

14. 8. 2008

HAGLEY/FERRYMEAD COMMUNITY BOARD

A meeting of the Hagley/Ferrymead Community Board
was held on Wednesday 18 June 2008 at 3pm
in the Boardroom, Linwood Service Centre

PRESENT: Bob Todd (Chairperson), Rod Cameron, Tim Carter, David Cox,
Yani Johanson, Brenda Lowe-Johnson

APOLOGIES: An apology for absence was received and accepted from
John Freeman.

David Cox arrived at 3.04pm and was absent for part of Clause 11.

The Board reports that:

PART A - MATTERS REQUIRING A COUNCIL DECISION



1. LEASE TO MCDONALDS RESTAURANT (NZ) LIMITED - LINWOOD AVENUE

General Manager responsible:	General Manager City Environment, DDI 941-8608
Officer responsible:	Unit Manager Transport and Greenspace
Author:	Bill Binns

PURPOSE OF REPORT

1. The purpose of this report is to seek that the Council approve:
 - (a) The surrender of the existing lease with McDonald's Restaurant (NZ) Limited.
 - (b) Enter into a new lease with McDonalds and that the Corporate Support Manager be given delegated authority to approve the new lease.

EXECUTIVE SUMMARY

2. McDonalds Restaurant (NZ) Limited lease from the Council an area containing 1135m² of land on the corner of Linwood Avenue and Buckleys Road.
3. The land is currently used by pedestrians, for car parking, related signage and is also the egress for vehicles from the drive-through facility.
4. The lease commenced on 1 November 1987 on an 11 year term with a further 11 year right of renewal, giving a final expiry date of 31 October 2009.
5. McDonalds Restaurant (NZ) Limited is looking to re-image the Linwood restaurant and has set a budget in excess of \$1 million to complete the works.
6. McDonalds, therefore, has a desire to secure a longer lease term on the land in order to completed the re-image and provide some security of tenure to the Franchisee to continue to use this land to run its business.
7. The Council wishes to retain the land for road widening, there are underground services beneath the seal that need protecting and there is a possibility the services will be added to.
8. Once the old lease is surrendered the Council will enter into a new lease for a term of 11 years with a further 11 year right of renewal, giving a final expiry date in 2030. This is an opportunity to not only increase the rent but also to consider leasing conditions.

1 Cont'd

9. A rent review will take place at the commencement of the new lease.
10. An additional clause will be added allowing the Council to terminate the lease (on giving six months written notice) if the land is required for additional services or road widening.

FINANCIAL IMPLICATIONS

11. A rent review could increase the revenue obtained from the leasing of the land.

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

12. Yes.

LEGAL CONSIDERATIONS

13. There are no legal considerations that need to be taken into account as the old lease is being surrendered and replaced with a new one.

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

14. Yes.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

15. Yes.

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

16. Yes.

ALIGNMENT WITH STRATEGIES

17. Yes.

Do the recommendations align with the Council's strategies?

18. Yes.

CONSULTATION FULFILMENT

19. Not applicable.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Consent to the surrender of the existing lease.
- (b) Agree to the additional clause giving the Council the right to terminate the lease provided the land is required for road widening or additional services so long as it gives six months written notice of this event.
- (c) That McDonalds Restaurant (NZ) Limited meet all costs associated with the lease surrender and drawing of the new lease.
- (d) That the Corporate Support Manager be given delegated authority to approve the new lease.

1 Cont'd

BOARD RECOMMENDATION

That the staff recommendation be adopted.

2. **DEPUTATIONS BY APPOINTMENT**



2.1 **Heathcote Valley Community Association**

Drina Sisarich and Liz Davis of the Heathcote Valley Community Association spoke to the Board about engine brake noise on Tunnel Road, seeking support to have Transit New Zealand erect signs on that road banning the use of engine brakes.

The Board **decided** that it would recommend to the Council that it resolve to approach Transit New Zealand to request that signs restricting the use of engine brakes be erected on Tunnel Road in the immediate vicinity of the Heathcote Valley residential community.

