



OWNERS STATEMENT

Huddart Parker Building Ltd (HPBL), a wholly owned subsidiary company of The New Zealand Fruitgrowers' Charitable Trust (NZFCT), owns the Huddart Parker Building.

The rooftop sign was first erected in the early 1960's at a time when the Huddart Parker Building was the tallest in the area. To the west of Jervois Quay development in later years makes the Huddart Parker Building one of the smaller buildings in the area. As such the sign was far more visible then than it will be now. The sign was the first in New Zealand to show the time and be linked to the Metservice in Kelburn to also show weather conditions. The sign itself has heritage. It was on the building when the heritage designation was placed on the building by Council.

In 2002 the Council sold the freehold interest in the land under the building to the HPBL. The Sale and Purchase Agreement second schedule clause 2 reads *"The Encumbrancer without prior written consent of the Council (which shall not be unreasonably withheld) do anything to change the character of the building known as the "Huddart Parker Building" situated on the Land and in particular will not make changes which would detract from the exterior appearance and architectural style of the building for a period of 18 years from the completion of the development work. In considering whether or not to give consent Council may act in its capacity as Council and as if it were still the owner of the Land"*.

The sign was operational at the time. Council documents at the time noted that the sign held sentimental value to the public. We as owners wish to reinstate the sign and reignite that sentimental value that the Council appear to have been trying to protect 20 years ago.

Around 2005 the owner found the building had a current earthquake rating of something less than 30%. The NZFCT determined that a single owner of the building offered more control and more certainty with regard to the building's future. Over the next few years they proceeded to buy out the other shareholders in HPBL. In 2010 a decision was made to sell the building. The market then, following the global financial crisis, was flat and with finance hard to raise attempts to sell failed.

With a flat market and the earthquake rating it had tenants for the building were becoming hard to find and insurance costs were rising. There was no future for the building as it was

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so, unable to sell, the decision was made to strengthen it. Work then commenced on determining what was required to strengthen to building to 100% of the code and a contract duly let at a cost of \$9million. That along with the \$7million original purchase made a "cost" of the building \$16million. A valuation report at the time valued the building after strengthening and fully let at \$15million so it was a tough call.

Strengthening construction began in 2012 and the sign was decommissioned to enable the work to be done and thus start the preservation of a heritage building. The work took over 1 year and as a consequence existing rights use were lost. As the owner, it was always HPBL's intention to reinstate the sign, as evidenced by the fact that the framework to support a sign was never removed.

During this construction phase the government also announced that a tax deduction for depreciation on commercial buildings would cease. Being in the process of spending \$9million on a commercial building and receiving that news was not great.

We as owners have no problem in principle with installing a sign like the original but technology has changed. Claude Neon makers of the original sign no longer make large neon signs. In the last 10 years technology has again moved on with signs largely using energy efficient LED lighting. The last sign operating, MoreFM, was quite different to the original Caltex sign as were other signs on the building in the intervening years. Technology had changed.

The community aspect the sign has always been there. When I talk to people around Wellington who were there when the sign was always operational they inevitably ask when we are going to put it back? They miss the clock and the temperature. Yes, people have mobile phones now and motor vehicles have clocks but we have had wrist watches even longer but still looked at the sign. One person said they ran at lunch time and used to look at the clock as they left and again on the way back to see how they went. Another said as kids coming into town in the car, they had a competition to see who could guess the temperature. There are very few clocks in the city that one can see from the street and no signs showing the temperature that I am aware of. The intention has always been not just to reinstate the sign but also to retain the community aspect it has always had. New technology allows this to be done even better than in the past.

3 years ago HPBL removed the flagpoles to renew the rusting brackets that hold the poles with new stainless steel brackets. There were letters to the Dominion Post asking where the flags on the Huddart Parker Building had gone. People notice and appreciate these things.

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It is our intention that not all the advertising time will be sold. HPBL will retain some of the time available not just for time and weather but also for our use advertising things like the 5+aDay.



or for Māori language week:



We would also be agreeable to allowing Council to access the sign for community notices such as a forthcoming road closure, or for community events like “Round the Bays” run.

Old buildings are more expensive to run and maintain than newer buildings. At present we are looking at a number of maintenance items that need to be done in the next 12 months with an estimated cost of around \$400,000. This is somewhat exceptional but it does happen. To that end HPBL would be happy to create a “Deferred Maintenance Reserve Fund” in our financial statements funded from the sign rental.

In concluding, HPBL believe that the public generally likes to see heritage buildings retained. However, this comes at a cost and, if the public through the Council’s listing of heritage buildings, wants private owners to retain and maintain heritage buildings, the Council needs to facilitate the means to do it. In the case of the Huddart Parker Building, allowing the reinstatement of a revenue producing sign, which was a long-standing feature of the building, is an appropriate means.

Keith Mackenzie
Executive Director
New Zealand Fruitgrowers’ Charitable Trust

20 April 2022