

# 1. SUNNYSIDE RESERVES LAND ACQUISITION

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Corporate Plan Output: (9.4.23 Local Parks)	

The purpose of this report is to recommend the acquisition of part of the former Sunnyside Hospital site for reserve and Council purposes.

## INTRODUCTION

At its meeting on 11 April 2001 the Parks and Recreation Committee appointed a Subcommittee, comprising Councillor Condon (Chairman), Councillors Anderton, Corbett and Sheriff, to investigate the issues relating to the proposed acquisition of land for reserve and Council purposes through the subdivision of the former Sunnyside Hospital site. The subcommittee was requested to bring its recommendations to the May meeting of the Parks and Recreation Committee.

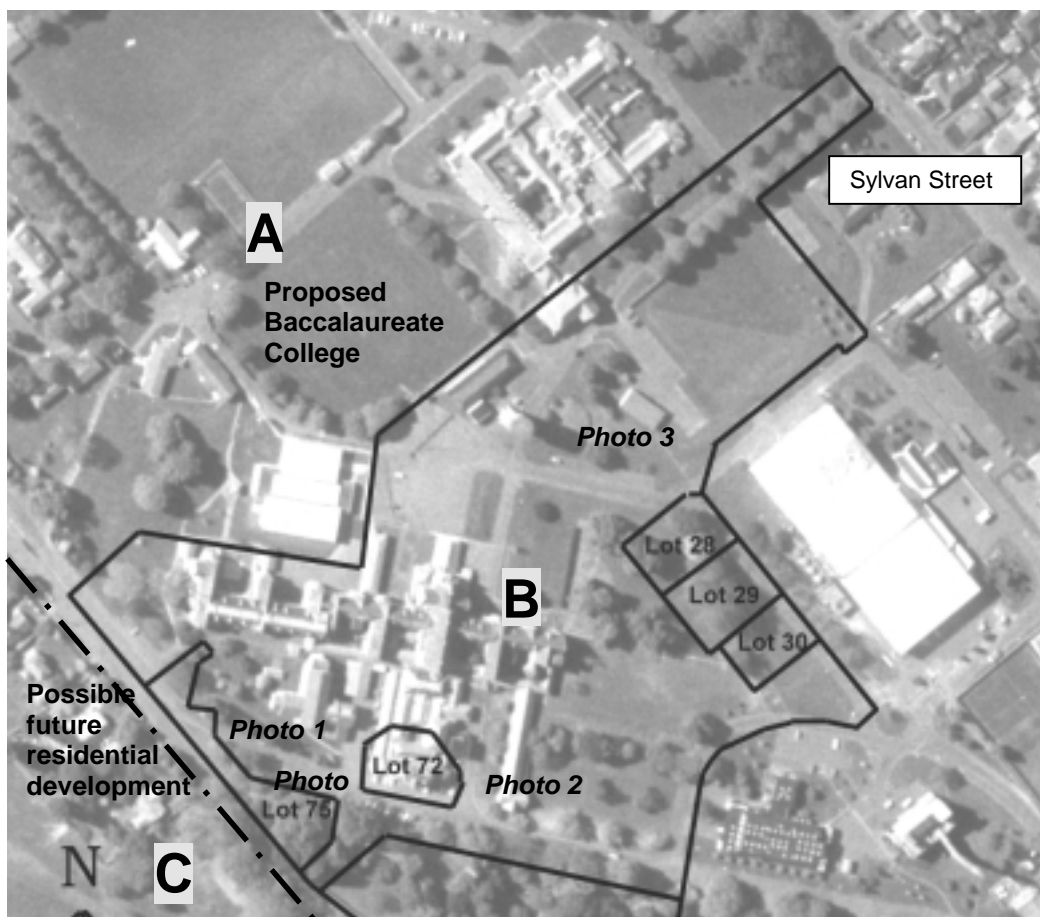
In considering this matter the subcommittee inspected the sites and building concerned, as well as discussing with both of the parties involved, i.e. the Bacculaureate College and Brian Gillman Ltd, the proposed development of the site. The subcommittee subsequently met on 2 May 2001 to discuss the issues and to formulate its report and recommendations to the Committee.

## BACKGROUND

The former Sunnyside hospital site contains an area of approximately 38ha which is surplus to requirements and for sale. Currently, two options are held over parts of the site to secure respective areas for a private school as well as a residential development. The options are totally dependent on each other and both need to be confirmed simultaneously for each to come into force. If one fails they both fail.

The areas are depicted on the photo plan (see below) and are marked as A (school site) and B (residential development). Parcel C on the plan is available for sale and has the potential to provide 120 sections.

