

12. COUNCIL FARMS – GRAZING LICENCE TO TUSSOCK HILLS FARM LIMITED

General Manager responsible:	General Manager City Environment DDI 941 8656
Officer responsible:	Manager Transport and Greenspace
Author:	David Rowland, Property Consultant

PURPOSE OF REPORT

1. The purpose of this report is to seek the Board's approval to ratify an existing arrangement by issuing a Licence to Tussock Hills Farm Limited over those areas of reserve land contained within the Council's farm portfolio for up to five years.

EXECUTIVE SUMMARY

2. The Council owns substantial areas of farm/rural lands throughout Christchurch that are held for a number of purposes including, but not limited to, the protection of indigenous wildlife, habitat, stormwater retention and ecological restoration.
3. Approximately 267.40 hectares was farmed by the Council by way of grazing cattle and/or making hay as a means of controlling vegetative growth and to allow for the purposes outlined in 2 above. The majority of the land is held by the Council in fee-simple; however there are some pockets of reserve contained within these areas. The subject areas of land are identified in the **attachments**.
4. In early 2006 the Council's Greenspace Unit considered that the land would be better managed by a third party through a Licence to Occupy or Lease arrangement, and in June 2006 proceeded to invite Request for Proposals (RFP) from interested parties to occupy the land for the grazing of cattle and/or making hay.
5. As part of the existing farming activity the Council owned a number of livestock, items of plant and produce that would become surplus to requirements in the event that the responsibility for farming the land transferred to another party. The RFP was extended to include the purchase of these assets by the successful registrant.
6. Five proposals were received and a weighted attributes assessment resulted in Tussock Hill Farm being selected as the preferred registrant.
7. A month to month Licence has been issued to Tussock Hill Farm pending the approval by three Community Boards (Hagley/Ferrymead, Burwood/Pegasus and Shirley/Papanui) to the issue of a Lease for a period of five years over the land held by the Council as reserve. The Corporate Support Manager has delegated authority to approve a Lease over the balance land held in fee-simple.
8. Procedural steps have been concluded under the RFP and this report seeks to ratify and formalise an interim monthly tenancy by creating a term tenancy as provided for in the RFP process.
9. The monthly tenancy was entered into following a proper leasing process for expediency to manage the Council's risk and property as it would have been untenable to have left the properties vacant or unmanaged for any extended period especially over the spring and summer periods.

FINANCIAL IMPLICATIONS

10. The annual licence fee as established through the RFP is \$25,000 plus GST. By disposing of stock and hay Council continued liability is removed.

Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?

11. Not applicable.

LEGAL CONSIDERATIONS

Have you considered the legal implications of the issue under consideration?

12. The Board has delegated authority to approve the granting of a licence under Sections 54, 56, 58a, 61, 73 and 74 of the Reserves Act 1977. Section 74 is relevant in this case.
13. Section 74 Reserves Act 1977, Licences to Occupy Reserves Temporarily - where it is necessary or desirable for the management of the reserve licences to occupy any recreation, historic, scenic or local purpose reserve for grazing or other similar purposes may be granted.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?

14. Yes - Page 124 of the LTCCP, level of service under parks, open spaces and waterways.

ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council's strategies?

15. Not applicable.

CONSULTATION FULFILMENT

16. No Required.

STAFF RECOMMENDATION

It is recommended that the Board approve the granting of a licence for grazing or other similar purposes over those reserve lands described and marked Ψ in the first schedule, as shown below, for a term of five years less one day effective from 1 October 2006 at a rental as submitted as part of the RPF process comprising both freehold and reserve lands of \$25,000 per annum plus GST.

CHAIRPERSONS RECOMMENDATION

That the matter be deferred pending a seminar between the Burwood/Pegasus, Hagley/Ferrymead and Shirley/Papanui Community Boards.

SCHEDULE ONE

Note: The land identified with a “Ψ” symbol indicates land held by the Council as a reserve pursuant to the Reserves Act 1977.

SCHEDULE OF PROPERTIES

Name	Plan Reference	Location	Legal Description	CT Reference	Approximate Area (ha)
Cuthberts Paddocks	Plan 2	Cuthberts Road	Part Lot 1 DP 53704	31F/439	25
			Lot 2 DP 28471	32B/102	
			Part Lot 2 DP 8686	32B/102	
			Part Lot 3 DP 21264	32B/102	
Linwood	Plan 3	Bordered by Dyers Road/ Linwood Avenue	Part Lot 1 DP 9714	6D/180	81
			Part Lot 2 DP 9714	6D/180	
			Part Lot 3 DP 9714	9F/947	
			Part Lot 4 DP 9714	9F/947	
			Part Lot 5 DP 20628	?	
			Part Lot 1 DP 20628	40A/82	
			Part Lot 2 DP 20628	2B/871	
			Part Lot 3 DP 20628	40A/82	
Ruru Paddocks	Plan 5	Dyers Road	Part Lot 5 DP 8686	2F/382	6
TOTAL AREA					267.4 ha