

<p>Officer responsible Property Manager</p>	<p>Author Property Services Officer, Dave Falls RO-0190-1</p>
<p>Corporate Plan Output: New asset: EPH Land Purchase– non budgeted item.</p>	

The purpose of this report is to seek the Community Services Committee’s recommendation to Council on the proposed acquisition of the property at 103 Forfar Street, and on the disposal of part of the property at 27 Berwick Street which is now surplus to the Council’s requirements. The report is also submitted to the Shirley/Papanui Community Board for information.

BACKGROUND

The Council at its meeting of 25 February 1999 approved the purchase at a cost of \$149,000 (including GST) of the surplus Crown property at 27 Berwick Street part of which is currently used for car parking by the adjoining Berwick Courts elderly persons' housing. The balance area was proposed as a site for a residents’ lounge for both the Berwick Courts and nearby Forfar Courts housing complexes.

NEW PROPOSAL

The opportunity has now arisen for the Council to purchase another surplus Crown property at 103 Forfar Street, adjoining the Council’s Forfar Courts housing. This site at 103 Forfar Street would provide a more suitable location to that at 27 Berwick Street for siting a residents’ lounge to serve both housing complexes.

The existing dwelling on the property at 27 Berwick Street will require restoration and upgrading estimated \$20,000-\$30,000 to bring to an acceptable standard for rental accommodation. With the opportunity now to acquire a more suitable site for a future residents’ lounge, it is therefore proposed to subdivide the Berwick Street property, retain the current carpark area, on-sell the balance area containing the dwelling in its present form, and apply the proceeds of the sale to the purchase of the property at 103 Forfar Street.

The property at 103 Forfar Street also contains a dwelling which could be retained for rental housing until such time as the site is required for the future development.

Details of the properties are as follows:

1. Proposed Acquisition:

Address:	103 Forfar Street
Owner:	Her Majesty the Queen (Crown)
Legal Description:	Part Lot 1 DP 73450 CT 42C/32
Area:	510m ²
Zone:	Living 2
Valuation:	The current market valuation of the property has been assessed by Rolle Hillier Parker Valuation Division at \$134,000 inclusive of GST. The property contains a stucco dwelling, approx 68 years old, divided into two flats: a 3-bedroom flat with separate lounge, separate kitchen, bathroom and toilet, and a 1-bedroom self-contained flat at the rear of the house. This would have originally been one home and could easily be converted back if desired.
Proposed Settlement:	Agreement has been reached and settlement can be achieved on the payment of the above sum.
Source of Funds:	07190/702

2. Proposed Disposal:

Address:	Part 27 Berwick Street
Owner:	Christchurch City Council
Area for Disposal:	444m ² subject to survey (shown on plan attached)
Legal Description:	Part Lot 1 DP 71249 being part of the land contained in CT 41C/12
Valuation:	Estimate of market value \$110,000 to \$115,000 inclusive of GST.

The proposal to dispose of this surplus land has not been circulated through other Units of Council in terms of the Surplus Property Decision Making Flow Chart. In this instance, it is considered that the process is inappropriate because the disposal is in effect an exchange of one property for another for the same purpose and the funds from the disposal will be required to achieve this result.

In order for the disposal to comply with the provisions of Section 230 of the Local Government Act 1974 it will be necessary for the Council to adopt the appropriate enabling resolution.

- Recommendation:**
- (1) That the property at 103 Forfar Street be purchased for the sum of \$134,000 (GST inclusive).
 - (2) That following approval of a plan of subdivision, the Property Manager be authorised to dispose of the balance of 27 Berwick Street by public tender at not less than the minimum reserve price to be assessed by registered valuation.
 - (3) That the Council adopt the following resolution:

Resolution

The Christchurch City Council hereby resolves pursuant to the provisions of Section 230 of the Local Government Act 1974 to dispose of the land described in the following Schedule:

Schedule

All that parcel of land containing 444m² or thereabouts subject to survey being Part Lot 1 DP 71249 being part of the land contained in CT 41C/12.