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Corporate Plan Output: Neighbourhood Reserve Purchase	

The purpose of this report is to recommend to the Council the purchase of a property in Office Road for a local reserve. The report was submitted to the Fendalton/Waimairi Community Board for information and comment.

#### **INTRODUCTION AND BACKGROUND**

This matter was considered by the Council on 23 October 1996 when it adopted a report from the Parks and Recreation Committee concerning the serious shortage of open space within the inner Merivale area.

In terms of open space, the Merivale area has one of the greatest deficiencies in the city with 0.02 hectares per 1,000 head of population. The Fendalton/Waimairi Community Board has been pro-actively working towards addressing the deficiency over recent years. Local residents, including the Merivale Precinct Society, have also requested the Council to acquire a reserve in the area on a number of occasions over the last few years.

As a consequence the Council recognised the deficiencies and in 1998 approved the purchase of a large property at 39 Rugby Street as a reserve. At that time they also authorised the securing of an option to purchase the neighbouring property in Office Road. The second stage would provide a street to street linkage and support the implementation of a cycle-way proposal. The cycleway has significant safety benefits as it diverts cyclists off Papanui Road and Rossall Street.

#### **OWNER RESPONSE**

The owner has now asked the Council to exercise its option. At the time the acquisition of both properties was supported by the Council it was clearly understood that there would be a significant contribution by the City Streets Unit towards the development and acquisition of the cycle-way route. The addition of the cycle-way and parks extension connecting Rugby Street and Office Road is seen by the Parks Unit as critical to good parks planning in the Merivale area.

#### **BUDGET PROVISION AND FUNDING PROPOSAL**

As the Reserve Purchase Budget is fully committed this financial year and given that if the option is not exercised, the opportunity to acquire it will be lost, it will be necessary to purchase the property on terms. In talking to the owners they have confirmed that they were prepared to consider this option but that they would require a minimum deposit.

The City Streets Unit has always acknowledged an obligation to share part of the overall purchase cost as their contribution towards achieving the cycle-way linkage.

In view of there being no funds available for the purchase, the City Streets Unit recommended to the City Services Committee meeting on 12 October 1999 that the Council approve a new budget item of \$80,000 for the 1999/2000 year to partly fund the purchase of the property. City Streets Unit is able to accommodate the funding through reprogramming of other capital projects at the 3 or 6 month review. This course of action was supported by the Committee and approved by the Council at its October meeting.

In addition to this, the Parks Unit proposes to reallocate \$20,000 currently budgeted for the development of the reserve as a contribution to the deposit this financial year. These funds originally came from the 1999/2000 Fendalton/Waimairi Community Board Project Funds.

#### **DEVELOPMENT PROGRAMME**

The reallocation of the \$20,000 will not preclude the start of development work on the Rugby Street portion of the reserve this financial year. The Parks Unit has funds available in the Neighbourhood Reserve Development Budget, which can be used to initiate some aspects of the development plan this financial year. Development work can commence once public consultation on the landscape plan has been completed.

#### **Purchase Agreement**

As a consequence of the Council's previous resolution and the City Services Committee's recommendation, negotiations were entered into with the owner to secure the property. The owner has entered into a conditional offer to acquire another property which is to be confirmed in early December and while being prepared to consider a termed sale to the Council whereby the balance of the purchase price would be payable on 1 July 2000, he is only prepared to do so on the understanding that the Council would meet the cost of any borrowing that he is faced with. Should the Council not exercise its option now, the opportunity to acquire the area and so provide the cycle-way link and achieve its parks planning objectives could be lost.

The full details of the property acquisition are contained within the public excluded section of this report.

## **SOURCE OF FUNDS**

As indicated, the deposit is to be partly funded through the City Streets Capital Projects Fund together with the Parks Unit's Neighbourhood Reserve Purchase Programme. The balance of the funds will come to charge in the year 2000/01 through the Neighbourhood Reserve Purchase Programme.

## **CLASSIFICATION**

The Reserves Act 1977 requires all reserves to be classified for their principal or primary purpose and as such the resolution contained in the recommendation will need to be adopted classifying the reserve for recreation purposes pursuant to Section 17 of the Act.

The following recommendation was supported by the Fendalton/Waimairi Community Board at its meeting on 26 October 1999 subject to the Council approving the allocation of \$80,000 from the City Streets budget to partly fund the purchase of the property.

- Recommendation:**
1. That the property be acquired on the terms and conditions contained in the public excluded section of this report.
  2. That the \$20 000 currently provided for the development of the reserve be reallocated to the purchase of the reserve extension.
  3. That the Council pursuant to Section 16 of the Reserves Act 1977 hereby resolves to classify the reserve for recreation purposes pursuant to Section 17 of the Act.