.5 Approach to the peer review

The objective of a Heritage Impact Assessment (HIA) is to evaluate the potential impacts a proposed development will have on the heritage values of a listed building. The statement should identify

- heritage values
- any statutory heritage recognition and controls,
- description of the proposal and reasons for the development;
- alternatives explored
- an assessment of the impacts using best practice criteria;
- mitigation options with means of implementation.



This peer review will evaluate whether or to what extent the Salmond HIA follows this process.

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2 Heritage values

2.1 Salmond assessment of significance

The Salmond HIA gives an outline history and description of the building when constructed. Changes over time are also described. Despite the report stating “this report is an assessment of heritage values associated with the Hydro Grand” there is no assessment of heritage values.

2.2 District Plan listing criteria

As identified in the Salmond HIA and in 1.4 above, the building is listed with HNZ and in the Timaru District Plan. The HNZ Act 2014 identifies assessment criteria as does the District Plan. The District Plan criteria are as follows:

Part B, 10 Heritage Values

(6) To use the following criteria in scheduling any Heritage items in this Plan:

(a) whether a building, object or site is one of the few remaining from a particular period in history;

(b) the degree to which a building retains a high proportion of its original fabric and is generally unmodified, allowing for the alterations or additions that may be expected given its historical use or uses;

(c) whether a building, object or site has strong associations with significant events or notable people, or has strong public or cultural associations for any reason;

(d) whether the building, object or site has value in terms of landscape, streetscape or precinct values. In the Timaru Inner City area account will be taken of the Timaru Inner City Heritage Audit (1995);

(e) whether the building, object or site reflects past skills, technology, style or workmanship, which makes it of educational, scientific or architectural value.

Neither these or HNZ criteria have been used to assess the heritage values of the building.

2.3 HNZ assessment of significance

The following is a fuller explanation of the reasons for listing the building with HNZ and is taken from their on-line listing written in August 2016¹.

Since its construction in 1912, the Hydro Grand Hotel has been a prominent building on the Timaru townscape and waterfront. It has social and historical significance as a popular venue for entertainment and tourist accommodation that contributed to the popularity of Caroline Bay as a holiday destination. The Hydro Grand Hotel has aesthetic significance as a prominent contribution to Timaru’s historic streetscapes.

The land on which the Hydro Grand Hotel is situated was formerly part of Rural Section (RS) 730, granted by the Crown to George Rhodes and another, probably William Rhodes. In 1853 the Rhodes Brothers had RS

¹ <http://www.heritage.org.nz/the-list/details/2052>



703, and adjoining RS 7555, surveyed as 'Rhodes Town' and subdivided sections were sold for commercial and residential occupation. The subject land was within lot 355 of RS 730, not included on the original plan of 'Rhodes Town', but surveyed and sold in 1895 to town clerk, Edwin Henry Lough. Lough had his personal residence built at the junction of Stafford (now The Bay Hill) and Sefton Streets, which was extended by the subsequent owner, Dr Hedley Vicars Drew. The property was sold in July 1911 to William Kenneth Macdonald.

The Caroline Bay Association was formed in 1911 to develop the bay as a tourist destination. Principal among their concerns was provision of high standard accommodation. In March 1912 a contract was let for the construction of a 'three-storied accommodation house for tourists' at this site. Designed by Timaru architects Hall and Marchant, it was one of the largest buildings 'to be erected on Timaru for a long time'. The Hydro Grand Hotel was completed in December 1912, in time for the summer holiday season. At its opening the hotel was promoted as the 'largest and most up-to-date Private Hotel in New Zealand'.

The Hydro Grand Hotel is built in an Edwardian Mediterranean style and occupies its full triangular site on the corner of The Bay Hill and Sefton Street, overlooking Caroline Bay. The building is constructed in brick that was plastered and originally painted white. The building is dominated by a tower at the eastern corner, topped with a circular colonnaded balcony and dome. The north-eastern (main) façade also features recessed balconies, bay windows and arched openings, being elements of the Edwardian Mediterranean style. The southern façade is plainer but retains original fire escapes. The interior originally provided 80 rooms over three levels with separately leased shop spaces at street level. Electric elevators for passengers and freight are among original fittings. The building was equipped with hot and cold running water, including hot salt water for baths, hence the inclusion of 'Hydro' in the name.

