

3. HAGLEY NURSES HOSTEL - DEED OF COVENANT

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The purpose of this report is to update the Council on discussions between the Canterbury District Health Board and the Council regarding the Nurses Hostel, and to recommend the Council enter into a Deed of Covenant with the District Health Board.

At its meeting on 28 March 2002 the Council had before it a report from the Strategy and Finance Committee regarding a proposed local Bill for the Hagley Nurses Hostel.

After discussion the Council resolved that the clause be held over for one month "...to allow the Mayor and City Manager to hold further discussions with representatives of the Canterbury District Health Board and report back to the Committee."

Subsequently a meeting was held on 9 April 2002 with the Chairperson and Chief Executive of the District Health Board and the Mayor and City Manager and relevant officers.

After discussion it was proposed that as an alternative to the Council promoting a local Bill, consideration could be given to the District Health Board and the Council signing a deed of covenant regarding future use of the Hagley Nurses Hostel, with the effect that if the Hostel ceases to be used for public healthcare services generally, then the Board would transfer the building and the land on which it is situated to the Council.

Subsequently a deed of covenant was drafted and a copy is attached for the Committee's consideration and, if the Committee agrees, for recommendation to the Council that the deed be signed by the Council. If the Council agrees to signing the deed this would be in lieu of the Council promoting a local Bill.

The deed of covenant recites the background to the deed being signed. It provides in clause 1, a restrictive covenant setting out the purposes for which the District Health Board can use the Hagley Nurses Hostel land. That restrictive covenant is to be linked to Hagley Park itself.

Clause 1(d) refers to use of the land for car parking. It will be noted that car parking is stated to be ancillary to the uses described in clauses 1(a) and (b).

The Board advises:

"We believe it is important to include car parking as a use reasonably ancillary to the uses set out in clauses 1(a)-1(c). The reason for this is we have had a drawn out debate relating to whether a reference to hospital purposes in another document included car parking.

The land on the main hospital site to the north of Riccarton Avenue, including Hagley Nurses Home is too valuable for the current and future needs of Christchurch hospital to be used for car parking other than the short term patient and visitor car parking, disabled car parking and car parking for key on-call clinical staff. Because of this, recent major car parking initiatives have been off the main site. This includes the 380 parking space Christchurch City Council/Canterbury DHB joint venture car parking building that was constructed over the road on the Antigua/Tuam corner as well as the new 400 parking space building which is soon to be built on the northeast corner of St Asaph and Antigua Streets.

Notwithstanding this, there is real strain on the main site to cope with the necessary short-term patient/visitor car parks, disabled car parking and parking for key on-call clinical staff. In the deed we agree not to use the land for any purpose other than that set out. It would be unacceptable to the Canterbury DHB if after the deed was signed car parking around Hagley Nurses Home for the critical uses referred to above was prohibited.

Removal of the car parking currently provided on the Hagley Nurses Home site would put an unnecessary and unacceptable strain on these critical uses."

Paragraph 4 provides that if at any time the District Health Board ceases to use the land for the purposes in clause 1, then the land is to be transferred to the Council for the sum of \$1 and the Council will then hold the land as a reserve for recreation purposes in the same manner as if it was held under the Christchurch City (Reserves) Empowering Act 1971. This 1971 Act is the Act under which the Council holds Hagley Park.

All dealings of District Health Board land need to be approved by the Minister of Health and that approval has been granted in respect of this proposed deed of covenant. The District Health Board agreed to sign the deed of covenant at its meeting on Friday 27 September 2002.

In my view the effect of this deed of covenant, if it is agreed to by the Council, will achieve the same outcome as the Council has sought to achieve through its resolution to promote a local Bill in that if the land was not to be used for healthcare services, then it would be held by the Council in the same way as Hagley Park. The difference is that with a local Bill, the District Health Board has already indicated that it would oppose the passage of such a Bill and the signing of this deed of covenant achieves that outcome, while at the same time, maintaining a good relationship with the District Health Board.

Staff

- Recommendation:**
1. That the Council sign the attached deed of covenant in respect of the Hagley Nurses Hostel.
 2. That the Council rescind its resolution of 23 November 2000 to promote a local Bill regarding the Hagley Nurses Hostel.

Chair's

- Recommendation:** That the above recommendation be adopted.