1. OPTIONS REPORT - 182, 188, 190 AND 192 STRICKLAND STREET

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The purpose of this report is to outline the options available for the future use of the Council's property at 182, 188, 190 and 192 Strickland Street, Spreydon (the site) and to seek Council approval to retain the property for use by a community group. This report was considered by the Spreydon/Heathcote Community Board and the Property and Major Projects Committee.

CONTEXT OF THE REPORT

In accordance with the Council's flowchart in regard to making a decision about the future use of Council facilities the property was internally notified as being available. This report summarises those groups who have expressed interest and outlines the options available for the site's future use.

In terms of the current annual plan sale of this property has been anticipated in the City Streets revenue. The Facility Assets Unit has a budget requirement to achieve $.5 million in revenue from the sale of property (unspecified) in the 2004/05 financial years.

BACKGROUND

The Council originally purchased the site, which comprises Part Lot 4 DP 5354, Part Lot 3 DP 5354, Part Lot 2 DP 5354 and Part Lot 1 DP 65, during 1997 and 1998 for the purposes of road widening. The total area of the four sections combined is 1,700 square metres approximately.

Located on Part Lot 4 DP 5354 (188 Strickland Street) is an 80-year-old single-story residential dwelling offering two bedrooms, living room, bathroom, kitchen and a separate toilet. The dwelling, which has a total area of approximately 86 square metres, is in average condition. The residence was the subject of a life tenancy agreement between the original owners and the Council. Both parties entered into the agreement at the time of the acquisition of the property for road widening purposes.

Early in 2004 the original owner and occupier of 188 Strickland Street passed away and the property has been vacant since that time, with the exclusion of a short-term licence granted to the Addington Community Garden House Incorporated for the use of the toilet facility, which has an independent external access.

The Addington Community House (Manuka Cottage) Incorporated operates Community Gardens on Part Lot 3 DP 5354 and Part Lot 2 DP 5354. The garden, which has been in operation for approximately five years, occupies an area of approximately 949 square metres in total.

EXECUTIVE SUMMARY

The Council acquired the site for the purposes of road widening. The scheduled road works for this particular section of Strickland Street have been completed and the remaining balance of these four properties is no longer required for road purposes.

It was also determined that the site is not required for public housing purposes, either with the Council as a sole developing agent or in partnership with other organisations.

Council staff have been made aware that this property has become available with a view to establishing whether any potential community or Council uses exist and can be supported. This report outlines these uses and provides detailed information on each option.

The report also analyses the options of selling the property as a whole for residential development or, alternatively, selling part of the site for residential development and retaining an area of approximately 950 square metres for public/community garden purposes.

RELEVANT CURRENT POLICY

This options report completes the second step in the Council's procedure as formulated in policy to determine future uses for Council property that is no longer required for operational purposes.

DESCRIPTION OF OPTIONS

Option 1 - Retain the property for use by a community group

Through the process of internally notifying Council units that the property is available, expressions of interest have been received from Community Advocates/Council officers for groups within the community to utilise the property. The submission to retain the site as a community garden was prepared in consultation with community groups, Council officers and Community Advocates who expressed an interest in retaining the site for such purposes. It should be noted that through this internal process no units of the Council required this property for any operational purpose; all the uses identified were for community initiatives promoted through staff.

The submission to retain the site as a community garden is detailed below:

Beckenham Service Centre

The Beckenham Service Centre's submission has been prepared in close consultation with the Spreydon/Heathcote Community Board, the Council's Sustainable Christchurch Team, the Addington Community (Manuka Cottage) House Incorporated and the Council's Urban Design and Heritage Team.

The submission is also supported by a report on sustainability prepared by Landcare Research under the instructions of the Council's Sustainable Christchurch Team. Copies of this report will be tabled.

Strickland Street Community Garden (SSCG) was first established in 1999. The group proposes to continue the use of the subject property for community garden purposes. The group also proposes to utilise the existing two-bedroom dwelling as a community facility for educational purposes and community-based learning activities associated with the garden.

Sixty-one letters by community members were written in support of the submission to retain the existing community garden precinct and to utilise the residential property at 188 Strickland Street for educational/training purposes.

The Sydenham Neighbourhood Plan highlighted the limited number of community facilities in Sydenham and limited informal opportunities for community interaction. The Strickland Street Community Garden is well established in a high profile location, very open to the surrounding neighbourhood and public in general.

