

6. REMISSION OF RATES – SHORELINE YOUTH TRUST, 25 WAKEFIELD AVENUE

Officer responsible Rates Manager	Author Wayne Hann, DDI 371-1422
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The purpose of this report is to seek, on behalf of the Shoreline Youth Trust, approval for a remission of rates under the provisions of Section 179 of the Rating Powers Act in respect of the property at 25 Wakefield Avenue leased by the Trust and which is used as a Youth Café.

BACKGROUND

The property at 25 Wakefield Avenue was purchased in March 2001 by the P J Mulhern Family Trust with the intention of leasing the property to the Shoreline Youth Trust, which is a charitable trust under the Charitable Trusts Act 1957. The property, which was formerly the St John's Ambulance Hall, has been converted for use as a Youth Café with the intention of catering for young people in the Sumner/Redcliffs/Mt Pleasant area with day-to-day control and administration by staff employed by the Trust. There has been a considerable amount of enthusiasm in the local area for the café and for the need for a safe controlled environment for young people to meet.

The objects of the Shoreline Youth Trust are: development of a youth community which is devoted to supporting and nurturing the needs of individuals; to provide and/or facilitate events and/or facilities for young people particularly in the Sumner/Redcliffs/Mt Pleasant area, which are relevant to their needs; to link where possible with interested community groups; to build healthy relationships with and between the community's youth; and to demonstrate Christian principles in all of its activities and to maintain active links with the Christian churches in the community. In attaining its objects the trust will respect the views and recommendations of any appointed local Kaumatua and Kuia on issues of Maoritanga and adhere to Te Tiriti o Waitangi.

The lease has been structured on the basis of the P J Mulhern Family Trust funding the costs for the purchase of the property and is not a profit-making enterprise for the P J Mulhern Family Trust.

POWER TO REMIT RATES

Power to remit rates is contained in Section 179 of the Rating Powers Act 1988. A range of criteria is outlined as Part I of the Second Schedule of the Act being grounds upon which a local authority may grant a remission of rates. This remission is at the discretion of the local authority.

The property at 25 Wakefield Avenue may, taking a wider view, qualify for a remission of rates under clause (n) of Part I of the Second Schedule to the Act, being land *"owned or occupied by or in trust for any society or association of persons, whether incorporated or not, whose object or principal object or one of whose principal objects is to promote generally the arts or any purpose of recreation, health, education, or instruction for the benefit of residents or any group of residents of the district"*.

While the objectives of the Shoreline Youth Trust may be commendable, it is doubtful that, without taking a wider view, the trust would meet the criteria for remission.

The property has a 1 September 2001 capital valuation of \$104,000 and the 2001/02 rates were assessed at \$709.20 being assessed on the basis of a residential differential under the Council's operative differential rating scheme. This represents a "remission" of rates of approximately \$285 for this current rating year, being the difference between the commercial/industrial differential and the residential differential currently applied to the property.

PRESENT REMISSION POLICY

The Council currently has no formal policy in relation to applications for remission of rates, rather tending to treat each application on its individual merit. There are, unfortunately, no comparable properties currently being granted a remission of rates within Christchurch although it could be said that the drop-in centres administered by Age Concern, play a similar role for the elderly as that proposed by the Shoreline Youth Trust.

OFFICER'S COMMENT

While the Shoreline Youth Trust could, taking a wider view, qualify for a remission of rates under Clause (n) of Part I of the Second Schedule to the Act, this application is not supported. The Shoreline Youth Trust was granted a \$25,000 establishment grant by the Hagley/Ferrymead Community Board in March 2001. Given this level of Council support, further support by way of an ongoing rate remission is not favoured.

Recommendation: That the application for remission of rates from the Shoreline Youth Trust in respect of the property at 25 Wakefield Avenue be declined.