CHRISTCHURCH
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CHRISTCHURCH CITY COUNCIL
AGENDA

THURSDAY 21 JULY 2005

AT 9.30AM

IN THE COUNCIL CHAMBER, CIVIC OFFICES

Council: The Mayor, Garry Moore (Chairperson).
Councillors Helen Broughton, Sally Buck, Graham Condon, Barry Corbett, David Cox, Anna Crighton, Carole Evans, Pat Harrow, Bob Shearing, Gail Sheriff, Sue Wells and Norm Withers.

PAGE NO	DESCRIPTION
1	APOLOGIES
3	MAYOR'S REPORT
5	CONFIRMATION OF MINUTES - COUNCIL MEETINGS OF 7.7.2005 AND 14.7.2005
-	DEPUTATIONS BY APPOINTMENT
-	PRESENTATION OF PETITIONS
-	CORRESPONDENCE
13	COUNCIL MEETING DATES FOR REMAINDER OF 2005
17	REQUEST FOR REVIEW OF GAMBLING POLICY
22	BERTELSMANN AWARD FUND – APPOINTMENT OF COMMITTEE
23	TRANSIT NEW ZEALAND NOTICE OF REQUIREMENT
41	JELLIE PARK REDEVELOPMENT
63	PROPOSED CLEARWATER VARIATION TO THE CITY PLAN
223	REPORT OF THE BURWOOD/PEGASUS COMMUNITY BOARD MEETING OF 29 JUNE 2005
225	REPORT OF THE RICCARTON/WIGRAM COMMUNITY BOARD MEETING OF 14 JUNE 2005
229	REPORT OF THE SHIRLEY/PAPANUI COMMUNITY BOARD MEETING OF 15 JUNE 2005
233	NOTICES OF MOTION
-	QUESTIONS
235	RESOLUTION TO EXCLUDE THE PUBLIC

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1. APOLOGIES

2. MAYOR'S REPORT

Attached.

3. CONFIRMATION OF MINUTES

(a) **ORDINARY COUNCIL MEETING OF 7.7.2005**

Attached.

(b) **EXTRAORDINARY COUNCIL MEETING OF 14.7.2005**

Attached.

4. DEPUTATIONS BY APPOINTMENT

5. PRESENTATION OF PETITIONS

6. CORRESPONDENCE

7. COUNCIL MEETING DATES FOR REMAINDER OF 2005

General Manager responsible:	General Manager Regulation and Democracy Services
Officer responsible:	Secretariat Manager
Author:	Max Robertson, DDI 941-8533

PURPOSE OF REPORT

1. The purpose of this report is to seek the adoption by the Council of the attached schedule setting out the times and dates of ordinary Council meetings for the remainder of 2005.

EXECUTIVE SUMMARY

2. The Local Government Official Information and Meetings Act 1987 (LGOIMA) contains provisions requiring the advance public notification of local authority meetings. In order to permit such notification to be given pursuant to section 46(1) of LGOIMA, it is necessary for the Council to formally adopt a schedule of Council meetings.

STAFF RECOMMENDATION

It is recommended that the Council adopt the schedule attached to this report, setting out the dates and times of ordinary Council meetings for the remainder of 2005.

8. REQUEST FOR REVIEW OF GAMBLING POLICY

General Manager responsible:	General Manager Strategic Development
Officer responsible:	Research and Policy Development Manager
Author:	Terence Moody, DDI 941-8834

PURPOSE OF REPORT

1. The purpose of this report is to report, as requested by the Council at its meeting on 26 May 2005, on the effect of paragraph 1 of the Gambling Policy adopted in March 2004 and to recommend any change to the policy and the process for undertaking such changes.

EXECUTIVE SUMMARY

2. The effect of paragraph 1 of the Council's Gambling Policy is to place a prohibition on any new venues for class 4 gambling in the city and provide for no increase in the number of gaming machines, above those licensed on or before 19 September 2003. The total number of machines that may operate at any venue must not exceed 18. The policy was adopted by the Council, under the Gambling Act 2003, taking into account the purposes of the Act to control the growth of gambling and having regard to the social impact of gambling within the city. The majority of the submissions received through the Special Consultative Procedure supported restrictions on non-casino gaming.

3. As paragraph 1 forms the substantive part of the Policy, any review would be effectively that of the Policy in total. The Policy itself states that the Council will complete a review within three years of its adoption and this must be done in accordance with the special consultative procedure outlined in the Local Government Act 2002. This applies if any amendment is to be considered.

4. From the evidence that is available the policy has met one of the purposes of the Act, in there has been no growth in the availability of numbers of venues and machines for class 4 gaming in the city. This is in line with the intent of the Christchurch City Gambling Policy 2004. There is no indication that there is any demand for further venues at this time and some evidence that the growth in spending on gaming machines is slowing. Approvals for the continuation of class 4 gaming machine licences by the Department of Internal Affairs require that the gaming machines are not the primary activity on the site, stricter rules apply in regard to ensuring funding goes to community purposes, and regulations require stricter harm minimisation measures.

5. Christchurch City has the second highest percentage of class 4 venue sites on a national basis at 8.05%, slightly below that of Auckland at 8.11%. It has the highest percentage of machines on a national basis at 9.39%, significantly above the second highest, Auckland City at 8.57%. No other territorial authority area comes even close, in percentage terms, to those two cities.

FINANCIAL AND LEGAL CONSIDERATIONS

6. There would be relatively significant financial considerations in undertaking a full review of the Policy, both in terms of staff resources and publicity and consultation costs. It is unclear that there would be any legal constraints, even though the review would be undertaken prior to the three-year period indicated in the Policy.

STAFF RECOMMENDATIONS

It is recommended that the Council:

(a) Not undertake a review of the Gambling Policy at this time, as there is insufficient evidence for such action.

(b) That a review of the Gambling Policy 2004 be considered in the period indicated by the Gambling Policy, in or about 2007.

8 Cont'd

BACKGROUND ON GAMBLING POLICY

7. The Council at its meeting on 2 June 2005 resolved:

"That Council staff be requested to report back to the Council on:

(a) the effect of paragraph 1 of the Council's Gambling policy adopted in March 2004; and
(b) recommendations regarding any change to that policy and the process for changing paragraph 1."

8. Paragraph 1 provides:

"The Christchurch City Council will not grant a consent for any class 4 venue licence under the Gambling Act 2003 except for a consent under section 98(d) of that Act."

9. The effect of paragraph 1 of the Council's Gambling Policy is to place a prohibition on any new venues for class 4 gambling in the city and no increase in gaming machines above those licensed on or before 19 September 2003. This is subject to the proviso that an increase of machines at a class 4 venue may be consented where two or more corporate societies are merging and are seeking ministerial discretion to increase the number of machines at the venue. The total number of machines that may operate at any venue must not exceed 18.

10. The policy was adopted by the Council after undertaking the Special Consultative Process under the Local Government Act 2002 and taking into account the provisions of section 101(2) of the Gambling Act 2003 *the territorial authority must have regard to the social impact of gambling within the territorial authority district*.

11. The purpose of the Act clearly states that it is to:

(a) control the growth of gambling; and
(b) prevent and minimise the harm caused by gambling, including problem gambling; and
(c) authorise some gambling and prohibit the rest; and
(d) facilitate responsible gambling; and
(e) ensure the integrity and fairness of games; and
(f) limit opportunities for crime or dishonesty associated with gambling; and
(g) ensure that money from gambling benefits the community; and
(h) facilitate community involvement in decisions about the provision of gambling.[1]

12. The Council, in adopting the current policy, took into account the clear purposes of the Act and the following matters relating to social impacts.

The Council had previously supported restrictions on the availability of certain types of gambling; limitations on the number of non-casino gaming machines; and a public health approach to gaming.

That one-third of non casino gaming machine betting losses are used for community funding purposes, estimated at $36 million. It was not considered a new venue moratorium would reduce funding levels.

The largest cost was to problem gamblers and their families and Christchurch had one of the largest groups of problem gamblers.

Research had suggested that the net gains in jobs and economic activity are small when the impact of the diversion of consumer spending from other industries is taken into account.

[1] Section 3 Gambling Act 2003

8 Cont'd

The majority of submitters supported restrictions on non casino gaming. This was in line with national surveys which indicated that New Zealanders had become increasingly concerned about the negative social impacts of gambling and saw non casino gaming as undesirable.

A comparison of gaming machine sites and numbers at 31 December 2003 for main cities showed that Christchurch had one machine for each 115 residents over 18 years old. The comparison figures for other cities were: Dunedin 1 per 110; Auckland 1 per 132; Wellington 1 per 122; Hamilton 1 per 129; Manukau 1 per 169; North Shore 1 per 206; and Waitakere 1 per 269.

13. At this time there is no evidence to support any change in the requirement under paragraph 1 at this time. The latest figures[2] for gaming machines per 18 year olds show that Christchurch is well serviced compared with the other cities which were included in the initial examination.

	Machines Ratio/Adults	No. of Sites
Auckland City	1 to 91*	150
Dunedin City	1 to 93*	74
Christchurch City	1 to 102*	149
Hamilton City	1 to 96*	43
Manukau City	1 to 201	81
North Shore City	1 to 227	51
Waitakere City	1 to 271	37
Wellington City	1 to 143	73

* Includes casinos

14. The figures for adjoining territorial authorities from the same source as above are as follows.

	Machines Ratio/Adults	No. of Sites
Banks Peninsula District	1 to 79	8
Selwyn District	1 to 317	14
Waimakariri District	1 to 133	17

15. Christchurch City has the second highest percentage of class 4 venue sites on a national basis at 8.05%, slightly below that of Auckland at 8.11%. It has the highest percentage of machines on a national basis at 9.39% significantly above the second highest, Auckland City at 8.57%. No other territorial authority area comes even close, in percentage terms, to those two cities.

16. Any change to the policy must go through the same process as was undertaken for the introduction of the policy, that is the Special Consultative Process specified in section 83 of the Local Government Act 2002. In the case of the Gambling Venue Policy paragraph 1 is the substantive part of the policy and effectively a review of this means the whole policy would be reviewed. In the preparation of the Statement of Proposal the provisions of section 77 of the Local Government Act 2002 must be met.

(1) A local authority must, in the course of the decision-making process,—
- *(a) seek to identify all reasonably practicable options for the achievement of the objective of a decision; and*
- *(b) assess those options by considering—*
  - *(i) the benefits and costs of each option in terms of the present and future social, economic, environmental, and cultural well-being of the district or region; and*
  - *(ii) the extent to which community outcomes would be promoted or achieved in an integrated and efficient manner by each option; and*

[2] *Latest Pokie Machine statistics around the country at 31 March 05*, GamblingWatch Analysis

8 Cont'd

(iii) the impact of each option on the local authority's capacity to meet present and future needs in relation to any statutory responsibility of the local authority; and

(iv) any other matters that, in the opinion of the local authority, are relevant; and

(c) if any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

(2) This section is subject to section 79.

