

1. REMISSION OF RATES – CANTERBURY AGRICULTURAL & PASTORAL ASSOCIATION – WIGRAM ROAD

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Canterbury Agricultural & Pastoral Association – Wigram Road	

The purpose of this report is to seek Council approval for a remission of rates on the A&P Showgrounds over and above the mandatory 50% remission already granted under the Rating Powers Act 1988.

BACKGROUND

The Canterbury Agricultural & Pastoral Association has written seeking a 100% rate remission on its property in Wigram Road, known as Canterbury Agricultural Park. The land comprises, firstly, an undeveloped lot of 44.9165 hectares which adjoins the showgrounds site.

A major part of this area is the subject of a retention basin easement in favour of the Council and it is the site of a proposed primary retention pond. The zone rules permit forestry demonstration plots, temporary car parking, equestrian events, dog trialing and machinery demonstration. The active events are held infrequently each year and so this land is mainly used for passive recreation.

The A&P Association is responsible for keeping sheep-proof fences around the land and livestock are grazed to control grass growth and weeds. Whatever weeds cannot be controlled by sheep grazing are kept under control by spraying.

Secondly there is an area of 45.2272 hectares which comprises the showgrounds proper. This property is wholly within the special Zone and authorised activities are permitted on certain parts of the land. Included is everything permitted for the first parcel of land as well as everything associated with the annual A&P Show. Also permitted are organised sports and premises for sporting clubs, permanent car parking, animal pavilions, arenas etc.

The area is largely covered in grass which is mown, watered and maintained to a standard similar to other City parks, such as Hagley Park. There has been extensive landscaping work carried out by the ratepayer, particularly planting very large numbers of specimen trees and some areas of native tussock. The land is not able to be grazed to control the length of grass. The land is extensively irrigated.

Canterbury Agricultural Park is maintained in a similar way to Hagley Park and as the years go by, the specimen trees will make the two parks more similar. Both parks are used for public entertainment and events on specific days of each year.

The A&P Association has as its principal purpose the provision of facilities for the Annual Christchurch Show, which is a major annual visitor attraction for the City. In addition, the association offers to host a wide range of other sporting, particularly equestrian and recreation events. The association actively promotes the park as a place for new and expanded events which bring visitors to Christchurch.

The association incurred heavy development expenditure during the second half of the last decade to install all the services and infrastructure required for the complete new Park. The property was developed out of unimproved farm land. The association had to install all new modern services to current standards and undertook substantial borrowings from its financier, Bank of New Zealand, to achieve this.

Since the association shifted its activities to Canterbury Park, it has incurred a cash deficit every year after meeting all its interest commitments. Its primary goal is to become cash neutral over the next 18 months, so that receipts from its activities cover cash expenses.

None of the Committee or Board members receive any remuneration and extensive volunteer services are provided every year. Only the Executive staff are paid.

Council staff are currently investigating other ways that the Council can cooperate with the A&P Association in the utilisation of this land and initial consideration of this is likely to come before the Annual Plan Working Party as a result of submissions made on the Draft Plan.

SUMMARY

The land occupied by the A&P Association at Wigram has been the subject of heavy development expenditure to date. The lack of sufficient revenue streams to pay the interest commitment has meant that the association has a serious need for a 100% rates exemption.

In view of the very public benefits that the association provides to the City in caring for a major area of green space, the association requests that an exemption of 100% be granted from rates over the land referred to above. The important economic role that the association and this site plays in bring activity to the city also justifies this request.

Should the exemption be granted it will assist the association in working towards its goal of being cash neutral over the next 18 months.

Tabled are Annual Audited Reports for the association covering the last two financial years.

RATES REMISSION

The only comparable examples of land in Christchurch, other than Council-owned property, where the Council has granted a 100% rate remission are Orana Park and the Ferrymead Historic Park, both of which are regionally significant assets. The A&P showgrounds can also be regarded as regionally significant because of its town and country interface and the significant impact that this large park-like area has on the urban form of the city.

Power to remit rates on certain types of land is contained in Section 179 of the Rating Powers Act 1988. Local authorities are required by virtue of Clause (b) of Part II of the Second Schedule to the Act to grant a mandatory 50% remission of rates on land which is owned or occupied by or in trust for or under the control of a society incorporated under the Agricultural and Pastoral Society's Act 1908 and used by that Society as a showgrounds or place of meeting. The mandatory remission of 50% does not apply to the land occupied by Canterbury Saleyards Company.

Power to grant full remission of rates, over and above the mandatory 50% remission, is contained in clause (b) of Part I of the Second Schedule which is similarly worded to the above.

The 1999/2000 rates on the undeveloped land amounted to \$2,387.35 and on the showgrounds proper \$4,031.45.

Any remission of rates over and above the mandatory 50% should be applicable for the rating year commencing 1 July 2000.

Recommendation: That the Council approve a full remission of rates payable in respect of the Canterbury Agricultural Park (excluding land occupied by Canterbury Saleyards) from 1 July 2000, for a period of two years, under the provisions of Section 179 of the Rating Powers Act 1988.