The interior of the building was modified in 1914, primarily on the ground floor where large shop spaces were integrated into the main hotel to form a larger dining room and lounge. At this time the original large plate glass windows on the ground floor were replaced with smaller arched ones. The 1914 modifications secured the hotel's status as 'the most modern in New Zealand' with alterations accommodating a children's playroom which was thought to be pioneering among New Zealand hotels. Major modifications were later undertaken to the roof in the 1970s which initially featured three gables on the north-eastern façade and two on the southern façade. The original dome was found to be deteriorating in the 1990s and was removed in 1996 and replaced with a fibreglass replica.

2.4 Architects

The architects were Herbert Hall and Frederick N. Marchant FNZIA. Hall was trained in Timaru by Daniel West, and was trained pre-war on houses². Buildings the firm designed included:

² http://www.rootsweb.ancestry.com/~nzlscant/fairlie_public_library.htm

- Timaru Boys High School,
- Fairlie Carnegie Library
- Fairlie Council Chamber
- Fairlie Fire Station
- Fairlie Anglican Parish Hall
- Offices in Strathalian Street for Walter Shaw

Following the death of Marchant in World War Hall designed the stone church at Cave and the Chateau Tongariro. He was awarded the gold medal of the New Zealand Institute of Architects in 1935.

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3 Statutory recognition and the District Plan

3.1 Salmond discussion of the District Plan

The Salmond HIA states “The District Plan is remarkable for the manner in which it deals with historic heritage. Demolition of scheduled buildings is a discretionary activity, yet the plan provides no assessment criteria for the exercise of that discretion.” There is no other discussion with respect to the District Plan.

3.2 Issues, objectives, policies and methods

The reasons for listing, objectives and policies relating to heritage are explained in Part B chapter 10 are as follows. These issues should be included as a basis for any assessment for modification or demolition.

Part B Community enablement and physical resources

10 HERITAGE VALUES

ISSUE There is growing public concern within the District at the loss of heritage sites and places, and of the need for the recognition and protection of heritage and cultural values associated with buildings, precincts, structures, objects, sites and waahi tapu.

POLICIES. (2) To protect those buildings in the District with higher heritage values through the District Plan.

(3) To ensure careful assessment of the character of heritage buildings of lesser significance and the effect of development proposals on those buildings.

(6) To use the following criteria in scheduling any Heritage items in this Plan:

(a) whether a building, object or site is one of the few remaining from a particular period in history;

(b) the degree to which a building retains a high proportion of its original fabric and is generally unmodified, allowing for the alterations or additions that may be expected given its historical use or uses;

(c) whether a building, object or site has strong associations with significant events or notable people, or has strong public or cultural associations for any reason;

(d) whether the building, object or site has value in terms of landscape, streetscape or precinct values. In the Timaru Inner City area account will be taken of the Timaru Inner City Heritage Audit (1995);

(e) whether the building, object or site reflects past skills, technology, style or workmanship which makes it of educational, scientific or architectural value.

(7) To assess applications which would affect scheduled items against the following criteria in addition to the other objectives and policies of the Plan: Part B Community Enablement and Physical Resources

(a) the impact the proposal has on the integrity/value of the heritage item;

(b) the importance attributed to the heritage item by the wider community;

- (c) the effect on the landscape, townscape or precinct value of the proposal;
- (d) the extent to which the proposal is consistent with any conservation plan or other strategy for the maintenance or enhancement of the heritage value of the building, object, site or area;
- (e) any recommendations made by the NZ Historic Places Trust; (f) any recommendations made by the Takata Whenua;
- (g) alternative or viable uses for the building, object or site;
- (h) public health or safety.