17. Before undertaking a review or amendment of the policy it is considered some indication of the objective of the review should be provided. The Department of Internal Affairs has statistics showing the number of gambling operators has continued its significant decline and the number of pubs and clubs hosting gaming machines and number of machines declined slightly.[3] In addition to the possible effects of the smoke-free legislation[4] there has been, nationwide, a decline in both machine numbers as well as venues. The new requirements that venues must not be used mainly for gaming machines, that harm prevention regulations are starting to come into effect, and the requirement for electronic monitoring systems have, or will have, an effect on the continuation of some machines or venues. There is evidence that the growth in expenditure on class 4 machines is declining in percentage terms despite it still being the major expenditure on gambling in New Zealand.[5] [See charts below]

18. Despite this decline there are still significant concerns about the personal, social and economic harm suffered by the gambler, their family, work place and the wider community. In some areas there are moves to further reduce the opportunities for, in particular, class 4 (pokies) gambling due to these effects. In a discussion on complaints about regulations under the Gambling Act 2003 the Regulations Review Committee stated:

    We are of the view that any consideration of the rights and liberties of gambling operators and gamblers must be seen in the context of the Gambling Act. The Act is quite explicit in its approach and focus – gambling is a prohibited and illegal activity unless it is authorised by, and complies with, the Act and its regulations. As we have stated earlier, the Act also has a particular emphasis on minimising harm.[6]

19. There is no indication that there is any demand for additional machines or venues in the city. It would be thought that if there is a decline in expenditure through class 4 machines, and hence funds going to community purposes, any additional venues would not assist in increasing revenue. At this stage, despite some anecdotes, there is no hard evidence for any decline in community funding in this city from such sources. Now that venues must have other major purposes than gaming machines it is unlikely the fees from operating the machines will be used to support such businesses as has occurred in the past. It should be noted that *the purposes of the Act do not include tax revenue or increasing money for the community. There is a very important distinction between maximising returns to the community from gambling that occurs and increasing gambling revenue*.[7]

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[3] *Gambits*, Newsletter of Gaming and Censorship Regulation, Department of Internal Affairs, June 2005

[4] Anecdotal information is that gaming machine use may have reduced since the introduction of the smoke-free environments restrictions on smoking in bars and clubs. Information is also available that there have been wider effects on the hotel trade. *A HANZ survey of members indicated that bar and pub takings has fallen by between 10 and 30 per cent since the smoke-free regulations came into effect last December*. *Country pubs in Jeopardy*, *Drinksbiz* June/July 2005

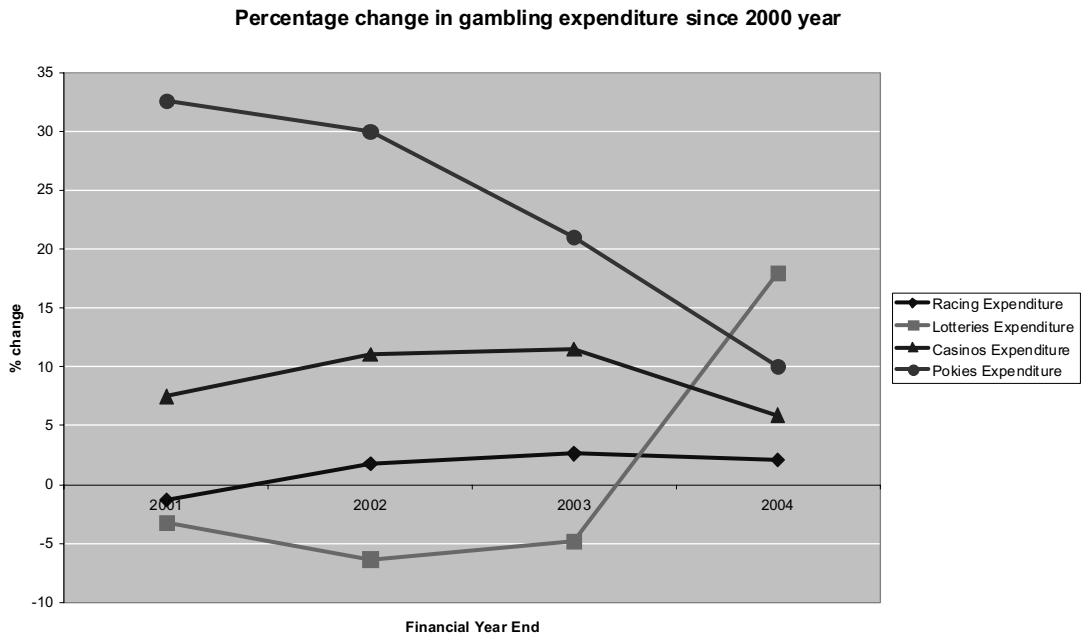
[5] Gambling Statistics 1980 – 2004, Department of Internal Affairs, 2004

[6] *Complaints regarding Regulation 8 of the Gambling (Harm Prevention and Minimisation) Regulations 2004*, Report of the Regulations Review Committee, Forty-seventh Parliament, May 2005

[7] Gambits, op cit, June 2005

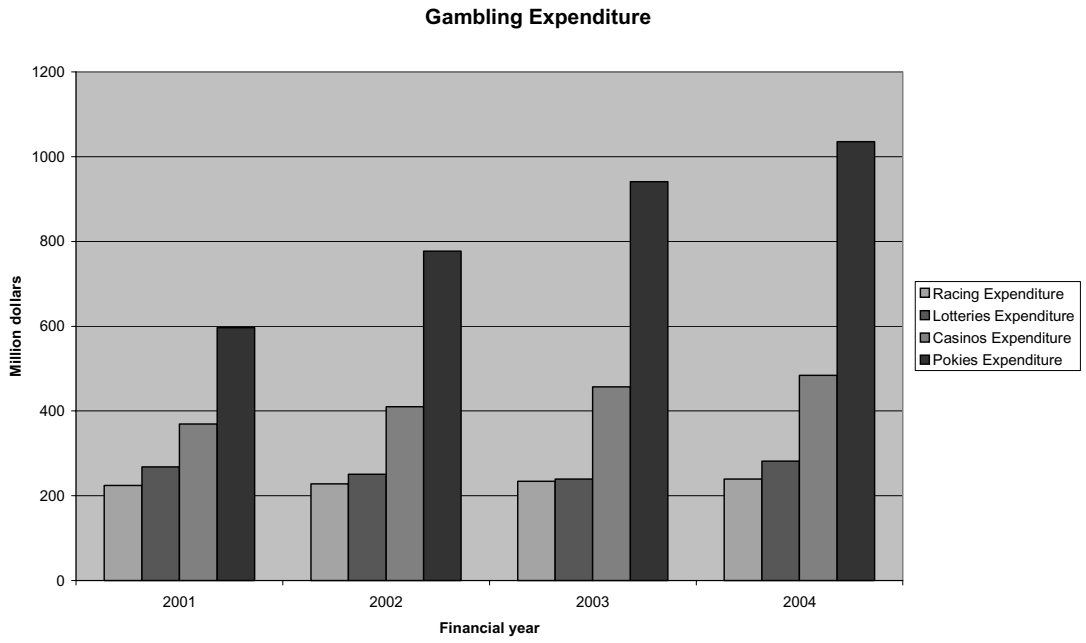
8 Cont'd

Figure 1 Percentage Change in Gambling Expenditure Nationally



20. The expenditure on gambling is dominated by that through class 4 machines (pokies) and despite the slowing of the increase in expenditure over one billion dollars was expended in the 2004 year. It is unclear whether the decline shown in Figure 1 is continuing through the current year, as these figures will not be available until later in 2005. While these are national figures the assumption could be made that the distribution on a local level would reflect the proportion of pokies in each territorial authority area. On this basis, with Christchurch City having 9.39% of pokies nationwide, about $97M would be expended in Christchurch. This is a significant removal from the economy of funds with a return to community purposes of just over a third of such money.

Figure 2 Gambling Expenditure Nationally – 2001 to 2004



9. BERTELSMANN AWARD FUND – APPOINTMENT OF COMMITTEE

General Managers responsible:	Director of Strategic Investment & General manager Human Resources
Officer responsible:	Director of Strategic Investment
Author:	R A Lineham, DDI 941-8411

PURPOSE OF REPORT

1. This report is to seek approval for the membership of a committee to prepare a recommendation for the Council on how to utilise the Bertelsmann Award Funds.

EXECUTIVE SUMMARY

2. In August 2004 the Council considered a report about the future of the Bertelsmann Fund and resolved "*that the incoming Council convene a small committee of elected members and staff to review the two Bertelsmann Funds and recommend a scheme that will utilise those funds in the most beneficial way for both staff and elected members, with a strategic focus on professional development for the recipients.*"

3. The Executive Team have suggested that the Bob Lineham and Philippa Jones be the staff representatives on this committee.

4. A number of Councillors have expressed an interest in having access to the funds for personal development, or have done so in the past and it is therefore preferable that Councillor members of the committee be able to be independent from such an interest, but still understand the desires of the Council.

5. The author has consulted with the Deputy Mayor on possible members of the committee and it is recommended that Councillors Evans and Withers be the Council appointees.

6. The committee's role will be to recommend terms of reference for utilisation of the fund back to the Council.

FINANCIAL AND LEGAL CONSIDERATIONS

7. These will be considered, if necessary, in the committee's report back to the Council in due course.

STAFF RECOMMENDATIONS

It is recommended that the Council:

(a) Approve the appointment of Councillors Evans and Withers and Philippa Jones and Bob Lineham to the Bertelsmann Award Fund Committee to prepare a recommendation to Council on the Fund.

10. TRANSIT NEW ZEALAND NOTICE OF REQUIREMENT

General Manager responsible:	General Manager Regulation and Democracy Services
Officer responsible:	Environmental Services Manager
Author:	Scott Blair, DDI 941-6205

PURPOSE OF REPORT

1. The purpose of this report is to seek a recommendation from the Council that the Council recommend to Transit New Zealand that they confirm those parts of Transit New Zealand's 1994 Notice of Requirement to the Christchurch City Council requiring designations over Transit New Zealand's State Highway and Motorway network, that have not been confirmed.

EXECUTIVE SUMMARY

2. In 1994 Transit New Zealand forwarded to the Council a Notice of Requirement for designations to be included in the City Plan for State Highways and Motorways. The Notice of Requirement and submissions were heard in 1998. Unfortunately the Council did not make a recommendation on all of Transit New Zealand's 1994 Notice of Requirement for designations of State Highways and Motorways. The Council now needs to make a recommendation back to Transit to ensure that all of Transit New Zealand's State Highway and Motorway infrastructure is designated.

FINANCIAL AND LEGAL CONSIDERATIONS

3. The Council has a statutory obligation to make a recommendation back to Transit on its 1994 Notice of requirement.

STAFF RECOMMENDATIONS

It is recommended that the Council resolve, pursuant to Section 171 of the Resource Management Act 1991, to recommend to Transit New Zealand that Transit's Notice of Requirement seeking:

> *that all roads deemed, pursuant to the provisions of the Transit New Zealand Act 1989, to be state highway or motorway be designated in the District Plan as "road" or "motorway"*

be **modified** and that the following be included in Part 12 of Volume 3 of the Proposed City Plan following Clause 2.2.3:

Attachment 1:

Schedule of state highways incorporated into City Plan under Section 171 of the Resource Management Act 1991 (Transit New Zealand)

SH1

From the north abutment of the Waimakariri River Bridge (RP 317/9.92) through Christchurch; via Main North Road, Johns Road, Russley Road, Masham Road, Carmen Road and Main South Road; to 10m south of Marshs Road/SH 1 intersection (RP 347/3.28).

SH 73

From the junction with SH 74 at the Waltham Road/Brougham Street intersection (RS 0) through Christchurch; via Brougham Street, Jerrold Streets (North and South), Christchurch Southern Motorway, to the Curletts Road/Blenheim Road intersection and from the junction with SH 1 at the Masham Road/Russley Road/Yaldhurst Road intersection to 10m south of Dawsons Road/SH 73 intersection (RP 14/8.77).

