

9. BLENHEIM ROAD DEVIATION

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Corporate Plan Output: Road Network Planning	

The purpose of this report is to summarise the submissions made on the Council's proposed funding option for the Blenheim Road Deviation project.

INTRODUCTION

At its 14 December 2000 meeting, the Council committed itself to proceed with the Blenheim Road Deviation, subject to a number of contractual matters.

In the report on this matter, the Director of Finance advised the Council that *"the project has not been included in the Council's Financial Plan or long term forecasts nor has it been foreshadowed in the City Plan to date. As the cost involved is significant it is doubtful whether such a commitment should be made without some form of public consultation. While there is no strict legal requirement I believe that it is in the spirit of the legislation that as a minimum suitable advertisements should be placed and public submissions called for on the proposal before a final commitment is made."*

Accordingly, the Council resolved to implement an earlier (29 November) resolution that further public consultation be conducted to augment the consultation already undertaken for the current year's Financial Plan, giving full details of the now fully developed proposal and increased capital expenditure, by 15 January 2001. The consultation was to be in regard to the source of funds, rather than whether or not the project proceeds (as the resolution adopted effectively committed the Council to the project).

ADVERTISEMENT FOR SUBMISSIONS

Submissions were invited through advertisement in the public notices of the Press and Star, from 23 December through to 13 January. Information provided through this public notice was as follows:

The Christchurch City Council is to build a deviation in Blenheim Road that will provide safer access for traffic to and from the western suburbs and enhance the ambience of South Hagley Park. This will mean some property has to be bought to provide the deviation.

The Council will sell unwanted land when the deviation is completed. For instance, the present bridge will be unwanted as well as the section of Blenheim Road adjacent to Deans Avenue and both will be stopped.

The Council will have the space to separately consider the provision of additional car-parking for South Hagley Park, adjacent to Deans Avenue once the deviation is completed. The deviation will reduce the level of traffic along Deans Avenue between Moorhouse Avenue and Riccarton Road and this will enhance and promote further residential development in this area.

Total costs involved with the deviation plans are \$9.945 million, which includes the sale and purchase of land, roading construction and contingencies.

No money for this project has been provided in the current Financial Plan.

As this is unbudgeted expenditure that has arisen part way through a financial year, it has been necessary for the Council to identify funding sources for this project outside of the normal Financial Plan process.

The Council, in making the decision to proceed with the deviation earlier than planned, wishes to consult on the funding option proposals.

The net expenditure (including recoveries from the sale of surplus land) will fall into the following financial periods:

<i>Year Ending</i>	<i>Net Amount</i>
<i>30 June 2001</i>	<i>\$7.60 million</i>
<i>30 June 2002</i>	<i>\$5.04 million</i>
<i>30 June 2003</i>	<i>\$-2.70 million</i>
<i>Net Total</i>	<i>\$9.94 million</i>

The Council has a Capital Development Reserve to meet unexpected capital expenditure. This will be used to meet the costs in the current financial year. However, in accordance with a long-standing Council policy, if this fund falls below \$5 million it must be replenished to a minimum level of \$5 million to provide a resource for a major emergency.

This reserve now has an uncommitted balance of \$9.045 million and it is proposed that the expenditure on the Blenheim Road deviation project in the current year (\$7.70 million) be drawn from this fund. The fund will need to be replenished to the minimum \$5 million level from the capital programme of the Council in the year ending 2002. Once this takes place the net amount of the project funded from the Capital Development reserve will be \$4.05 million.

It is proposed that the balance of the funding to be added to the Council's capital budget for the remaining years of the project.

The impact of this will be to add \$4.88 million to long-term Council debt.

Rates will increase by about 0.39% in the next financial year and, following completion of the project, the total annual increase will be \$830,000. This is equivalent to an increase of 0.63% on this year's rating levels.

At this stage there is no commitment from Transfund to provide any funding but the maximum possible Transfund funding will be sought for the project and this will be used to reduce the amount being added to the capital budget.

Any surplus land (including stopped road reserve) will be sold and applied in reduction of the project costs.

Anyone wishing to view the deviation plan can do so at the Property Unit, fourth floor, Civic Offices, Tuam Street during normal working hours.

Those who wish to comment on the funding proposals should send written submissions by Monday 29 January at 4.30pm to Stephen Matheson, City Streets Manager, Christchurch City Council, PO Box 237, Christchurch.

SUMMARY OF SUBMISSIONS

Only 26 submissions have been received, which is probably more a reflection of the submission period than a lack of interest in the project. As was advised at the meeting, the Christmas holiday period is not an ideal time to invite public input. It should be noted, however, that the period possible for submissions was essentially dictated by contractual obligations.

The comments made in the submissions may be summarised as follows. Copies of the submissions are available on request from the author.

Overall View	No	Percentage
Object	20	77%
Support	3	12%
Neutral	3	12%
Total	26	100%

The 20 submissions opposing the project made a total of 94 detailed comments, classified as follows:

Detailed Comments on Objection	No
Object to increase in rates	15
Waste of Money/ Not needed/ No or insufficient problem to Solve	15
Insufficient time or information for consultation	11
Other priorities	9
Too much money/ Benefits do not justify cost	9
Adding burden to older/low income ratepayers	5
Should not circumvent normal Financial Plan process	6
Use Orion money	4

Detailed Comments on Objection	No
Yet another Council extravagance	3
Use Transfund Money	3
Rates money used to benefit private landowners	3
Benefits such as Hagley parking, city gateway or accident reduction could be achieved at lower cost	3
If it proceeds, other projects should be trimmed to reduce rates increase	2
Cheaper option is to upgrade existing bridge	2
Should not be funded without better consultation	3
Disbenefits for traffic flow to north	1
Total	94

The following submission was received from the Riccarton/Wigram Community Board:

The Riccarton/Wigram Community Board supports the construction of the Blenheim Road deviation, and would encourage the Council to work towards an early construction programme.

There are many benefits to be realised by this work proceeding, whilst the Board does recognise that it has not been programmed through the normal Annual Plan/Capital Works process. The questions raised about funding such a major work are noted, but there is an opportunity to fund it through borrowing, capital work substitution, or through other funds currently held. Monies have been set aside for the current overbridge strengthening, the acknowledged benefits to be gained for pedestrian/cycle users could be reflected in funds being made available from that [city streets] vote, as examples.

In terms of benefits gained, the Board believes that a commitment to this work, now, is visionary in its thinking; current benefits [as noted in the 26 October report to City Services Committee] will be enhanced by addressing these issues now, rather than reacting to them later.

Major benefactors will include cyclists, pedestrians, Hagley Park users, and the large number of vehicle users who currently access/exit the city through the Moorhouse/Deans Avenue/Blenheim Road configuration. Riccarton Road and Riccarton Avenue could also see a reduction in usage. With the known redevelopment that has been signalled to take place in this area, it is very opportune for the Council to be in a position to undertake this very desirable work.'

Chairman's

Recommendation: That the information be received.