3.3 Rules

Part D

Category B buildings

6.12.2.7 DISCRETIONARY ACTIVITIES

The following are discretionary activities subject to complying with all the other General Rules:

- (1) Any use of Category B buildings, structures and sites which is otherwise a non-complying activity in any zone.
- (2) Any modification, addition or alteration (other than those provided for as a permitted activity) to any heritage buildings, structures and sites.
- (3) The demolition or removal of the buildings, structures and sites from current sites.



4 Description of the proposal, reasons for the development and alternatives

4.1 Salmond description

The Salmond HIA states

The acquisition of adjacent land has increased the total site area, and the Applicant seeks to redevelop the expanded site to create a modern hotel and conference centre. The intention is to demolish this and build new. A concept plan has been prepared for such a development.

Previous studies have shown that the building in its present configuration and with its present level of amenity will not readily adapt to meet the needs of a modern facility. In addition, the building, while fundamentally sound, does not meet modern standards for seismic strength, and all building services require to be modernised. Figures for the cost of undertaking such remedial works have encouraged Applicant to prefer a new build option for the site.

4.2 Alternatives explored

An option for retention is discussed.

I have previously proposed that consideration should be given to incorporating the existing building into a redevelopment. The perceived value of this lies in the significance of the Hydro Grand as a landmark building in central Timaru, and the fact that the building is scheduled in the District Plan and registered under the Heritage New Zealand Pouhere Taonga Act.

I have argued that it is technically practicable to upgrade the building to a sufficient standard for use as a modern hotel. In doing so, I have acknowledged that a significant level of change to the existing building would be necessary,

The reason for acceptance of the demolition of the building is economic.

I have sought to show how a refurbished Hydro Grand could form part of an expanded development in such a way as to benefit the commercial visibility and identity of a modern hotel operation on this site.

The applicant has undertaken an economic analysis of the cost implications of a development that retains the existing building. I understand that it cannot be demonstrated that retention of the hotel as part of this development cannot be justified economically.

5 Assessment of impacts using best practice criteria

5.1 Salmond criteria

The Salmond HIA does not propose any criteria for assessing the impacts of demolition, which he has accepted.

I reluctantly acknowledge the conclusions of the economic analysis obtained by the Applicant, which appear to demonstrate that the cost of retention of the existing building, and adapting this to meet the contemporary performance standards of a modern hotel, cannot achieve a commercial return on that investment.

5.2 Resource Management Act

When preparing assessments of environmental effects (HIA) schedule 4 of the Resource Management Act 1991 requires consideration of the following:

Section 6

- An assessment of the actual or potential effect on the environment of the proposed activity.
- A description of the mitigation measures to be undertaken to help prevent or reduce the actual or potential effect.
- Where the scale or significance of the activity's effects are such that monitoring is required, a description of how, once the proposal is approved, effects will be monitored and by whom.

Section 7

- Any effect on those in the neighbourhood and, where relevant, the wider community including any socio-economic and cultural effects.
- Any physical effect on the locality, including any landscape and visual effects.
- Any effect on natural and physical resources having aesthetic, recreational, scientific, historical, spiritual, or cultural, or other special value for present or future generations.

5.3 Heritage impact assessments – best practice guides

The following are national and international best practice guides for preparing heritage impact assessments.

- ICOMOS, *Guidance on Heritage Impacts Assessments for Cultural World Heritage Properties*, ICOMOS, January 2011 (ICOMOS Guide)
- Buhring C., and Bowman I., *Guide to assessing historic heritage effects for state highway projects*, NZTA, March 2015 (NZTA Guide)
- City of Toronto, *Heritage Impact Assessment Terms Of Reference*, 2010 (Toronto HIA)
- The Highways Agency, Scottish Government, Welsh Assembly Government Llywodraethg Cynulliad Cymru, *Design Manual for Roads and Bridges*, HA



285/07, Volume 11 Environmental Assessment, Section 3 “Cultural Heritage”. See appendix 1.