10 Cont'd

SH 73A

From the Blenheim Road/Curletts Road intersection through Christchurch via Main South Road; to the junction with SH 1 at the Carmen Road/Main South Road intersection.

SH 1

SH 1 from the junction of SH 1 and SH 73A at the Carmen Road/Main South Road intersection to the junction of SH 1 and SH 73 at the Masham Road/Russley Road/Yaldhurst Road intersection.

SH 74

From the junction with SH 73 at the Waltham Road/Brougham Street intersection (RS 0) through Christchurch via Brougham Street, Opawa Expressway, Port Hills Road; to the Tunnel Portal – Lyttelton end (RS 22).

Tunnel Road North

From the north abutment of the Heathcote River Bridge to the Port Hills Road/Tunnel Road interchange.

SH 75

From the junction with SH 73 at the Curletts Road/Southern Motorway intersection (RS 0) through Christchurch; via Curletts Road, Halswell Road and Taitapu Road, to the centre of the Halswell River Bridge (RP 0/8.35).

Note:

Sections of state highway declared as "motorway" are included in Attachment 2 below "Schedule of Motorways".

Attachment 2

Schedule of motorways incorporated into City Plan under Section 171 of the Resource Management Act 1991 (Transit New Zealand)

SH 1 Northern Motorway

From the north abutment of the Waimakariri River Bridge (RP 317/9.92) to the northern side of the Main Road/Dickeys Road intersection (RP 317/12.88).

SH 73 Southern Motorway

From the western side of Barrington Street (RP 0/3/04), including part Jerrold Street one way north and south, to the north eastern side of the SH 73/SH 75 Curletts Road intersection (RP 0/5.55).

SH 74

From the Port Hills Road/Tunnel Road interchange (RP 17/0.40) to the Tunnel Portal- Lyttelton end (RS 22).

Tunnel Road North

From the north abutment of the Heathcote River Bridge to the Port Hills Road/Tunnel Road interchange.

10 Cont'd

BACKGROUND ON TRANSIT NEW ZEALAND NOTICE OF REQUIREMENT

4. The Proposed City Plan (PCP) describes the roads and motorways listed in Appendix 1 of this report as being designated for roading works by Transit New Zealand at page 12/5 and 12/6 of Volume 3.

5. In 1994 Transit New Zealand lodged a notice of requirement with the Christchurch City Council requiring the Council to include designations for road works over these roads in the PCP. (The notice of requirement also sought to 'roll over' existing designations in the Transitional District Plans and include certain new designations in the District Plan. These are not relevant to this discussion.) A copy of Transit's notice of requirement is attached as Appendix 2 to this report. Unfortunately this document is not complete as some of the attachments referred to in the notice are no longer on the relevant City Plan file.

6. The notice of requirement directed specifically:

   Transit New Zealand requests that all roads deemed, pursuant to the provisions of the Transit New Zealand Act 1989, to be state highway or motorway be designated in the District Plan as "road" or "motorway" as indicated in the enclosed plans. It should be noted that the existing designations cover both existing legal road as well as land occupied as road including any riverbeds that are crossed by the State Highways. In some locations the existing state highway designation allows for road widening if required, such as on the Southern Motorway between Barrington Street and Curletts Road, and parts of the Opawa Expressway between Ensors Road and Opawa Road.

   The existing state highway network in Christchurch City is described in Attachment 1 and shown on the plan in Attachment 2. …

7. There were no submissions and further submission against this part of the notice of requirement. In dealing with this part of the notice of requirement the officer's report stated:

   Designation of State Highways and Motorways

   6.16 Transit New Zealand have required the designation of all state highways and motorways in the city. Attachments one and two in part 12 list the relevant schedules of the State Highways and Motorways respectively. Designating these roads allows Transit New Zealand to apply a consistent set of standards to the state highway network across New Zealand, and to not be required to deal with different plan rules in different local authorities. It also flags that these road are recognised as different from other roads in the city (with a different road controlling authority and are affected by different legislation in some issues, such as that involved with the declaration of limited access restrictions). In the interests of a consistent national network, I recommend that the Council recommend the confirmation of these designations.

8. The officer's (Stuart Woods) comments are fair and accurate and still entirely applicable to the planning environment in 2005.

9. The Council's recommendations were dealt with in Council recommendation number 188: Council Recommendations To Transit New Zealand Requirements For Roading Designations (Except Southern Arterial and Opawa Road/Port Hill Roads). The Council resolved to make this recommendation on 25 November 1999.

10. The Council's recommendations to Transit, as covered in the recommendation report, do not cover the requirement in Transit's Notice of Requirement set out in paragraph 6 above or the recommendation in the officer's report set out in paragraph 7 above.

10 Cont'd

11. However the recommendation may have attempted to address this issue at paragraph 4.3 where it states:

    4.3 ***3-12.2.1.2 Transit Requirements – No submissions received***

    The remaining Transit NZ requirements (excluding the Southern Arterial and Opawa Road/Port Hills Road) did not receive any submissions. They are all existing designations, except Johns Road which has been modified. The Council was satisfied that all these designations are reasonably necessary to achieve the national road network and are the most appropriate alternatives. No recommendation is necessary in respect of the existing designations that did not receive submissions.

12. It appears the notice of requirement from Transit in 1994 has been interpreted as stating that the State Highways and Motorways described in that part of the notice (see paragraph 6 above) were already designated in the Transitional District Plans. This is not the case. There are some existing road widening designations that will be carried over into the current City Plan. However, none of the relevant Transitional District Plans reviewed by myself carry designations for roading purposes over the entire route, that are either described within the text or shown on the planning maps. The underlined statement in paragraph 11 is incorrect.

13. A recommendation confirming the designations should have been made back to Transit in 1999.

14. This situation is relatively simple to resolve. The Council can now resolve to confirm the Notice of Requirement for the State Highways and Motorways as set out in Transit's 1994 Notice of Requirement.

15. However there have been changes to the State highway network since the 1994 Notice of Requirement. Some of the routes described in the attachment to the plan are no longer State Highways and have been transferred to the control of Christchurch City Council. These routes are:

    SH 74

    From the junction with SH 1 at the Johns Road/Main North Road intersection (RS 0) through Christchurch, via Main North Road, Cranford Street, Sherbourne Street, Bealey Avenue, Madras Street (northbound), Barbadoes Street (southbound), Moorhouse Avenue, Waltham Road.

16. The Council's recommendation back to Transit should not include these routes as being designated by Transit New Zealand – because they are no longer under the control of Transit.

17. Further, some of the routes have been renamed. A portion of SH 73 is now named SH73A – this is the portion between the intersection of Curletts Road and Blenheim Road and the intersection of Main South Road and Carmen Road. The route between the intersection of Carmen Road and Main South Road and the junction of SH 1 and SH 73 at the Masham Road/Russley Road/Yaldhurst Road intersection is no longer SH1/SH73 but is just State Highway 1. Note also that the description of SH 75 in Appendix 1 contains an error. The reference to SH 1 should be SH 73. Finally the Tunnel Road North description is also wrong. The reference to 'west abutment' should say 'north abutment' (as per the description of Tunnel Road North in Attachment 2). The Council's recommendation back to Transit should reflect this.

OPTIONS

18. The Council's options, in respect of its recommendation to a requiring authority, are set out in section 171(2) of the Resource Management Act. Specifically this section states:

    2) The territorial authority may recommend to the requiring authority that it-
    (a) confirm the requirement:
    (b) modify the requirement:
    (c) impose conditions:
    (d) withdraw the requirement.

10 Cont'd

19. Accordingly the Council's options are to:

    1. Recommend to Transit that the designation be confirmed.
    2. Recommend to Transit that the designation be modified.
    3. Recommend to Transit that the designation be confirmed with conditions.
    4. Recommend to Transit that the designation be withdrawn.

20. The 'do nothing' option is not an option open to the Council under the Act.

ASSESSMENT OF OPTIONS

Option 1: Recommend to Transit that the designation be confirmed

For the reasons set out in paragraphs 15–17 it is not appropriate for the Council to recommend to Transit that their NOR be confirmed without modification.

Option 2: Recommend to Transit that the designation be modified

For the reasons set out in paragraphs 15-17 it is appropriate for the Council to recommend to Transit that their NOR be confirmed with modification. It is open to the Council to seek a modification to the designation under section 171(2)(b) of the RMA. The recommended modification is not seeking that the designation be extended over roads that were not included in the 1994 notice of requirement – just that the roads set out in paragraph 15 be excluded, as Transit does not need a designation over these roads. The other modifications seek to ensure that the City Plan accurately describes the routes the designation covers.

	Benefits (current and future)	**Costs (current and future)**
Social	Confirmation of the designation, in accordance with the Notice of Requirement, will allow Transit to continue to strive to operate an effective and efficient State Highway transportation network.	Not confirming the designation in accordance with the Notice of Requirement, will hinder Transit in its efforts to operate and effective and efficient transportation network.
Cultural	Confirmation of the designation, in accordance with the Notice of Requirement, will allow Transit to continue to strive to operate an effective and efficient State Highway transportation network.	Not confirming the designation in accordance with the Notice of Requirement, will hinder Transit in its efforts to operate and effective and efficient transportation network.
Environmental	Confirmation of the designation, in accordance with the Notice of Requirement, will allow Transit to continue to strive to operate an effective and efficient State Highway transportation network.	Not confirming the designation in accordance with the Notice of Requirement, will hinder Transit in its efforts to operate and effective and efficient transportation network.
Economic	Confirmation of the designation, in accordance with the Notice of Requirement, will allow Transit to continue to strive to operate an effective and efficient State Highway transportation network.	Not confirming the designation in accordance with the Notice of Requirement, will hinder Transit in its efforts to operate and effective and efficient transportation network.

10 Cont'd

Extent to which community outcomes are achieved:

The designation will help to achieve:

- A prosperous city (esp. maintaining and developing essential infrastructure)
- A safe city (esp. improving road safety)
- A liveable city (esp. ensuring an effective transport system)

Impact on Council's capacity and responsibilities:

The designation will assist the Council to help Transit to continue to strive to operate an effective and efficient State Highway transportation network.

Effects on Maori:

There are no known effects on Maori

Consistency with existing Council policies:

There are no known inconsistencies with existing Council policy.

Views and preferences of persons affected or likely to have an interest:

The Notice of Requirement was publicly notified in accordance with the requirements of the Resource Management Act 1991. No submissions or further submissions were received on this part of the notice.

Other relevant matters:

Option 3: Recommend to Transit that the Designation be confirmed with conditions

It is not necessary to recommend to Transit that the designation be confirmed with conditions. Transit are not proposing any works in association with this notice of requirement. Any future works will require outline plan approval where upon the Council can seek specific mitigating conditions.

Option 4: Recommend to Transit that the Designation be withdrawn.

	Benefits (current and future)	**Costs (current and future)**
Social	There are no known benefits	Withdrawal of the designation would impact on Transit's ability to provide an effective and efficient transportation network.
Cultural	There are no known benefits	Withdrawal of the designation would impact on Transit's ability to provide an effective and efficient transportation network.
Environmental	There are no known benefits	Withdrawal of the designation would impact on Transit's ability to provide an effective and efficient transportation network.
Economic	There are no known benefits	Withdrawal of the designation would impact on Transit's ability to provide an effective and efficient transportation network.