PART B - REPORTS FOR INFORMATION



3. **CHANGE OF SHAREHOLDING AND ASSIGNMENT OF LEASE
– VICTORIA HOTELS (CHRISTCHURCH) LIMITED (CROWNE PLAZA HOTEL)**

The Board considered a report seeking a recommendation to the Council that it approve the assignment and change of shareholding of the lease with Victoria Hotel (Christchurch) Limited, forming the Crowne Plaza Hotel.

This matter has been dealt with by way of a report to the Council meeting of 26 June 2008.

The Community Board Adviser advised the Board that this was a Part A matter and that as it was no longer necessary to be dealt with as a public excluded item, the matter could be considered by the Board in the open meeting.

Questions were raised with respect to whether it was appropriate that commercial leases should be dealt with in a more timely manner by going directly to the Council for consideration.

A motion was proposed:

'That the Board make a recommendation to the Council that the Board delegation be amended so that commercial lease transactions go directly to the Council or the appropriate Council business unit.'

The motion was put to the meeting, and declared lost on division number 1 by 4 votes to 2, the voting being as follows:

Against (4): Rod Cameron, Bob Todd, Yani Johanson, Brenda Lowe-Johnson

For (2): David Cox, Tim Carter

4. **DEPUTATIONS BY APPOINTMENT**

4.1 **Heathcote Valley Community Association (continued)**

Further to clause 2.1 of this report (Part A), Drina Sisarich and Liz Davis of the Heathcote Valley Community Association raised concerns on two further issues, the closing of Truscotts Road and when this would be complete, and asking for action on the installation of the cycleway/walkway on Port Hills Road.

The Chairperson thanked Ms Sisarich and Ms Davis for their presentation.

4 Cont'd

Steve Hughes, Traffic Engineer, joined the meeting to answer questions from members on the issues raised.

The Board **agreed** to request from staff information about how a strategic traffic survey of the Heathcote Valley could be carried out and further that staff provide the Board with any existing available information on traffic surveys in the area.

The Board further **agreed** to request that staff provide it with information with respect to progress on the development of the cycleway/walkway on Port Hills Road including the timeframe for completion, and the links with the recently installed Transit New Zealand cycleway.

5. PRESENTATION OF PETITIONS

Nil.

6. NOTICE OF MOTION

Nil.

7. CORRESPONDENCE

Nil.

8. BRIEFINGS

Nil.

9. MEMBERS QUESTIONS

A question was asked about Board delegations, particularly around a proposal to remove a part of the Board's delegations in the central city area.

The Board **agreed** that a letter should be written to the Mayor, copied to the Chief Executive, expressing the Board's concerns about Board Chairs not being involved in the Council Workshop where this issue was discussed, asking what the process is going forward and when Community Boards would be involved.

10. COMMUNITY BOARD ADVISER'S UPDATE

The Board **received** an update on forthcoming meetings and matters of interest, including seeking a new member for the 2009 Community Board Conference Organising Committee.

The Board **agreed** that Brenda Lowe-Johnson would represent the Board on the Conference Organising Committee.

The Board acknowledged its appreciation of Council staff involvement in the Matariki event.

PART C - REPORT ON DELEGATED DECISIONS TAKEN BY THE BOARD

11. CONFIRMATION OF MEETING REPORT – 4 JUNE 2008

The Board **resolved** to confirm the report of its ordinary meeting of 4 June 2008.

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12. KEEP NEW ZEALAND BEAUTIFUL CONFERENCE

The Board considered a report seeking nominations and approval for a Board member to attend the Keep New Zealand Beautiful Conference in Dunedin in September 2008.

The Board **resolved** that Rod Cameron attend the Keep New Zealand Beautiful Conference in Dunedin from 19 – 21 September 2008.

13. RESOLUTION TO EXCLUDE THE PUBLIC

The Board **resolved** that the draft resolution to exclude the public set out on page 18 of the agenda be adopted.

The meeting concluded at 4.55pm

CONFIRMED THIS 2ND DAY OF JULY 2008

**BOB TODD
CHAIRPERSON**