**PHOTO PLAN:** Part former Sunnyside Hospital site and proposed subdivision (approximate boundaries only)



Details of the respective options are as follows:

### **Baccalaureate School**

It is understood that a private company has secured an unconditional offer to acquire part of the site on which to establish the above school. As indicated, both offers are required to be confirmed simultaneously for the purchase to proceed. The company is to lease to a school charitable trust the land and facilities on which the school is to be established. The Baccalaureate School is an international school, recognised and established by the United Nations based in Geneva, and is now world-wide and recognised and accepted by most universities. It is understood that there are 17 schools established in Adelaide and 11 in Melbourne, Australia, and that this would be the first within New Zealand. The curriculum is recognised world-wide and allows students to transfer internationally. It is understood that the school will have a potential roll of 500 students, as well as 40 to 60 staff. There is potential for up to 500 international students to be accommodated, each paying \$17,000 per annum tuition fees. It is anticipated, however, that the roll will initially comprise 300 local and 200 overseas students. The school will also offer a pre-school facility for children between the ages of 0 to 5 and up to 50 pupils will be accommodated. A college of English language tied in with the Academic College of Auckland is also to be provided.

Subject to the sales being confirmed, it is understood that the school would be open in the 2002 year with an initial roll of approximately 200 students.

### **Residential Development**

Brian Gillman Ltd has secured an option over Parcel B, on which it is proposing to undertake a residential subdivision providing for 71 sections. The site contains a large number (over 100) of notable and significant trees together with a heritage building, the administration building of the former Sunnyside Hospital complex.

### **RESERVE CONTRIBUTION**

As it is customary with subdivisions of this type, officers discussed with the developer the acquisition of a major reserve by way of a reserve contribution through the subdivision process. The Local Government Act 1974 prescribes that the Council can secure 130 m<sup>2</sup> per allotment created by way of reserve contribution which, in this instance, equates to an area of 9,230 m<sup>2</sup> (71 lots x 130 m<sup>2</sup>). However, it became apparent to the officers concerned that to protect all or most of the notable trees it would be necessary to secure a much larger area by way of reserve contribution than could be provided through the statutory process.

The first priority, therefore, was seen to be the protection, through reserve contribution, of the majority of the trees located on Lots 74 and 75 shown on the proposed subdivision plan (see photo plan). As this involved a larger area than could be levied by the Council it will be necessary to acquire the additional land (2,833 m<sup>2</sup>) from the developer.

In addition to the above, two further potential reserves were identified these being:

1. Lots 28, 29 and 30 on the plan, containing 6 notable trees, which could be protected through the purchase of the area as a mini park.
2. Lot 72 on the photo plan, which contains the heritage hospital administration building.

Should the Council wish to secure these areas they would have to be purchased from the developer, the details of which are included in the public excluded section of this report.

### **ISSUES**

As a consequence of the above, the issues the subcommittee needed to address were therefore:

- (a) Whether or not it supported the acquisition of the larger reserve area, i.e. Lots 74 and 75, to protect the majority of the trees;
- (b) Whether or not it wished to secure Lots 28, 29 and 30 on the plan, containing notable trees which, owing to the size of the lots, would require removal to allow houses to be constructed on the sites; and
- (c) Whether or not it wished to acquire the administration building site (equivalent of two sections) and so preserve the historic building.

Before addressing the issues the subcommittee was made aware of the following:

#### **CURRENT SITUATION**

As indicated, the Council has recently considered and approved the scheme plan of subdivision lodged by the developer. As a condition of approval, steps have been taken to protect the largest body of tall trees fronting Annex Road by acquiring them by way of reserve contribution. The proposed reserve contains an area of 12,063m<sup>2</sup> and is partly shown in Photos 1 and 2.



*Photo 1: Proposed recreation reserve fronting Annex Road*

Many of the trees on the proposed reserve are substantial and will immediately provide a large “garden setting” for the reserve. The amenity of the reserve will also be enhanced through:

- An extensive frontage to Annex Road, which is an important link in the city’s cycle network.
- Development of pedestrian walkways through the reserve.
- Roading around the reserve, thereby maximising the reserve’s street frontage and meaning that there will be no residential lots backing on to it.



The reserve area proposed to be provided by the developer is 12,063 m<sup>2</sup>, meaning the developer has contributed an excess of reserve contribution of 2,833 m<sup>2</sup>. The developer has requested that he be given a reserve contribution credit, which equates to 22 credits.

It is proposed that the stormwater swale for the subdivision be constructed in a “naturalised” form outside the main reserve and within the area of legal road between Annex Road and the Heathcote River. An estimate of 900 – 1,000m<sup>2</sup> has been indicated as being required for the swale, although the final area requirement may differ. A debit to the developer’s reserve contribution credit of six credits has been suggested by the developer to provide for this swale (although this level equates to just 780m<sup>2</sup> of Council land being taken for drainage purposes, based on a reserve contribution rate of 130m<sup>2</sup> per lot, the final figures being subject to change depending upon the final design and land area required to treat the stormwater). This reduces the developer’s reserve contribution credit balance to 16 credits.