10 Cont'd

Extent to which community outcomes are achieved:

Withdrawal of the designation would conflict with the following community outcomes:

- A prosperous city (esp. maintaining and developing essential infrastructure)
- A safe city (esp. improving road safety)
- A liveable city (esp. ensuring an effective transport system)

Impact on Council's capacity and responsibilities:

Withdrawal of the designation will would hinder the Council to help Transit to continue to strive to operate an effective and efficient State Highway transportation network.

Effects on Maori:

There are no known effects on Maori

Consistency with existing Council policies:

There are no known inconsistencies with existing Council policy.

Views and preferences of persons affected or likely to have an interest:

The Notice of Requirement was publicly notified in accordance with the requirements of the Resource Management Act 1991. No submissions or further submissions were received on this part of the notice.

Other relevant matters:

PREFERRED OPTION

21. Based on the above assessment it is considered that Option 2 is the preferred option.

RECOMMENDED DECISION

22. The Council resolve, pursuant to Section 171 of the Resource Management Act 1991, that the Council recommend to Transit New Zealand that Transit's Notice of Requirement seeking:

    that all roads deemed, pursuant to the provisions of the Transit New Zealand Act 1989, to be state highway or motorway be designated in the District Plan as "road" or "motorway"

    be **modified** and that the following be included in Part 12 of Volume 3 of the Proposed City Plan following Clause 2.2.3:

Attachment 1:

Schedule of state highways incorporated into City Plan under Section 171 of the Resource Management Act 1991 (Transit New Zealand)

SH1

From the north abutment of the Waimakariri River Bridge (RP 317/9.92) through Christchurch; via Main North Road, Johns Road, Russley Road, Masham Road, Carmen Road and Main South Road; to 10m south of Marshs Road/SH 1 intersection (RP 347/3.28).

10 Cont'd

SH 73

From the junction with SH 74 at the Waltham Road/Brougham Street intersection (RS 0) through Christchurch; via Brougham Street, Jerrold Streets (North and South), Christchurch Southern Motorway, to the Curletts Road/Blenheim Road intersection and from the junction with SH 1 at the Masham Road/Russley Road/Yaldhurst Road intersection to 10m south of Dawsons Road/SH 73 intersection (RP 14/8.77).

SH 73A

From the Blenheim Road/Curletts Road intersection through Christchurch via Main South Road; to the junction with SH 1 at the Carmen Road/Main South Road intersection.

SH 1

SH 1 from the junction of SH 1 and SH 73A at the Carmen Road/Main South Road intersection to the junction of SH 1 and SH 73 at the Masham Road/Russley Road/Yaldhurst Road intersection.

SH 74

From the junction with SH 73 at the Waltham Road/Brougham Street intersection (RS 0) through Christchurch via Brougham Street, Opawa Expressway, Port Hills Road; to the Tunnel Portal – Lyttelton end (RS 22).

Tunnel Road North

From the north abutment of the Heathcote River Bridge to the Port Hills Road/Tunnel Road interchange.

SH 75

From the junction with SH 73 at the Curletts Road/Southern Motorway intersection (RS 0) through Christchurch; via Curletts Road, Halswell Road and Taitapu Road, to the centre of the Halswell River Bridge (RP 0/8.35).

Note:

Sections of State Highway declared as "Motorway" are included in Attachment 2 below "Schedule of Motorways".

Attachment 2

Schedule of Motorways incorporated into City Plan under Section 171 of the Resource Management Act 1991 (Transit New Zealand)

SH 1 Northern Motorway

From the north abutment of the Waimakariri River Bridge (RP 317/9.92) to the northern side of the Main Road/Dickeys Road intersection (RP 317/12.88).

SH 73 Southern Motorway

From the western side of Barrington Street (RP 0/3/04), including part Jerrold Street one way north and south, to the north eastern side of the SH 73/SH 75 Curletts Road intersection (RP 0/5.55).

SH 74

From the Port Hills Road/Tunnel Road interchange (RP 17/0.40) to the Tunnel Portal- Lyttelton end (RS 22).

10 Cont'd

Tunnel Road North

From the north abutment of the Heathcote River Bridge to the Port Hills Road/Tunnel Road interchange.

For the following reasons:

1. Designating these roads allows Transit New Zealand to apply a consistent set of standards to the state highway network across New Zealand, and to not be required to deal with different plan rules in different local authorities.

2. Designating these roads flags that they are recognised as different from other roads in the city (with a different road controlling authority and are affected by different legislation in some issues, such as that involved with the declaration of limited access restrictions).

3. Designating these roads assists Transit New Zealand to operate a consistent national network.

4. The modification of the designation will ensure that roads that are not State Highway are not covered by Transit New Zealand's designation.

5. The modification of the designation will also ensure that the State Highways are correctly, described, named and numbered in the City Plan.

11. JELLIE PARK REDEVELOPMENT

General Manager responsible:	Stephen McArthur General Manager Community Services
Officer responsible:	John Filsell, Manager Recreation Facilities
Author:	John Filsell, DDI 941-8303

PURPOSE OF REPORT

1. The purpose of this report is to consider and recommend an option to resume the redevelopment of Jellie Park pool.

EXECUTIVE SUMMARY

2. The LTCCP provides for a number of recreation facility developments over the next nine years to a total value of $26.4 million. The first development already approved by the Council, at Jellie Park is scheduled to be completed by 2007.

   Feedback from the Council's Aquatic Facility Strategy process (which has scrutinised the Jellie Park redevelopment from a city wide perspective) concludes that the original scope of the Jellie Park redevelopment is not adequate. It does not include deep water, sufficient capacity for schools useage, a waterslide and other future proofing measures.

   The current budget of $6.2 million for Jellie Park is based on 2002 construction prices. It is now insufficient by up to $5.8 million[8]. This is primarily due to inflation in the construction sector increasing costs by 30% to 40% and a small increase in the scope of the project. The project has begun (total value of work done to date is $466,444[9].) and has been put on hold to enable the Council to re-evaluate how it wishes to redevelop Jellie Park.

   Redevelopment options include, Option 1 repairing the existing facility (up to $2.5 million[10]). Option 2, completing the redevelopment as originally planned ($9.96 million). Or, Option 3, completing the redevelopment in a manner informed by the feedback from the development of the Aquatic Facility Strategy process ($12 million). Officer advice is that Option 3 be preferred.

   There is sufficient funding in the LTCCP over the next nine years to complete Jellie Park at a cost of $12 million and two smaller aquatic facility developments at a combined cost of $14.4 million, but it is allocated into the wrong years.

   All options were put to the Creating Strong Communities Portfolio Group who supported Option 3[11]. There is now a need for the Council to make a prompt decision on how it wishes Jellie Park to be redeveloped.

FINANCIAL AND LEGAL CONSIDERATIONS

Financial Considerations

3. The LTCCP currently includes $26.4 million for recreation facility developments over the next nine years. $6.2 million for Jellie Park and $20.2 million for other facilities. This is shown in Table 5 in Attachment 1 to this report.

4. If the Council redevelops Jellie Park at a cost of $12 million, there is a remaining $14.4 million in the LTCCP over the next nine years. This is sufficient for two smaller aquatic/recreational facility developments[12]. However funds are allocated in the wrong years and will need to be reprioritised in the 2006 LTCCP.

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[8] Depending on which option for redevelopment Council adopts.
[9] This includes $31K planning and design fees, $318K mechanical upgrades and $117K buying contractor leases.
[10] Dependent on the scope of the work.
[11] See section 23 of this report.
[12] This will depend on exactly what type of facility Council chooses.

11 Cont'd

5. The Council will review its LTCCP in 2006. As part of this review the Council can reprioritise capital expenditure allocated to recreation facility developments to fund the Jellie Park redevelopment. Table 5 in Attachment 1 to this report outlines how to do this.

6. There is sufficient funding in the LTCCP for 2005/2006 to resume work on the Jellie Park redevelopment. The funding needed to complete the project in 2006/2007 will come from a reprioritisation of existing capital expenditure allocated to recreational facilities. The reprioritisation will occur as part of the 2006 LTCCP process.

7. There will be no impact on rates if the Council adopts redevelopment Option 3 at a cost of $12 million. The Council's Corporate Services group have advised that if capital expenditure is reprioritised within the 10 year period in the LTCCP there will be no effect on rates as long as the total expenditure ($26.4m for aquatic/recreation facilities) does not increase. This is because the capital spend is averaged out over the 10 year period and the Council will not be borrowing additional funds.

8. There will be no additional net operational cost as a result of the Council adopting Option 3 in preference to Option 2, the original proposal. The net operational cost to the Council from Option 3 will be lower than that of the option originally conceived. This is because Option 3 includes more scope to generate revenue through swim education, greater patronage and an indoor water slide.

   Any net increase in operational cost from a redeveloped pool over the current pool will depend on the final design of the facility; estimates indicate an increase of between $200K and $300K over present levels. This will be budgeted into the 2006/2016 LTCCP.

   The Council can make substantial savings in operational costs if older facilities are retired. These savings can off-set the operational costs of new or redeveloped facilities. Often older facilities that are not designed to attract a large revenue or patronage have higher net operating costs. For example, the Sockburn Recreation Centre (not including the Pool) has a total operating budget of $220K per annum and a yearly patronage of 25,000.

   The Council has recently made similar decisions in respect of Papanui and Woolston pools and it is suggested that the Council reviews older facilities as part of its decisions on the Aquatic Facility Strategy later this year.

Legal Considerations

9. The Council's Legal Services Unit advises that it is not necessary for the Council to enter into further public consultation in order to make a decision on the matters dealt with in this report, i.e. Jellie Park Redevelopment. This is because:

(a) The redevelopment has been approved by the Council, it is in the LTCCP and initial work has begun.
   - The original redevelopment and this review have been widely consulted in the media, community, the Community Board as part of the research for the Aquatic Facility Strategy.

(b) The principal reason for the cost increase is inflation in the construction sector, taking the cost of the original option to $9.96 million.
   - The Council has recently made decisions allowing projects with significant cost increases to proceed, e.g. wastewater pipeline.

(c) The preferred option at $12 million is a $2 million increase on the cost of the project as originally approved by the Council. The increase is made up of a design and build contingency and a small extension in scope, e.g. deep water, movable floor and bigger change areas.
   - The redevelopment is not viable without an extension in scope.
   - The extension in scope is consistent with the Aquatic Facility Strategy.
   - The extension in scope is consistent with criteria for future aquatic facility developments approved by the Council in March 2005 (Aquatic Facility Strategy Criteria Report).

11 Cont'd

(d) The LTCCP already includes funding for the redevelopment in the 2005/2006 year. It is intended that existing capital expenditure allocated to recreational facilities in the LTCCP for the 2007/2008 and 2012/2013 years will be brought forward to the 2006/2007 LTCCP and included in the consultation process for that year. The Aquatic Facility Strategy and its recommendations will also be the subject of consultation in 2006/2007.

STAFF RECOMMENDATIONS

It is recommended that the Council:

(a) Commit to Option 3 for the redevelopment of Jellie Park, (up to a maximum expenditure of $12m), and that work recommence immediately on the project.

(b) Reprioritise capital expenditure allocated to recreation facility developments to fund the Jellie Park redevelopment as part of the 2006/2016 LTCCP.

(c) Note that sufficient funding is available for two further smaller aquatic/recreation facilities within the current LTCCP.