The Spreydon/Heathcote Community Board and the Addington Community (Manuka Cottage) House Incorporated have both made submissions to the Council's Annual Plan requesting that the garden be retained outlining the community benefits associated with this facility.

FINANCIAL EVALUATION

Beckenham Service Centre

The following annual costs include estimated costs associated with the use of the existing dwelling for education/training purposes as detailed in the report:

Current Costs

Co-ordinator's salary	$31,820*	
Operational expenses	$6,000	

Estimated Set Up Costs

Initial capital expenditure	$5,000	
Initial resource centre set up	$18,000	(initial set up first year)
Future development programs	$13,000	(on-going additional costs)
Total estimated annual expenses	**$73,820**	

*currently funded by Spreydon/Heathcote Community Board, COGS, CEG, Zero Waste and through charities, Christchurch City Council grants and fundraising.

Funding for the ongoing community garden operations including the educational/training facility will continue being sought from several groups and/or organisations with the potential for income generating projects such as the sale of compost produced as a result of the garden's operation.

The current social and economic benefits of the garden have been determined by Landcare Research to be in the order of $29,000 from social benefit and $15,000 per annum as value of produce.

A review of SSCG will also be tabled. The purpose of the review was to establish the value of SSCG by qualitative means to its user groups and the residential community.

There are distinct advantages and disadvantages of utilising the property for a community group, as outlined below.

Utilising the property as a community garden/facility

Advantages	Disadvantages
• Increase the neighbourhood amenity including public open space and encourage community participation. • Provides a good outcome in terms of the community and fit with Council's Sydenham Neighbourhood Plan, Community Gardens Guidelines for Christchurch City Council, Growing Communities Together and Social Well-being policy. • Provides accessible, productive open space in a Living 3 area. • Retains future sale option if the community garden closes down.	• Other community groups, which may be interested, may not know of/be offered the opportunity. • It prevents any future redevelopment/ disposal opportunities for the site. • Foregoes significant sale revenue. • Unbudgeted community facility which has not been through the LTCCP process in terms of metropolitan priority.

Option 2 - Sell the property as a whole

The properties are currently zoned L3 under the provisions of the Council's City Plan. The Urban Design and Heritage Team have indicated that, should the Council resolve to sell the property, they would prefer that additional design controls be introduced upon the title of the properties requiring that any constructed dwelling address the street.

An independent registered valuer has valued the property as a whole. The valuer's recommendation is outlined in the public excluded section of this report.

The sale of the four sections as a whole would represent an income to the Council.

Advantages	Disadvantages
• The revenue generated from the sale of the property may be utilised for the acquisition/establishment of public open space within the surrounding area or elsewhere. • The possible future residential development of the site is likely to provide additional rental and/or medium to low value housing within proximity of the city's CBD.	• Specific design control that might be put in place for any proposed residential dwelling may have a detrimental effect on the value of the sections. • Local Community and Community Gardens participants will be disadvantaged by the loss of open space. • Disposal of the properties would be contrary to the findings and recommendations of the Sydenham Neighbourhood Plan, Community Gardens Guidelines for Christchurch City Council, Growing Communities Together and Social Well-being policy.

Option 3 – Disposal of part of the land holding and retention of Community Gardens precinct

Currently the community gardens setting is established over an area of approximately 949 square metres. The retention of an area of approximately the same dimensions of the area occupied by the community gardens would leave approximately 750 square metres of land available for disposal and subsequent residential development. Details of the potential revenue to the Council associated with this particular option are detailed in the public excluded section of the report.

Advantages	Disadvantages
• Existing community garden operations will not be significantly affected. • Rationalisation of a portion of land surplus to the Council's operational requirements. • Revenue generated as a result of the sale of part of the land-holding for residential development. • Achieves a compromise between the provisions of public open space and additional residential housing within the area.	• Limit the opportunities for expansion of the community garden area and limits ability to deal with existing identified need – toilet space, etc, and also group space for poor weather – working out of sheds for rehabilitation work. • Design and privacy issues may arise as a result of establishing residential development within a close proximity of a place of public use. • Requires additional unbudgeted operational funding. • Overshadowing of gardens by buildings may have a negative impact.

In addition to the advantages and disadvantages of this option as detailed above, consideration should also be given to the potential implications associated with the distribution and allocation of the two portions of the site for each of the proposed uses (community garden – residential development).

- The community gardens are mainly located within 190 and 192 Strickland Street. From a development viewpoint, these two sites represent the best alternative in terms of access and design opportunities. These two aspects are likely to have a positive effect on the value of the land from a vendor's perspective.