In addition, the developer will be required to develop the swale at his cost and to the Council’s specifications (including the requirement that it be landscaped to accommodate complementary uses, namely, use as a park and waterway recreational resource).

On the basis that the reserve contribution credit balance of 16 credits is too large to be easily carried over to a future residential development, it has been agreed that the credit balance may be taken as both cash and credit for future development.

**Reserve calculation**

Reserve to vest on subdivision (proposed Lots 74 and 75)	12,063m <sup>2</sup>	
Minus land required (71 lots @ 130 m <sup>2</sup> / lot)	- <u>9,230m<sup>2</sup></u>	
Proposed reserve credit	2,833m <sup>2</sup>	= 22 reserve credits
Minus Council land used for drainage from the subdivision	- <u>780m<sup>2</sup></u>	- 6 reserve credits
Adjusted reserve credit	<u>2,053m<sup>2</sup></u>	= 16 reserve credits

With respect to the matters before the subcommittee the following information was provided:

**Purchase of Additional Lots**

As indicated, over and above the area being set apart as a reserve there are three sections (Lots 28, 29 and 30), with a combined area of 1,772m<sup>2</sup>, which include six protected trees. These are all over 80 years of age and comprise a large English Elm, English Ash, English Oak, London Plane, Sycamore and Silver Birch trees. If it is the Council’s to desire to protect the trees, it can only be achieved through the purchase of the sections, the details of which are included in the public excluded section of this report.



## Heritage Building

Sunnyside Hospital is a complex of heritage buildings, being designed by three government architects (Benjamin Mountfort, Thomas Cane and John Campbell), and built between 1871 and 1892. The whole complex was listed in the Christchurch City Council Transitional Plan as a Group 2 protected item. Following submission to the proposed Christchurch City Plan, only the administration building in the complex has retained its protected status under the plan. The Mountfort-designed buildings in the complex (the West wing), though, are recognised by the Historic Places Trust and registered as a Category II protected place. The heritage planner's report is attached.

The administration building is the only part of the historic complex that is listed as Group 2 protected building in the proposed Christchurch City plan. Despite this classification, the building could be subject to a future application under the Resource Management Act 1991 to be demolished.

The site shown as Lot 72 on the photo plan contains an area of 1,275m<sup>2</sup> and could potentially be subdivided into 2 sections.

Although specific uses of the building have not been identified, the Addington Needs Assessment prepared for the Spreydon/Heathcote Community Board indicated that *“an additional multi-use community facility available at a reasonable cost was seen as the option to meet the needs espoused by the Community facilities group”*.

Potentially there are a wide range of activities that could be accommodated within the facility, ranging from craft studios, community uses, medical centre, offices, to cafeteria or restaurant. Given the total area available for subdivision which could produce up to 190 sections, together with the proposed new school with a potential roll of 500 coupled with the wider community interest, it is not difficult to foresee that the facility within a reasonably short period of time (say two years) could be fully occupied. It should also be noted that further residential development in Halswell/Wigram will produce a further 2,600 sections over the next five to ten years, with few community facilities being available to service the perceived increased demand.

However, while the facility would be transferred to the Council at nil value there are inherent costs as identified in the tabled structural report prepared in August 2000 by Rawlinsons. Over and above the securing and strengthening of the building there would be added cost involved in modifying and fitting out the building depending on its end use. A report concerning this matter prepared by the Property Asset Unit is attached. It is estimated that the initial cost to make good the building, including strengthening, deferred maintenance, as well as repairing broken windows, etc, would be in the region of \$228,000. In addition to this sum, depending upon the building's end use, a further \$235,000 may be required to refurbish and fit-out the building.



Photo 4: Administration Building

## POTENTIAL RENTAL RETURN

Simes and Co, on the Council's behalf, have indicated that the building could produce a return of between \$20,800 to \$35,127, depending upon whether the building is utilised for residential or commercial purposes.

## **ANNUAL MAINTENANCE COST**

### **Reserves**

The annual maintenance cost for all the proposed reserve areas, if established, is estimated at \$10,275. This is due to the large number of mature trees requiring maintenance such as pruning.

In addition, a minor tidy-up of the undergrowth beneath the mature trees in the main proposed reserve area by Annex Road will be required. \$5,000 has been allocated in the 2001/02 Parks and Waterways budget (from Capital Improvements for New Reserves Development – Unspecified new reserves (Corporate Plan 2001: Page 9.4.65)) to meet the cost of doing this.

Development costs for the reserves are expected to be minimal due to the already established lawns and mature trees. An exception is landscaping around the administration building, if it is acquired by the Council, which is estimated to cost in the order of \$5,355.