(d) Review ongoing commitments to existing facilities to fund additional expenditure for new facilities as part of decisions on the Aquatic Facility Strategy.

(e) Note that detailed plans for the Jellie Park redevelopment will be brought back to the Council for approval.

11 Cont'd

BACKGROUND ON THE JELLIE PARK REDEVELOPMENT

10. A total of $6.2 million is included in the LTCCP over the years 2004 to 2007 to redevelop Jellie Park. Work began on the project and in September 2004 a quantity surveyors estimate on the cost of the redevelopment option favoured at the time was $9.96 million.

    In June 2004 the Council became concerned about the number of plans for new aquatic facilities coming piecemeal from different areas of the city. As a result in October 2004 the Council began work on an Aquatic Facility Strategy. Its aim being to develop a comprehensive plan for the provision and upkeep, for the next 30 years, of aquatic facilities in the city. The Strategy assumes the Council's prior commitment to the Jellie Park redevelopment and aims to inform the nature of the development.

    Research done and feedback received on the Strategy to date (from a city wide perspective) has indicated that the original proposal to redevelop Jellie Park will not meet the needs of the community. In particular, the need for deep water, additional room for schools and special groups and measures to future-proof the development (such as an indoor waterslide and dummy piping) now need to be included.

    In October 2004 the General Manager Community Services asked the recently appointed Recreation Facilities Manager to review Jellie Park. The review was delivered to the Council's Executive Team in December 2004. The Executive Team requested a full review of the Jellie Park redevelopment project in light of the emerging information on the cost of the development and its compatibility with the Aquatic Facility Strategy, and that the review be reported to the Council.

11. The two identified issues are:
    - The original scope of the redevelopment is no longer appropriate when viewed through a city wide perspective using the research and feedback from the Aquatic Facility Strategy.
    - The cost on the redevelopment is more than is currently provided for between years 2004 and 2007 in the LTCCP.

12. Work has begun on the project bringing the outdoor pool plant up to standard and preliminary design work on the redevelopment. Leases held by the previous pool contractor, the Body Tamers Gym and Physiotherapist have been bought out. The total value of work done to date is $466,444. The project is on hold and no further outgoings are due.

The Condition of Jellie Park Pool

13. A number of maintenance processes have been deferred in the expectation that the redevelopment will proceed. Jellie Park is in urgent need of repair in order to preserve its useful life. If the redevelopment or repair does not proceed promptly there is a risk of significant degredation to the asset.

    Estimates indicate that if the full redevelopment does not proceed between $2 million and $2.5 million will be needed to maintain the existing features Jellie Park has to offer. This course of action is included as Option 1, in this report.

    Maintenance issues are significant, the most serious involve:
    - The reception and changing building parting company from the indoor pool and beginning to lean.
    - Cracks developing in the reception and poolside floors
    - Poor ventilation rotting the interior fabric of the building.
    - Many of the temporary plant repairs involve pipe-work rerouted over rooftops as the underground services are inaccessible without extensive excavation.

    The extent of the damage is well documented and photographs are included as Attachment 2, to this report.

11 Cont'd

14. **Suitability of Jellie Park as a Location for a Larger Aquatic Facility**

(a) Jellie Park redevelopment can specifically cater to the needs of groups who traditionally face barriers accessing community facilities; youth, older persons and those on lower incomes. The Council specifically asked for these groups to be included in the Aquatic Facility Strategy Criteria Report March 2005.

- Youth, will enjoy water slides, hot pools (to be seen in) and deep water for water sports.
- Older persons will enjoy deep water for aqua jogging, lane pools with range of temperatures, more dignified changing facilities and hot pools for therapy and conversation.
- Lower income groups will enjoy better schools' access to ensure more schools children have the opportunity to learn to swim. They will also have better opportunity to hire pool space for sports, church group activities or recreational social gatherings.

(b) New Zealand has the second worst drowning rate in the western world, only 25% of our children can swim proficiently by the age of 12.

- Water safety cannot be effectively taught without deep water, Christchurch needs more deep water.
- Jellie Park is located on the opposite side of the city to the only other public deep water in Christchurch, at QEII.

(c) Jellie Park Pool runs uncomfortably over capacity with waitlists on most programmes. It has an annual patronage of 400,000.

- Casual lane swimming and recreational sessions are now restricted to Monday to Friday Noon to 1.00pm and after 7pm, Weekends noon to 6pm.
- Demand is growing.

(d) Jellie Park is situated in the centre of a large residential area; population is growing in its catchment.

- The nearest indoor pool to Jellie Park is at Wharenui, this is also at capacity.

(e) There are four schools with over 4000 pupils within five minutes of Jellie Park; these are Burnside Primary and High Schools, Christ The King Primary and Cobham Intermediate.

- There are twenty nine other schools serviced at Jellie Park, most needing more room.

(f) Jellie Park has indoor pools, a gym and is one of the best outdoor pools in the country. This will complement any redevelopment.

(g) Jellie Park was originally gifted to the community by James Jellie for the purposes of recreation. The pool complements the Park and vice versa, providing a pleasant "buffer" between local residents.

(h) Jellie Park has adequate land for redevelopment already within the perimeter of the current pool, negating the need to buy land.

(i) Jellie Park is accessed by well constructed, wide and safe roads; Memorial Avenue, Ilam Road and Greers Road.

(j) Jellie Park is well served by public transport; it is on the route of The Orbiter.

OPTIONS

15. Three options are presented, these are listed below. Keeping the project on hold indefinitely (Maintain the Status Quo) is not listed as an option for reasons detailed in section 21 of this report.

Option 1. Maintain existing facility, no upgrade.
Option 2. Complete project as planned before the Aquatic Facility Strategy
Option 3. Complete project in a manner consistent with the Aquatic Facility Strategy

Details on each option are outlined in Table 1 as follows:

Table 1: Options for the Redevelopment of Jellie Park				
Option	**Scope of Work**	**Estimated Cost**[13]	**Advantages**	**Disadvantages**
Option 1: Maintain existing facility, no upgrade	A substantial building and plant overhaul to bring the existing complex up to a basic operational standard. **This will require a detailed engineers report**	**$2M to $2.5 million** • Based on quantity surveyor estimates **Ranking: 56/100**[14] **OPEX: $600K**	• Will preserve the asset and existing functions of Jellie Park • No additional funding needed • Remaining funds to other developments	• Facility will not be redeveloped as decided by Council in 2003 • Will prohibit further redevelopment • Community need for additional water space not addressed • The community spend up to $2.5 million and get an old pool that is too small
Option 2: Complete project as planned before the Aquatic Facility Strategy	-An additional 8 lane pool -Refurbished changing areas -Refurbished gym area -Maintained existing pool area -Re modelled reception and entry -Spa and toddlers pools -Landscaping and car parking	**$9.96 million** • Based on quantity surveyor estimates • A four lane option will cost $7.8M **Ranking: 35/100** **OPEX: Plus $200K to $300K** [15]	• Sufficient water area for anticipated long term need • Dry facilities up to an accessible standard	• Requires existing capital expenditure for recreational facilities in the LTCCP to be reprioritised • Does not include deep water, attractions, changing for schools or future proofing • End up with a pool that does not meet needs yet costs a lot of money
Option 3: Complete project in a manner consistent with the Aquatic Facility Strategy **This is the preferred option.**	As per option 2 (above) plus: -Deep water with a movable floor -An indoor waterslide -Dummy under pool piping for future attractions -Changing areas modified to accommodate schools/groups	**$12 million** • Based on quantity surveyor estimates • Deep water, movable floor, user attractions and changing areas estimated by suppliers **Ranking: 84/100** **OPEX: Plus $200K to $300K** [16]	• Meets current and future needs as defined in the emerging findings of the Aquatic Facility Strategy • Meets the criteria for the design and location of new facilities in the Aquatic Facilities Strategy Criteria Report April 2005 • Includes deep water, better facilities for schools and future proofed user attractions	• Requires existing capital expenditure for recreational facilities in the LTCCP to be reprioritised • Is the most expensive

[13] Estimates of cost have a 10% design contingency and a 10% inflation contingency.
[14] See section 17 of this review (overleaf) for ranking details.
[15] This is a broad brush estimate that can not be firmed up until the details of the facility are established.
[16] This is a broad brush estimate that can not be firmed up until the details of the facility are established.

11 Cont'd

ASSESSMENT OF OPTIONS

17. Options one, two and three are evaluated on a scale of one to ten, in terms of the degree to which they satisfy the Council's principles driving the review as well as community need. The results are detailed in Table 2 below

Table 2: The Preferred Option for the Redevelopment of Jellie Park			
Council's Principles Driving the Review	**Option 1:** Maintain existing facility, no upgrade	**Option 2:** Complete project as planned before the Aquatic Facility Strategy	**Option 3:** Complete project in a manner consistent with the Aquatic Facility Strategy
The redevelopment of Jellie Park happens and begins promptly	5/10	6/10	7/10
The redevelopment of Jellie Park gives value for money	11/20	5/20	18/20
The redevelopment of Jellie Park will not compromise Council's ability to fund other developments which might arise from the Aquatic Facility Strategy in the future	10/10	8/10	8/10
The redevelopment is funded from within existing provision for aquatic facilities in the LTCCP	10/10	5/10[17]	5/10[18]
The redevelopment meets community needs	10/30	6/30	30/30
The redevelopment proceeds in a manner consistent with Council's sport and recreation policies • All people have the right to participate regardless of age, ability, discretionary income, ethnicity, gender and geographical location. • Council must manage limited recreational resources in a manner that ensures equity fairness and effectiveness • Physical assets meet the identified and viable needs of Christchurch and minimum legal standards	10/20	5/20	16/20
Totals[19]	**56/100**	**35/100**	**84/100**

PREFERRED OPTION

16. The preferred option is Option 3; complete the project in a manner consistent with the Aquatic Facility Strategy.

[17] Requires a reprioritisation of existing capital expenditure for facilities in the LTCCP
[18] As above
[19] Each criteria is marked out of 10, 20 or 30 depending on significance, 1 being least favourable

11 Cont'd

17. Option 3 will best satisfy current and future community need:

(a) It will cater to a predicted increase in schools use by offering:
- more pool space,
- better changing facilities.

(b) It will specifically cater to community and schools' learn to swim initiatives:
- The movable floor will provide large areas of safe, shallow and warm water.

(c) It will cater to the proven need for water safety education which cannot happen in shallow water.
- The movable floor will provide large areas of safe deep water.

(d) It will best cater to the needs of youth by including;
- an indoor water slide,
- hot pools for conversation and a place to be seen,
- deep water for popular team water sports such as water polo, underwater hockey and canoe polo.

(e) It will best cater to the needs of older persons by offering;
- a 25 metre pool with warmer water,
- deep water for aqua jogging,
- hot pools for therapy and conversation,
- more dignified changing facilities.

18 Option 3 will be future proofed and represents the best value for money.
- It is large enough to meet anticipated demand.
- It will be future proofed with features like dummy piping, better changing areas and an indoor water slide.
- The movable floor caters to what ever aquatic activity is en vogue.

19 Option 3 recognises that Jellie Park is to be one of the city's two significant aquatic facilities; it is on the opposite side of the city to QEII, the other significant facility.
- At present the only indoor public deep water is at QEII which is running over capacity and has issues catering to the demand. Especially with the new slides expected to increase loadings.
- Option 3 will ease the pressure on QEII and make aquatic sports and recreation for people of all backgrounds more accessible in the west of the Christchurch.