- The adjoining residential dwelling, which has been identified in the Beckenham Service Centre's submission as an education/training facility, is situated within 188 Strickland Street and potentially outside the area to be retained for community gardens purposes.

- Should the community gardens remain at the current location (190 and 192 Strickland Street), the land available for residential development would be the land contained within 188 and 182 Strickland Street. This would potentially prevent the community gardens' group utilising the residential dwelling as per their proposal unless the dwelling is relocated (at a significant cost to the group) to the area allocated for community gardens.

- The land comprising 188 and 182 Strickland Street is likely to be restrictive from a development point of view, due to its irregular shape and street aspect. This characteristic is likely to have a detrimental effect on the value of the land if sold for residential purposes.

In consideration of the details outlined above, two alternatives have been identified should the Council decide to pursue option 3.

1. Relocation of the community garden to the southern end of the site (188 and 182 Strickland Street). This option would solve the issue of the availability of the residence for educational/training purposes and would enable the sale of the most suitable part of the site from a development/design point of view. This option, however, represents a reduction on the area available for gardening unless a boundary adjustment is undertaken incorporating part of 190 and 192 Strickland Street into the community garden precinct.

2. Keeping the community gardens at the current location. The community garden's group to investigate the possibility of relocating the residential dwelling from the developable portion of the site to the adjacent community garden's section.

ISSUES FOR CONSIDERATION

More than half of the total area of land in question is utilised for community garden purposes. The establishment and operation of a community garden is concurrent with the Council's Sydenham Neighbourhood Plan, Community Gardens Guidelines for the Christchurch City Council, Growing Communities Together, Social Well-being Policy and the Council's vision on sustainable communities, plus community outcomes in the LTCCP.

Presently, the three options to consider are:

(a) whether the property should be retained as a whole for public purposes (community gardens);

(b) the use of approximately 50% of the total land holding for public purposes (community gardens) and disposal of the remaining 50% for residential development; or

(c) disposal of the total area for residential development.

Due to the availability of other suitable sites within the area, the subject property is not required for social housing purposes.

Due to the fact that the property was acquired for public works purposes and should option (b) or (c) as outlined above be adopted, the Council will most likely have the obligation under Section 40 of the Public Works Act to offer the subject site back to the previous owners or their successors. It should be noted that under option (a) there are no Public Works Act obligations provided that the Council continues to own the property.

FINANCIAL ANALYSIS

The operation of the community garden has been funded over the years through fundraising exercises, donations and contributions from several local organisations, including the Christchurch City Council.

The anticipated operational expenditure for the community gardens, including the use of the existing residential dwelling as a resource centre for educational/training purposes, is $73,280. This figure includes an initial expenditure of $18,000 for the initial set up of the resource centre. Current operational costs are funded from community groups, not just the Council.

Details of the independent market valuation of the site are contained within the public excluded section of this report. The current zoning of the land would allow for a medium density type residential development.

Should the Council decide to retain the site for community garden purposes, the property will become part of Council's Facility Assets Unit portfolio. In this respect, and in accordance with the Council's Cost Allocations Policy, Section 5, "Rents", a commercial rental as detailed in the public excluded section of this report will be established and charged to the Council's Community and Recreation Unit/Service Centre. This could be a peppercorn rental as per the Community Gardens Policy.

CONCLUSION

The report presents three available options for the future of the site. The information provided on each of the options provides the anticipated advantages and disadvantages of each option.

The site is not required for the provision of public housing, consequently a public/community housing alternative was not included as part of the future options. The identified options differ considerably from one another in terms of financial implications and community benefit.

In consideration of the information contained in this report and the considerable differences between the identified available alternatives for the site, staff recommended that the matter be put forward for discussion.

SPREYDON/HEATHCOTE COMMUNITY BOARD CONSIDERATION

This matter was considered by the Board at its 24 August 2004 meeting. The existing site allows for future development, including the community garden being a model for training purposes. The amount of "social capital" in the community garden has been determined and is considerable. This can be "re-invested" best through Option 1, allowing the Council to retain the land for long-term future use.

The Board was unanimous in its decision to recommend to the Property and Major Projects Committee:

1. That the Committee strongly support Option 1 (as does the Board).

2. That Sue Dewe's and Eric Park's reports be considered in support of the Board's recommendation.

Committee Recommendation: That the Council retain the property at 182, 188, 190 and 192 Strickland Street for use by a community group.