

## 9. SOCKBURN POOL AND RECREATION CENTRE SITE



<b>General Manager responsible:</b>	General Manager Community Services, DDI 941-8534
<b>Officer responsible:</b>	Recreation and Sports Manager
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### PURPOSE OF REPORT

1. The purpose of this report is to outline the process to address the future of the Sockburn Pool and Recreation Centre site.

### EXECUTIVE SUMMARY

2. On 30 June 2006 the Council resolved to close the Sockburn Pool and Recreation Centre as part of the LTCCP process following Council's Aquatic Facilities Plan.
3. The land is held by the Council as a Recreation Reserve subject to the Reserves Act 1977. The reserve status doesn't so much limit the options for the site, but it does involve further processes in addition to those which apply to that for land held in fee-simple, that are required to be completed before the site can be used by the Council for something other than recreation, or disposal of the site.
4. The site is a former landfill and therefore there are a number of issues surrounding infill and contamination that will need to be resolved before a considered decision can be made.
5. The Council has a designated decision-making process that is used when the use for which land is held changes, and when the site is considered potentially surplus to the Council's present and future requirements. The Sockburn Pool and Recreation Centre site fits into this category, and therefore the Council is required to go through the decision-making process in considering future options for the site.
6. To date there have been two expressions of interest for the use of the site, or part thereof. The first is from Canterbury Squash to relocate their operation and other sporting organisations to the recreation centre, allowing the public use of squash facilities.
7. The second expression of interest has been received from Mr Douglas Park who proposes to lease the site for a period of 99 years, and to develop the site including remodelling the pool and recreation centre as a bath and sauna complex.
8. As at the date of this report, the options and the respective financial implications are still being investigated. Therefore this report is submitted to the Council for information and discussion purposes only.

### FINANCIAL CONSIDERATIONS

9. These are unknown at present, and will be identified in the final options report to be presented to the Council.

### LEGAL CONSIDERATIONS

10. The statutory provisions required to be considered by the Council in respect of the Sockburn Pool and Recreation Centre are discussed below.

### Reserves Act 1977

11. The Reserves Act 1977 ("the Act") is the current Act for administering public reserves.
12. The Council must have regard to the Act when considering any option for the site including:
  - issuing of leases;
  - classification of the reserve and changes of classification or purpose;
  - reserve revocation and disposal.

13. The final options report will consider the Council's obligations under the Act in further detail. However it is important for the Council to note that the Reserves Act provides the guiding framework within which the Council must consider the options for the site.

#### **Section 138 Local Government Act 2002 – Restriction on Disposal of Parks**

14. This Section of the Act defines a "park" as:

*"(a) land acquired or used principally for community, recreational, environmental, cultural or spiritual purposes;"*

15. The definition of a park under this section of the Act excludes land that is held as reserve under the Reserves Act 1977. However, if the reserve status was revoked with the intention of selling the land, then Section 138 would apply to the subject site, requiring the Council to consult on the proposal before it sells or agrees to sell either part or all of the site.

#### **Section 40 Public Works Act 1981 – Offer Back Obligation**

16. Like Section 138 of the Local Government Act, Section 40 of the Public Works Act (PWA) would only apply if the reserve status was revoked with the intention of selling the land.
17. Section 40 PWA imposes an absolute duty on the Council to investigate its obligations to offer surplus land back to the person(s) from whom it was originally acquired, or their successors.

#### **STAFF RECOMMENDATIONS**

It is recommended that:

- (a) This report be received for information.
- (b) The Council endorse the process for addressing the future use of the Sockburn Pool and Recreation Centre site.
- (c) The Council note that a final options report for the use of the land will be presented to the Council by April 2007.
- (d) Canterbury Squash be advised that its registration of interest will be considered by the Council at a later date.
- (e) Mr Park be advised that his proposal to develop the Sockburn Pool and Recreation Centre as a bath and sauna complex is not supported at this time because:
  - (i) options for the site, including any other Council uses, have yet to be identified and considered by the Council;
  - (ii) the proposal is unlikely to meet the principal or primary purpose of the current recreation reserve status of the land;
  - (iii) contamination and zoning issues need to be resolved before any development of the site can be considered and decided upon.

## **BACKGROUND ON SOCKBURN POOL AND RECREATION CENTRE SITE**

18. The Christchurch City Council is proprietor of two parcels of land comprising the Sockburn Pool and Recreation Centre situated at 134 Main South Road. The area occupied by the recreation centre is more particularly described as Lot 8 DP 39452 and contained in Certificate of Title CB18F/231. The balance land occupied by the various pools and ancillary buildings, including the area fronting the Main South Road including a playground, is more particularly described as Lot 1 DP 39808 and contained in Certificate of Title CB18A/1035. Both areas of land are held by the Council for the purpose of recreation reserve, subject to the Reserves Act 1977.
19. On 30 June 2006 the Council resolved to close the Sockburn Pool and Recreation Centre as part of the LTCCP process following council's Aquatic Facilities Plan.
20. At the time the Council adopted the Aquatic Facilities Plan, it was no longer deemed necessary for the site to be retained by the Council for the purpose of a pool. This has triggered the requirement to review the property through the Council's decision-making process, and to establish whether the site should continue to be held by the Council for another purpose, or declared surplus to requirements for disposal.