20 If the Council does not wish to proceed with the redevelopment of Jellie Park, then Option 1 is recommended. This will provide for essential maintenance and preserve the life of the current facility. If Option 1 is chosen it will largely prohibit any future redevelopment by making it uneconomic as a newly repaired facility will be demolished to make way for a redevelopment.

Maintain the Status Quo (Not Preferred Option)

21. Keeping the project on indefinite hold (maintaining the status quo) is not considered a viable course of action for Council, for the following reasons.

(a) There is an existing financial commitment from the Council for a redevelopment.

(b) There is a firm community expectation built over the past eight years that a redevelopment will happen.

(c) Work has begun on the redevelopment. This has been halted until the Council decides the project's future.

(d) Significant degradation to the asset will result if redevelopment or repairs do not happen soon.

(e) The current cost estimates upon which options are based will no longer be accurate as the gap between estimate and construction increases with time.

11 Cont'd

(f) Construction costs continue to rise; further delay will result in further cost.

(g) The Aquatic Facilities Strategy process is based on an assumption that Jellie Park will be redeveloped. The Strategy relies on a decision on which option Council wants.

(h) The Council has 20 employees on fixed term contracts that expire when the facility closes for redevelopment. Contracts have been extended each time the redevelopment time frame has been extended. Further extension of these contracts may not be possible without making the employee's permanent, and compensating them when the facility eventually closes.

(i) Over the past three years the Council has "bought out" the leases of three independent contractors based at Jellie Park under the justification of a redevelopment. The expense and the motive could be questioned if the redevelopment does not proceed.

The Council's Aquatic Facility Strategy

22. The Council should not wait for the Aquatic Facility Strategy before it makes a decision on the Jellie Park redevelopment. A decision is needed now because:

    (a) The Council has already resolved to redevelop Jellie Park and this is reflected in the current LTCCP.

    (b) The redevelopment is on hold pending a decision by the Council on its future.

    (c) The Jellie Park redevelopment has had the benefit of being reviewed in light of the research and emerging findings of the Aquatic Facilities Strategy development process. Option 3 contained in this review will support and complement the Strategy.

    (d) Irrespective of the Strategy there is proven community need and an established community expectation for redevelopment.

    (e) None of the redevelopment options presented will financially compromise the Council's ability to deliver the strategy, see sections 3 to 8 of this report.

    (f) In many respects the Strategy relies (and has always relied) on having a firm decision on the future of Jellie Park. The Jellie Park redevelopment would be a fundamental part of the Strategy in any case.

    (g) The Strategy is scheduled to report in September. Once the Strategy is approved by Council consultation on the implications of the strategy will be aligned to the 2006 LTCCP. This delay will jeopardise the redevelopment for the reasons given is section 21 of this report.

    (h) If redevelopment or repairs do not begin soon there is a risk of significant degradation to the asset.

Previous Consideration of the Jellie Park Redevelopment

23. Portfolio Group 21 April 2005
    Options to re develop Jellie Park were presented to the Creating Strong Communities Portfolio Group. There was support for option 3 subject to the provision of certain information. This is summarised in Table 3 as follows:

11 Cont'd

Table 3: Information Sought by the Strong Communities Portfolio Group	
Information Sought	**Response**
Will Council have sufficient funds to construct two other smaller community pools and redevelop Jellie Park?	Yes. Council will have $14.4 million in the LTCCP for the construction of recreational facilities. This is sufficient for the construction of two smaller pools. The exact cost of other pools will depend on the size and facilities Council wishes to include. Please see sections 3 to 8 of this report and Table 5 in Attachment 1.
If a $12 million redevelopment option is approved, will the project be capped at this level?	Yes. The options for redevelopment have been quantity surveyed, and costs reviewed by Councils City Solutions Team and a 20% contingency added. A cap of $12 million will be set and is realistic.
Do you have a contingency?	Yes. There is a 10% design and 10% build contingency build into the cost estimates. Added to this, aspects of the project have been priced by contractors in today's market.
Have you considered partnerships?	Yes. The Aquatic Facility Team and an independent contractor have pursued the opportunity for partnerships; current leads include facilities to the north and east of the city.
Have you consulted the Fendalton Waimairi Community Board? Do they support Option 3?	Yes. The board Chair Mike Wall and Val Carter were briefed on May 2nd. There was full support for Option 3 providing there was no effect on rates as a result. There is no effect on rates. Please see sections 7 and 8 of this report. The Board was also invited the Council Seminar on May 10th.
Have you considered the impact of operational costs?	Yes. Operational costs are likely to be less for Option 3 than those for the option originally approved. This is because Option 3 includes greater capacity to generate revenue. Please see section 8 of this report.

23. Council Seminar May 10th
Options to redevelop Jellie Park were presented to a Council seminar and the Fendalton/Waimairi Community Board. There was concern at the cost escalation. There was also a realisation that the Council has approved a redevelopment and that work has begun. Information was requested, this is summarised in Table 4 as follows:

11 Cont'd

Table 4: Information Sought by the Council Seminar	
Information Sought	**Response**
Does Council have sufficient funds to cover the increase?	Yes Council has $26.4 million in the LTCCP for recreational facilities. Council has adequate funding for 2005/2006 already allocated, the remaining funding already in the LTCCP will be reprioritised in the 2006 LTCCP review. Please see sections 3 to 8 of this report and Table 5 in Attachment 1.
Will Council be given the Opportunity to retire older facilities to offset the cost of new ones?	Yes. This process has already begun with Council's decision in respect of the Suburban Pool review. There will be full opportunity to retire older facilities as new ones are built in the Aquatic facility Strategy. Please see section 8 of this report.
Will there be any impact on rates as a result of a $12 million redevelopment?	No. Capital Cost If existing capital expenditure is reprioritised within the 10 year period in the LTCCP there will be no effect on rates as long as the total expenditure does not increase. This is because the capital spend is averaged out over the 10 year period and Council will not be borrowing additional funds. Operational Cost Operational costs are likely to be less for Option 3 than those for the option originally approved. This is because Option 3 includes greater capacity to generate revenue. Please see sections 3 to 8 of this report and Table 5 in Attachment 1.
Will Council have sufficient funds to construct two other smaller community pools and redevelop Jellie Park?	Yes. Council will have $14.4 million in the LTCCP for the construction of recreational facilities. This is sufficient for the construction of two smaller pools. The exact cost of other pools will depend on the size and facilities Council wishes to include. Please see sections 3 to 8 of this report and Table 5 in Attachment 1.
Can Council make a decision without further community consultation in an annual plan?	Yes. Council's Legal Services Unit have confirmed that it is not necessary for Council to enter into further consultation in order to make a decision on matter contained within this report. The redevelopment is already approved by Council, is in the LTCCP and work has begun. The principle reason for a cost increase is inflation in the construction sector; Council has recently made decisions allowing other projects with cost escalations to proceed e.g. Wastewater Pipeline. There is only a small increase in scope in Option 3 to that of the original option. This involves deep water, bigger changing areas and a slide. The LTCCP includes sufficient funding in the 2005/2006 year. Existing capital expenditure allocated to recreational facilities in the in the LTCCP for the 2007/2008 and 2012/2013 years will be brought forward to the 2006/2007 LTCCP and included in the consultation process for that year. Please see section 9 of this report.

12. PROPOSED CLEARWATER VARIATION TO THE CITY PLAN

General Manager responsible:	Peter Mitchell General Manager Regulation & Democracy Services
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1. PURPOSE OF REPORT

The purpose of this report is to introduce a variation to the proposed City Plan as requested by Clearwater Land Holdings Limited. The variation has been prepared by Clearwater Limited following discussions with Council officers. This report is intended to bring the Council's attention to all the issues that surround the proposal, in particular its implications for the Plan's urban growth objectives and policies in order for the Council to be able to make a decision on whether or not to notify the variation.

2. EXECUTIVE SUMMARY

A privately initiated variation to the City Plan to enable the intensification of development at Clearwater Resort, establishment of a Conservation Park and extended quarrying on land adjacent to the existing Rural Quarry zone at Peacock Springs has been received by the Council. If notified, this variation will be a Council document and will be viewed as such in the community. While it has been initiated by a private party, to proceed any further through the statutory process it must be adopted by the Council as representing the Council's own policy on development at Clearwater and on the Isaac land. The proposed variation raises a number of issues which are discussed in this report.

The variation proposes expanded development at the Clearwater resort in a manner which would be contrary to some of the objectives and policies for urban growth in the City Plan. To overcome this, Clearwater offers a package of environmental mitigation to produce an overall net environmental benefit.

The Council essentially has two options in which to deal with the variation, both of which require as a prerequisite a position to be formulated on whether the environmental mitigation offered by Clearwater is sufficient to set aside the Plan's urban growth objectives and policies on the basis that Part II of the Act can still be met by the proposal. Once this decision is made, the Council can then choose whether to:

1. Accept the variation as modified by Council staff and publicly notify it; or
2. Reject the variation.

This report recommends that the variation be accepted and publicly notified.

3. FINANCIAL AND LEGAL CONSIDERATIONS

Publicly notifying a variation to the City Plan imposes costs on the Council, in terms of staff time and resources. It is noted that a considerable amount of staff time has been involved in progressing matters to this point over a period of 2-3 years, and this is an opportunity cost as it deflects staff from working on other projects that may be important to the city. There are also financial implications should the variation proceed to the Environment Court in terms of the cost of retaining legal counsel and expert witnesses.

In response to issues raised by solicitors for Clearwater concerning an independent peer review by Ken Tremaine, a legal opinion was sought from Simpson Grierson. The following points from the Executive summary of that opinion are relevant:

- *The Council has a <u>discretion</u> of whether it initiates the Variation. In reaching this decision, it is open to the Council to undertake an assessment of whether the Variation is the most appropriate way to achieve the purpose of the RMA. This implies an evaluative approach by the Council, and some form of assessment of the Variation against other methods. This is consistent with the conclusion of Mr Tremaine that the Council will need to decide whether it is appropriate for it to initiate the Variation.*

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- *In undertaking a section 32 assessment, the Council is also entitled to take into account whether the Variation has a purpose of achieving the settled objectives and policies of the District Plan that are not being altered by the variation. It is these objectives and polices which can generally be said to reflect the purpose of the Act. Further, by looking at such objectives and policies, a coherency to the district plan will be ensured. This approach is in our view unaltered by the current version of section 32.*

- *While not expressly required to act in a manner consistent with the provisions of the proposed NRRP, the Council in having regard to the proposed plan may determine at its discretion that it will act in a manner consistent with it. Further, the NRRP expressly requires that the District Plan implement certain policies and methods in respect of the Water Recharge Zone. Accordingly, it is appropriate for the District Plan and the NRRP to be assessed holistically in determining whether to initiate a Variation.*

- *Given existing case law, the Council was entitled (if not required) to assess the nature and extent of environmental compensation.*

In addition, the opinion notes:

- *The discretion to initiate a variation must also be seen in the context of clauses 17 and 20 of Schedule 1 of the RMA. An approved policy statement or plan, including a variation under clause 16A of the Act, has effect immediately upon notification. This in itself is a factor for the Council to consider in terms of "backing" the proposed Variation.*

4. STAFF RECOMMENDATIONS

It is recommended that the Council:

(a) Decide whether the mitigation package offered by Clearwater (excluding that to be offset against development contributions) is sufficient to offset the variation's conflict with the City Plan urban growth objectives and policies.