### **Heritage Building**

It has been estimated by the Property Unit that the annual maintenance cost for the building would be approximately \$22,000.

## **SOURCE OF FUNDS**

The Parks and Waterways Unit has sufficient unallocated funding on the reserves acquisition budget for the purchases in the 2001/2002 year at this time, although this programme is potentially over-subscribed.

The Environmental Policy and Planning Unit has advised that it could possibly assist with a \$10,000 grant under special circumstances towards the initial cost of securing the administration building and meeting deferred maintenance, on condition that the building has a community use.

## **COMMUNITY BOARD RECOMMENDATIONS**

The above proposals were considered by the Spreydon/Heathcote Community Board at its April meeting. The Board decided:

1. That the information be received.
2. To recommend to the Parks and Recreation Committee that it should investigate acquisition of the proposed building and land purchases on the ex-Sunnyside Hospital site.
3. To advise the Parks and Recreation Committee of the Board's support for the establishment of the large reserve fronting Annex Road.
4. To advise the Parks and Recreation Committee of the Board's support, in principle, for the acquisition of the administration building. (Note: Councillors Corbett and Howell requested that their votes against recommendation 4 be recorded. Councillor Wells abstained from voting on recommendation 4.)

## **SUBCOMMITTEE CONSIDERATIONS AND RECOMMENDATIONS**

1. Following an inspection of the site the subcommittee unanimously supported the acquisition of the enlarged reserve, i.e. Lots 74 and 75 for the following reasons:
  - It protects and preserves the majority of the notable trees on the former hospital site.
  - It has an established garden/park setting, complete with fountain, pond and paths.
  - It contains a variety of established, mature tree and shrub species, giving it a mini-botanic gardens character.
  - It has good existing and future road frontage, guaranteeing easy public access.

- It is in a location that will be central within the potential total residential development of 190 sections, making it readily accessible to all residents.
  - It will be part of a potentially more extensive park and open space system in the locality.
  - The loss of any significant or notable trees should all of the area not be acquired would have an impact on the arboricultural diversity, environmental/ecological sustainability and aesthetic quality of the reserve.
2. The subcommittee was, however, unanimous in its view that the acquisition of the additional reserve area, i.e. Lots 28, 29 and 30, could not be supported, noting that:
- The number (6) and quality of the trees on the lots was of an insufficient level to warrant the purchase of the lots, given that over 90 trees are already proposed to be retained.
  - The former hospital site was seen to have sufficient open space, given the retention of a large part of the site for school purposes with associated playing fields, as well as the proposed reserve by Annex Road.
  - It is understood that the adjoining laundry building was to be screened through new planting by the developer which would offset the loss of the existing trees.
3. With respect to the heritage building site, the subcommittee noted:
- That the purchase price being sought was for the land only, with the building being transferred to the Council at no cost.
  - If acquired, there would be an immediate cost of approximately \$50,625 incurred to make the building good.
  - Dependent on its end use, a further \$233,000 could be required to cover the cost of fire protection, strengthening, fit-out, etc.
  - While no definite end use had been identified, it was believed that it could be adapted for a number of community, commercial or private sector uses.
  - One view held was that the developer could sell the site and building independently for private or commercial development.
  - It was believed that within the larger developing community there could be a need for additional community facilities, although it was acknowledged that these could be purpose built if required.

The subcommittee was equally divided on the merits of purchasing this site, with two members supporting the proposal and two opposing it. The recommendation to purchase the site was carried on the Chairman's casting vote.

The subcommittee recommended:

1. That the Council acquire Lots 74 and 75 shown on the photo plan, on the terms and conditions contained in the public excluded section of this report).
2. That the offer to purchase Lots 28, 29 and 30 be declined.
3. That the Council purchase Lot 72 and that registrations of interest be called for the future use of the building. (Note: This recommendation was passed on the Chairman's casting vote, with Councillors Corbett and Sheriff voting against the recommendation.)

The Committee supported recommendations 1 and 2 above. However the majority of the Committee were unable to support the proposal to purchase Lot 72, which contains the heritage building, for the following reasons:

- The cost of strengthening, upgrading and fitting-out the building, for which there is currently no budgetary provision.
- The lack of an identified end use for the building.

Recommendations 1 and 2 were put to the meeting and declared carried. Recommendation 3 was put to the meeting and declared lost on division no. 1 by three votes to six, the voting being as follows:

For: Councillors Anderton, Ganda and Stonhill.

Against: Councillors Baker, Buck, Buist, Corbett, Harrow and Sheriff.

- Recommendation:**
1. That the Council acquire Lots 74 and 75 shown on the photo plan, on the terms and conditions contained in the public excluded section of this report).
  2. That the offer to purchase Lots 28, 29 and 30, and Lot 72 (the heritage building site) be declined.