### **Zoning**

21. The land is zoned Open Space 3 (Metropolitan Facilities), and in order to facilitate development, either by the Council or another party, a notified plan change may be required. The timeframe and costs associated with this process are also being investigated for inclusion in the final options report.

### **Contamination**

22. Records indicate that *"this property is located in an area known to have been a landfill until sometime in 1955."* Therefore a detailed investigation of contamination issues will need to be undertaken for inclusion in the final options report.

### **Valuation**

23. Independent valuation advice will be obtained following the contamination assessment, for the options set out in the final report.
24. Once internal uses and external considerations have been identified, an options report will be presented to the Riccarton/Wigram Community Board and the Council, for a decision.

### **OPTIONS**

25. Other Council uses for the site have yet to be determined through the decision-making process discussed in clause 20.
26. To date there have been two expressions of interest from external sources for the use of the site, or part thereof. The first is an approach from Canterbury Squash to relocate their operation and that of other sporting organisations to the recreation centre. This would also allow the squash centre to be available for public use. Canterbury Squash would be prepared to commence occupation of the site as soon as possible.
27. The recreation centre is in good order and with some work to tidy the centre including removal of the spa pools and painting (this work has a cost estimate of \$30,000), the centre would be ideally suited to an organisation such as Canterbury Squash. This use would be compliant with the recreation status of the reserve.
28. Issues arising from this proposal are:
  1. Dealing with Canterbury Squash unilaterally ie without seeking registrations of interest from other like organisations;
  2. Dealing with the recreation centre in isolation from the balance land.

29. The Recreation and Sports Unit is of the view that it would be appropriate to issue a lease of the recreation centre to Canterbury Squash as there are four existing squash courts making the centre fit for purpose. Furthermore, as Canterbury Squash could relocate to the centre almost immediately, the centre would not remain unoccupied for any great period of time.
30. However, there is a concern that any move to install a longer term tenant in the recreation centre now, may limit or further complicate the Council's options in relation to the whole site. Experience indicates that regardless of any up-front discussions with a tenant that their occupation may only be temporary, difficulties and tensions can arise when it comes to terminating the tenant's occupation.
31. It is therefore recommended that the Council decline to enter into a longer term lease with Canterbury Squash, and that this matter be reconsidered as one of the options once all the issues pertaining to the site have been resolved.
32. A second unsolicited expression of interest has been received from Mr Douglas Park who proposes to lease the site for a period of 99 years, and to remodel the pool and construct an additional two story bath and sauna complex which Mr Park asserts will be a *"favourite place for local residents and tourists."*
33. The issues arising from Mr Park's proposal are:
  - (a) That Mr Park has proposed (orally) the construction of a new multi-storey building on site, and that the business will operate 24 hours a day for 365 days a year. Therefore, due to the commercial nature of the existing proposal, or even any modified proposal, the proposed use is unlikely to meet the principal or primary purpose of the current reserve status of the land which, in this case, is 'recreation';
  - (b) Contamination and zoning issues need to be resolved before any development of the site can be considered and decided upon;
  - (c) Dealing with one party unilaterally is not considered best practice;
  - (d) Under the Reserves Act 1977 the Council cannot issue a lease over recreation reserve that exceeds 33 years. However the lease may include a provision for renewal that further similar terms may be granted if the terms and conditions of the lease have been complied with, and if the Council is satisfied that the facility has been properly constructed, developed, maintained, and controlled, and that there is sufficient need for them, and that some other recreational use should not have priority in the public interest.
  - (e) There are also limitations under the Resource Management Act relating to leases issued over part parcels of land for a period exceeding 35 years, and the requirement to undertake a subdivision of the land.
  - (f) Council have experienced costly differed maintenance costs with facilities leased to third parties who are responsible for maintenance.
34. The expressions of interest received from Canterbury Squash and Mr Park are disparate and therefore Canterbury Squash can justly continue to be considered for the recreation centre. However, for the reasons identified above it is recommended that the Council advise Mr Park that his proposal is not supported.
35. Any decision should be deferred by the Council until such time as all options have been identified for the site, and a full options report submitted to the Council for a decision. Any decision to lease recreational facilities requires careful consideration of the feasibility and commitment to maintain Council assets. The Council has previously incurred considerable expense where lessees have not met maintenance obligations.