(b) If it confirms the mitigation package, proceed with the notification of the proposed Clearwater variation.

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5. BACKGROUND

In October 2002 the Council resolved to commence a process to consider a possible variation to the Proposed City Plan for Clearwater and the Isaac Wildlife Trust. The variation has been drafted by consultants for the two parties, in consultation with a staff level working party. The resolution specifically records that the Council gives no assurances about proceeding with the variation prior to the decision about whether or not to publicly notify it. A Clearwater Subcommittee (of the Strategy and Finance Committee) was established to provide guidance to the staff team on the strategic issues raised in the variation and to make a recommendation to that Committee. The Subcommittee met with Clearwater representatives and also with Christchurch International Airport Ltd.

A first draft of the variation was received on 15 October 2003. On 20 October 2003 the Clearwater Subcommittee met to discuss the receipt of the draft variation and resolved:

1. That the Variation not proceed in its present form prior to the resolution of the Environment Court references on Variation 52.

2. That the staff evaluate the proposed Variation in detail and provide comments to the applicants for their consideration.

3. That the staff in consultation with the applicants prepare a consultation programme with interested parties.

4. That the Council invite the applicants to discuss the issues relating to the Conservation Park separately from the issues relating to Clearwater in order to progress the Conservation Park.

This resolution has been implemented as follows:

The Environment Court has since made its decision on Variation 52 and confirmed that the threshold for new residential development is to be at the 50 dBA contour. The only part of the new Clearwater residential proposal within the 50 dBA contour are the approximately 42 units proposed to be erected in lieu of erecting them on the Isaac land in the Rural 4 zone. Prior to notification of Variation 90 the units could have been be erected as of right there in a rural cluster and would have been even more affected by airport noise. The process of uplifting the rights from one piece of land and transferring them to another is described as "transfer of development rights (TDR)". Christchurch International Airport Ltd has accepted this arrangement. There is also existing residential development inside the 50 dBA contour under existing approvals. In addition, some existing and proposed resort hotel development is inside the 50dBA contour (a total of 260 hotel bedrooms).

Council staff provided feedback on the draft in a letter dated 1 December 2003. A revised version of the variation was supplied at the end of April 2004, followed by various meetings and consultation with affected parties in May. The section 32 assessment was provided in mid-May. In early June, Council staff again raised the issues still outstanding with the variation and the s32 assessment, including the issue of the then soon-to-be-notified Environment Canterbury Natural Resources Regional Plan chapters. The final version of the variation was lodged on 28 June 2004, but further minor amendments were made as a result of discussions with staff up to October 2004.

Consultation took place during 2004 with ECan, Department of Conservation, Fish and Game, CIAL, Transit NZ, surrounding landowners, and existing Clearwater owners. Council staff were present at most of these meetings to verify the process.

Discussions from late 2004 onwards have centred around possible environmental compensation or mitigation measures as well as changes made to the variation by Council staff. An independent review of the policy issues and environmental compensation, funded by the Council was undertaken by Ken Tremaine, of Ken Tremaine Consulting Ltd over January and February 2005 with Mr Tremaine's report received in March.

As a result of Clearwater being aware of the outcome of that review, which was not favourable to the proposal, in May 2005 they revisited the level of development sought and the compensation package offered.

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6. NEED FOR VARIATION

If the City Plan remains in its present form and the proposals proceed then without a Council variation the processing of major resource consent applications (which have already been lodged) will be required. These will be difficult, costly and time consuming for both the Council and the applicants, although it is recognised that there is the ability to recover costs through the resource consent process. The costs in money and time could equal or exceed the costs of varying the Plan. The variation proposal enables comprehensive assessment of the overall development plans for Clearwater and the Isaac Conservation Park by the Council (and the community, should the variation proceed) which is generally more difficult through an application-by-application resource consent process. An alternative is for Clearwater and the Isaac Trust to wait until the City Plan is operative in part and lodge a private plan change.

7. PROPOSED VARIATION

The proposed variation, s32 assessment and assessment against the proposed City Plan objectives and policies are attached to this report. These documents were prepared by Clearwater's consultants based on the earlier enlarged proposal. The variation has subsequently been amended to reflect the reduction in development rights sought, and also modified by Council staff to address some detail concerns. The following comments are intended to outline the main features of the proposed variation, as amended by Council staff.

The variation allows for the expansion and amendment of the existing Open Space 3D zone through the creation of a Conservation Park on the lands owned by the Isaac Wildlife Trust and the expansion of the Clearwater Resort. The large Isaac landholdings between McLean's Island Road and Clearwater are proposed to be included as a new Open Space 3D (Isaac Conservation Park) zone, with additional lands to the south and east of the existing Open Space zone included within an enlarged Open Space 3D (Clearwater) zone. Altogether about 1400 ha is included. Two outline development plans indicate in very general terms how the land in the zone will be used.

Main features include additional land for residential housing and enlargement of the hotel complex at Clearwater, with provision for extended quarrying within the conservation park.

Additional housing is proposed within the 50 dBA airport noise contours at Clearwater. Part of this is proposed to be in effect compensated for by a "transfer of development rights". A certificate of compliance has been issued for 42 residential units at a density of 1 per 20 hectares on the Isaac land, between Clearwater and McLean's Island Rd, zoned Rural 4 and 5. A separate application was also lodged to show these houses clustered together on small sites in an urban village, with each house site being amalgamated with a 20-hectare parcel elsewhere on the property. The village is closer to the airport than Clearwater and within the 55-dBA contour. This application was lodged prior to the notification of Variation 90 to the proposed plan, which has since closed this loophole. The proposal is to transfer this development opportunity to the Clearwater site, thus producing a development less affected by airport noise than a comparable development elsewhere on the land, and to provide 'no complaint' covenants on the titles to the allotments. In all it is proposed to enlarge the resort hotel function to 350 bedrooms and erect a total of 111 residential units (150 more hotel rooms and 80 more residential units than allowed for under the existing Open Space 3D Plan provisions and existing resource consents). Part of the housing and resort hotel development is proposed to be within the 50-dBA contour, although the proposal for some housing within the 55dBA noise contour has been removed by Council staff.

8. PROPOSED VARIATION - KEY ISSUES

The main issues arising from the proposed variation are discussed below. The key issue for this report is the effect of the proposal on the urban growth objectives and policies, and the possibility that this effect can be compensated for by the package offered by Clearwater and the Isaac Trust. The determination of a position on this issue is essentially a pre-requisite to considering all the other issues that arise from the variation.

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Urban growth

The proposal for additional housing is contrary to those objectives and policies in the City Plan that promote a compact city form, expansion only adjacent to existing development, and reducing car journeys. These objectives and policies are included within Clearwater's assessment, attached to this report. The implementation of these urban growth objectives and policies is intended to result in a sustainable form of urban growth through the consolidation of the urban area, which will assist in reducing private car-borne trips and hence contribute towards the efficiency of the end use of energy, reduction of congestion and will also enable the efficient use of existing infrastructure and community facilities. It can therefore be concluded that development that does not achieve these objectives and policies is less sustainable than development that does.

The supporting documentation argues that the distance to Clearwater from the City centre is similar to that of Belfast, but this is not an appropriate comparison to draw given Belfast's connectivity with the rest of Christchurch, which is not shared by Clearwater. If this argument was accepted it would also justify any isolated urban development within several kilometres of the existing urban fringe, which is clearly not the intention of the City Plan for peripheral urban growth.

The variation and its supporting documents do not address the issue of the demand for development between the city boundaries and Clearwater that may be stimulated by the proposal (i.e the "filling in" of the rural land that currently separates Clearwater from the city). This rural area is covered by the Belfast Area Plan, currently being developed by the Council.

Clearwater have stated that their resort community activity areas are intended to contain a mixture of resort hotel rooms and residential units, and have verbally advised that their concept of the 'resort community' is such that some people may choose to stay in the hotel units for extended periods of time, while other residential unit owners may choose to make their homes available for short or longer term leases, blurring the distinction between the hotel activity and the residential unit. The resort hotel units are also marketed as residential units with an option to lease back to the resort company, and are rated as residential, rather than commercial, activities.

A legal opinion, obtained by the Environmental Services Unit, relating to the definition of resort hotel suggests that the existing City Plan definition of resort hotel (that relates solely to Clearwater) is ambiguous, does not appear to cover the form of the activity that has been undertaken at Clearwater and requires strengthening. In light of the legal opinion, and reinforced by Clearwater's explanation of how the resort community is intended to be managed, the actual effects of the scale of both hotel and residential development proposed at Clearwater have to be considered. The variation alters the definition of resort hotel to highlight the hotel lease requirements and dissuade residential occupation of these units. Under the variation, an additional 150 resort hotel bedrooms can be provided, bringing the total in the Open Space 3D (Clearwater) zone to 350 bedrooms, plus a total of 111 residential units. Assuming that at least part of the time some of the resort hotel units will be housing longer stay visitors or owner-occupiers, the 'urban' nature of the resort is self-evident.

Clearwater's own assessment documents concede that the proposal does not implement and achieve the peripheral and consolidated urban growth policies, but argue that there is scope to consider the development as an exception, given its "unique" features and the benefits that it represents.

Isaac Conservation Park

The vision for the park, as expressed through the variation is of a development over many years (up to 60) with farming and quarrying gradually being replaced by a park with some public access (pedestrian and cycle only), with some areas comparable to the existing Peacock Springs development where public access is restricted.

A "green belt" barrier to further urban expansion would still exist without the conservation park, but with the transfer of development rights, as no further residential units could be erected on the land, provided that a robust legal mechanism can 'sterilise' the contributing land from development. The land is held by two trusts, with the Christchurch City Council identified as the beneficiary of the trusts at a future date. Part of the land is subject to a conservation covenant in favour of the Council with another part earmarked for a similar arrangement.

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Lady Isaac's proposal that a 1200 hectare site be established for the benefit of future generations of Christchurch residents is to be commended, but it must also be recognised that Isaac Construction Limited will benefit from the extension of quarrying beyond the current zoned areas. While there are other Rural Q zoned sites within the City, these are largely held by other mineral excavation companies and therefore may not be available to Isaac Construction. The income derived from the extended quarrying is to be used to fund the Isaac Conservation Park. Some of this income will be required to be used to rehabilitate quarried areas to a standard consistent with the use of the land as a conservation park (note, this standard is presently unknown but may be able to be legally defined through the conservation covenant process).

Concerns in relation to quarrying and groundwater quality impacts are outlined in the discussion of the NRRP later in this report. The overall objectives for the Conservation Park, its management both while quarrying is being undertaken and post-quarrying, and the recreation benefits to Christchurch city residents are presently unknown. The management issues, including quarry operation and rehabilitation are proposed to be the subject of a management plan, triggered by any extension of quarrying beyond the current Rural Q zone boundaries. This potentially allows the creation of a new zone on trust, without full prior knowledge of the benefits or costs of its establishment – unless these outcomes can be secured through the conservation covenant process.

During consultation, the Department of Conservation pointed out that it would be easier to restore the land for 'conservation' purposes without first quarrying it. The extended quarrying will have environmental effects, that in terms of landscape values at least, are potentially irreversible. If the sole reason for allowing quarrying is to provide an income source for the park, then it would have been useful to know the extent of that income source and the costs in establishing the park. This would have then been able to be compared with the income from farming available for the creation of the park without quarrying. This lack of information, and the reliance on a future management plan to address the issues in relation to the park is unfortunate. Section 32 of the RMA requires council to take into account the "risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules or other methods". In the absence of extended quarrying, the conservation park could be achieved under the existing zoning.