- Queensland Government Department of Environment and Heritage Protection, *Guideline Heritage Preparing a heritage impact statement*, October 2015 (Queensland Guide). The following table illustrates some issues to be explored where demolition is proposed.

Demolition of a building or structure	<ul style="list-style-type: none"> • Is the building or structure important? • Have all the options for retention and adaptive re-use been explored? • Can all of the significant elements of the place be retained and any new development be located elsewhere on the site? • Is demolition essential at this time or can it be postponed in case future circumstances make retention and conservation of the building or structure more feasible? • How will the demolition be carried out? • Will the demolition affect adjacent structures and/or landscape? Are they important? • Has the advice of a heritage consultant been obtained? Have the consultant’s recommendations been implemented? If not, why not? • What level of archival recording is appropriate?
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HNZ has also prepared the following guidance documents.

New Zealand Historic Places Trust (now Heritage New Zealand) *Sustainable Management of Historic Heritage Guidance Information Sheet 15* “Demolition of Heritage Buildings”. See Appendix 1.

New Zealand Historic Places Trust (now Heritage New Zealand) *Sustainable Management of Historic Heritage Guide No. 4* “Resource Consents”, section 3.2 AEE/Heritage Impact Assessment. See below.

The heritage impact assessment should include the following sections:

The Heritage Impact Assessment	
Introduction	The introduction should include a description of the process of preparing the heritage impact assessment and any consultation.
Statement of significance	Describes the heritage place that is affected the proposal and the significance of the place. It should refer to an address (any relevant other geographic reference) and any heritage identifier (i.e. NZAA No.)
Proposed work	Provides an outline of the proposed work and reference to any plans and drawings
General principles	Provides an outline of the main principles that guide the assessment (i.e. district plan objectives, ICOMOS NZ Charter)
Statutory or policy implications	Provides a discussion on any relevant statutory or policy implications such as special legislation, archaeological authority requirements, Maori heritage implications, heritage orders, etc
Detailed assessment	Assessment of the proposed work according to plan standards or other best practice standards.
Recommendations	
Appendix	The appendix will include plan and photographic documentation

6 Mitigation options with means of implementation

6.1 Salmond HIA

No mitigation options are proposed.

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7 Conclusions

The Heritage Impact Assessment does not follow best practice guidelines to enable an adequate assessment of the impacts of the demolition of the Hydro Grand Hotel. It does not adequately assess heritage values in order to demonstrate the impacts on those values by demolition of the building. It describes statutory heritage recognition but does not describe sections of the District Plan relating to objectives, policies and methods that could be used to assess impacts on heritage. Similarly the HIA does not use accepted best practice criteria to assess the impact of the demolition. There are no mitigation measures proposed.

The HIA is currently not adequate for planners to assess the impacts of the demolition of the building.



Ian Bowman
7 October 2016

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Appendix 1

New Zealand Historic Places Trust (now Heritage New Zealand) *Heritage Sustainable Management of Historic Heritage Guidance Information Sheet 15 “Demolition of Heritage Buildings”*

Demolition of historic buildings should not be allowed unless in very rare circumstances, in relation to the following matters:

- o With regard to a large or complex site, the proposed demolition will not compromise the integrity and the significance of the place, streetscape, area or landscape.
- o Demolition may be acceptable when a building or structure is considered to be ‘beyond repair’. It may be structurally unsafe, may have been damaged by natural event, or may have been irreversibly damaged by fire. This matter often requires evidence from a professional engineering assessment.
- o Demolition should be informed by the concept of greater or total conservation benefit with respect to a large complex group of structures and buildings. It may be that the demolition of minor parts of a building may be justified to achieve the conservation of most significant places on the entire site. All other avenues should be explored before this option is considered (e.g. funding sources) and all decisions must be informed by a conservation plan.
- o All alternatives to demolition should be explored including new and compatible uses, repair and maintenance works, maintenance plans, and appropriate alterations and changes.

International Council on Monuments and Sites (ICOMOS) Guidance on Heritage Impact Assessments for Cultural World Heritage Properties, draft May 2010

Largely as described below.

The Highways Agency, Scottish Government, Welsh Assembly Government Llywodraeth Cynulliad Cymru *Design Manual for Roads and Bridges, HA 285/07, Volume 11 Environmental Assessment, Section 3 Cultural Heritage*

Evaluation of the cultural heritage resource

Analysis of the data must include an assessment of the value of the resource. The Design Objectives will set out the framework for establishing values. Designations will assist in this analysis, but undesignated buildings should be fully considered. The current designation status of buildings may not fully represent their value, or their potential, and some of the resource may be of uncertain value until tested through further evaluation.



Ranking of heritage value

The value of each asset should be ranked according to the following scale:

- very high;
- high;
- medium;
- low;
- negligible.

Table 6.1: Guide for Establishing Value of Historic Buildings

Criteria for Establishing Value of Historic Buildings	
Very High	<ul style="list-style-type: none">• Structures inscribed as of universal importance as World Heritage Sites.• Other buildings of recognised international importance.
High	<ul style="list-style-type: none">• Scheduled Monuments with standing remains.• Grade I and Grade II* (Scotland: Category A) Listed Buildings.• Other listed buildings that can be shown to have exceptional qualities in their fabric or historical associations not adequately reflected in the listing grade.• Conservation Areas containing very important buildings.• Undesignated structures of clear national importance.
Medium	<ul style="list-style-type: none">• Grade II (Scotland: Category B) Listed Buildings.• Historic (unlisted) buildings that can be shown to have exceptional qualities in their fabric or historical associations.• Conservation Areas containing buildings that contribute significantly to its historic character.• Historic Townscape or built-up areas with important historic integrity in their buildings, or built settings (e.g. including street furniture and other structures).
Low	<ul style="list-style-type: none">• ‘Locally Listed’ buildings (Scotland Category C(S) Listed Buildings).• Historic (unlisted) buildings of modest quality in their fabric or historical association.• Historic Townscape or built-up areas of limited historic integrity in their buildings, or built settings (e.g. including street furniture and other structures).
Negligible	<ul style="list-style-type: none">• Buildings of no architectural or historical note; buildings of an intrusive character.
Unknown	<ul style="list-style-type: none">• Buildings with some hidden (i.e. inaccessible) potential for historic significance.

Magnitude of impact (degree of change)

An impact is defined as a change arising from the scheme that would affect the historic building resource.

- major;
- moderate;
- minor;
- negligible;
- no change.

Table 6.3: Factors in the Assessment of the Magnitude of Impacts

Factors in the Assessment of Magnitude of Impacts	
Major	Change to key historic building elements, such that the resource is totally altered. Comprehensive changes to the setting.
Moderate	Change to many key historic building elements, such that the resource is significantly modified. Changes to the setting of an historic building, such that it is significantly modified.
Minor	Change to key historic building elements, such that the asset is slightly different. Change to setting of an historic building, such that it is noticeably changed.
Negligible	Slight changes to historic buildings elements or setting that hardly affect it.
No change	No change to fabric or setting.

Assessing significance of effect

Assessing the significance of the effects of the scheme combines the value of the resource and the magnitude of impact (incorporating the agreed mitigation), for each cultural heritage asset.

The adverse or beneficial significance of effect should be expressed on the following scale:

- very large;
- large;
- moderate;
- slight;
- neutral.

Table 6.4: Significance of Effects Matrix

VALUE/SENSITIVITY	Very High	Neutral	Slight	Moderate/ Large	Large or Very Large	Very Large
	High	Neutral	Slight	Moderate/ Slight	Moderate/ Large	Large/Very Large
	Medium	Neutral	Neutral/ Slight	Slight	Moderate	Moderate/ Large
	Low	Neutral	Neutral/ Slight	Neutral/ Slight	Slight	Slight/ Moderate
	Negligible	Neutral	Neutral	Neutral/ Slight	Neutral/ Slight	Slight
	No change	Negligible	Minor	Moderate	Major	
	MAGNITUDE OF IMPACT					