Environmental Mitigation

The Clearwater s32 assessment and assessment against objectives and policies (attached) emphasise the uniqueness of the Clearwater/Isaac Conservation Park proposal and the public and private benefits that will accrue from it. In particular, the following matters are highlighted in the Clearwater reports:

- There is a much wider public benefit than simple expansion of urban activity – 95% of the Clearwater zone will remain as open space, with a maximum of 200 (now 111) dwellings, and 98% of the total land area represented by both Clearwater and the Isaac Conservation Park
- Clearwater is an exception in terms of the policies on peripheral growth and the urban boundary – it is a very different urban and living environment to anything else provided by the City Plan, the variation will sterilise 1200ha of land against any future urban land use and will provide an "outstanding" barrier and amenity to future urban growth
- Benefits include an increase in the City's recreation infrastructure through the development at Clearwater of an enlarged golf course and playing fields
- Increase in public access and walkways linking Clearwater and the Groynes
- Creation of a "future opportunity" for vastly increased public recreation opportunity by way of an expanded walkway system, access to the Waimakariri river, streams and the conservation park
- The provision of more than 1000ha of land as part of a future metropolitan open space, augmenting the open space framework identified by the Council for a regional park in this location
- Will "set up an opportunity" for substantial revegetation and "provide a framework" for a public walkway network and passive recreation resource at no cost to the community
- The development rights sought at Clearwater are therefore compensated in part by the transfer of development rights enabling the location of the built activity as part of a community, and the gradual transition of a significant area of land from a farming use to open space, which will improve groundwater management, pest bird control and facilitation of a regional conservation environment and outstanding landscape/open space buffer on the north boundary of the city.

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Clearwater contend that the Clearwater resort is itself a unique development that provides a living environment not enabled elsewhere through the City Plan living zones. The emphasis is on the high quality open space environment at Clearwater and the provision of recreational facilities within the resort that can be utilised by both resort property owners and guests and the wider public. They also emphasise the creation of an opportunity for a park that may form part of a wider regional park network and the immediate guarantee through the transfer of development rights that this land will form a barrier to any further urban growth in this part of the city.

The argument regarding the uniqueness of Clearwater is not in itself considered satisfactory for allowing further development at Clearwater that clearly is contrary to the urban growth objectives and policies. The likelihood of other rural golf courses seeking to establish housing and associated facilities is high, and it is entirely conceivable that they too could achieve a high quality built environment within an open space matrix. While precedent is not a consideration for variations to the Plan, Clearwater have placed a degree of emphasis on the uniqueness of their proposal, so this must be evaluated. One aspect of the difference between development at Clearwater and "traditional" residential subdivisions appears to be the nature of the occupation of the land. Information provided by Clearwater indicates that traffic generation at the resort is lower than anticipated and much lower than comparable residential development in a traditional subdivision. This may be one argument for reduced policy conflict with the urban growth and transport policies that would be the case with a more traditional, detached urban subdivision. However it is not known if this existing situation, which is based on the existing 20-odd residential units and up to 100 resort hotel bedrooms, will still hold true with the higher levels of development proposed.

Given the existence of the Trusts and Trust deeds, Council Legal Services Unit advise that the Conservation Park concept is largely established and will be implemented regardless of whether development takes place at Clearwater. As such, the park cannot be considered as any sort of 'extra' mitigation for development at Clearwater.

Clearwater and the Trust's have put together a 'mitigation' package that is proposed to be partially offset against the required development contributions for development at Clearwater.

This package includes:

- an option for Clearwater to assign the lease of the Environment Canterbury land at Clearwater, to allow a possible Groynes extension and relocation of the Groynes maintenance area, with approximately 85% subleased back to Clearwater;
- the construction of a new access road and bridge to the Groynes from Clearwater Avenue;
- the construction of a new access road from Clearwater Avenue to close to the Isaac Conservation Park boundary over the Environment Canterbury land;
- riparian planting on the south bank of the waterway that runs through the Environment Canterbury land;
- accelerated development of a small part of the conservation park adjacent to the Environment Canterbury land that contains waterways;
- Works within the Groynes reserve in the form of planting and waterway enhancement;
- an option for Clearwater to transfer an 8m wide 'buffer' area of land to be planted in screening vegetation between the Groynes and the proposed "East Peninsula" residential and resort hotel development to the Council;

The City Plan contains an urban growth policy for "environmental compensation" (6.3.14) which allows the consideration of proposals that may otherwise offend key Plan provisions, where land of high landscape or natural value is protected or made available for public use and/or significant public benefit will be gained from hazard mitigation measures which would substantially enhance amenity values. The policy requires that any such development still be sustainable and environmentally acceptable.

The mitigation package involves land that is not considered to have high landscape or natural values, and there are no associated hazard mitigation benefits accruing from the proposal. As such, it cannot be considered as 'environmental compensation' under policy 6.3.14.

However, the Environment Court has said in an interim decision (Memon and Others v CCC C116/03):

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> "[94] If environmental compensation is conceived of as adequate net conservation benefit as discussed in *Baker Boys* then there may be no need for specific policies about it in a district plan. It may simply be the outcome suggested by the operation of sections 5(2)(a), (b) and especially (c), section 6; and sometimes sections 7 or 8 of the RMA"

The sections of the Act referred to are the sustainability provisions of Part II, the purpose and principles of the Act. The Baker Boys case referred to (C060/98) included a discussion on the appropriateness of weighing the adverse effects of a proposal against its positive effects. The Court said (my emphasis):

> "[98]Where, as in this case, no issue arises under section 5(2)(a) or (b) and there are no matters of national importance under section 6, it may be proper to **weigh positive effects against adverse**. However, we are not to be taken as accepting that it is proper to do so where such issues do arise. Parliament has given consent authorities (and this Court) the power to make an assessment of the value to place on, for example, the matters of national importance in section 6, so that a **net conservation benefit** is achieved, notwithstanding that on a strict accounting basis the capital benefits from a proposal might outweigh the conservation losses…"

In the Rutherford Family Trust decision, the Court further discussed the concept of environmental compensation (C026/03):

> [48] ... The concept - and we consider it is a very helpful one - applies where some development cannot otherwise take place because, when an overall judgement is made under the RMA (and the City Plan) as to whether it achieves sustainable management, the proposed zoning fails to provide for (say) a matter of national importance. In that situation, if a developer can provide adequate compensation, so that there is a net conservation benefit as the Environment Court briefly described it in *Baker Boys Ltd v Christchurch City Council,* then the development may, after all, represent sustainable management.

Therefore it does appear possible to evaluate the mitigation offered by Clearwater and the Isaac trusts in the form of the mitigation package even though it is not strictly "environmental compensation" as envisaged by Policy 6.3.14.

The Clearwater proposal fails to achieve the urban growth objectives and policies relating to consolidation and peripheral urban growth, and therefore must be assessed as to whether, despite this, it represents sustainable management of the rural/open space land resource and better achieves the settled objectives and policies of the Plan than the status quo. The Court suggests that if it can be demonstrated that a net conservation benefit will result, then there may be scope to conclude that this is the case. However, some issues with this approach have been identified:

> [49] Of course the concept is not without problems. Questions arise as to whether a zoning or resource consent can be purchased on one site, by supplying land elsewhere. It is also important to note that the compensation must be 'environmental'. We take that word to be the adjective of 'environment' as defined widely in section 2 of the RMA. One effect of that is that 'environmental compensation' could be read as meaning 'Compensation pertaining to economic conditions which affect people and communities'. We do not decide it here but it may be that a payment of money to the Council could qualify as 'environmental compensation', although we doubt if that was intended.
> [50] In our view environment compensation can only be distinguished from financial contributions - which are in effect a specific type of tax - if there is a net conservation benefit with a link to the proposal which gives rise to the need for it."

This latter point is important for two reasons. The first is that environmental compensation is separate from financial contributions. While the Clearwater development will set up an opportunity for the Council to levy development contributions under the LTCCP policy, (and it is recognised that the value of these contributions is likely to be high given the land values at Clearwater), these development contributions cannot be confused with environmental compensation. The development contributions are payable on all development, regardless of location. For something to be considered as environmental compensation, there has to be a net conservation benefit with a link between the proposal and the environmental compensation.

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This issue of linkage is the second point. The Court has considered this issue of linkage, but only in relation to proposals giving rise to clear cut physical environmental issues and with commensurately clear cut compensation offers, for example, cases where development of the outstanding landscape of the Port Hills, compensated for by vesting a large area of land with these landscape values in the Council. It is therefore difficult to apply the tests that have been discussed in case law[20] for assessing the linkage of compensation offered to a particular development proposal, when the matter at issue is more general, i.e the impact of a proposal on the urban growth objectives and policies.

The benefits accruing to the Council and the community from the proposed compensation package are as follows:

- opportunities provided by control of part of the Environment Canterbury lease land will increase options for a Groynes extension and creating an attractive alternative entranceway to the Groynes (subject to Environment Canterbury approval).
- provision of an alternative Groynes access will solve the traffic safety issue created by the route of the proposed Western Belfast Bypass in relation to the existing Groynes access.
- enhancement of waterways on the Environment Canterbury lease land and on the Isaac trust land will improve ecological values and enhance the habitat of trout (s7 RMA). Those waterways with public access (Environment Canterbury land) will provide an attractive passive recreation environment for members of the public that will link through to the existing Groynes walkways and Waimairi walkway as well as walkways within Clearwater.
- vesting of a planted 8m strip of land adjacent to the Groynes in close proximity to the proposed East Peninsula development will enable Council control of the screening vegetation proposed in this location, to ensure visual effects of the development on users of the Groynes are minimised.

While considering these benefits, the following is also relevant:

- Taking over the Environment Canterbury lease land will impose a financial cost on the Council, as will any enhancement works on this land, other than those proposed in the compensation package. The rental is in the order of $29,000.00 per annum, of which approximately 85% would be recovered through the sublease to Clearwater.
- It is understood Clearwater have an existing arrangement with Environment Canterbury that requires the formation of a right of way access to the Groynes in this location.
- Waterway enhancement on the Isaac Trust land will have intrinsic value only, until such time as public access to these areas is enabled.
- The 8m strip of land to be vested is required to mitigate the specific effects of development in close proximity to the Groynes. If the development was more sensitively located toward the interior of the resort, this mitigation strip would not be required. In addition, such a planted strip may create a 'wall' between Clearwater and the Groynes that does not enhance the 'open space' character of the zones. The labelling of this strip as 'compensation' for urban growth policy conflict could legitimately be questioned by submitters when it is designed to mitigate the specific adverse visual effects of the development proposed in this location.

The question of the adequacy of the compensation offered must relate to the degree of conflict with the urban growth and transport objectives and policies. Thirty-one residential units are already provided for at Clearwater under the existing City Plan provisions and through resource consent. The Isaac land contributes 42 residential units which could have been located on the land proposed for conservation park as of right, at densities of 1 house per 20ha. Essentially then, the policy conflict arises out of the clustering of the 42 houses at an urban rather than rural density, and the 38 additional residential units sought, and is potentially enlarged through residential use of the resort hotel bedrooms, unless the variation can ensure that this does not occur through strengthened provisions. Assuming this is the case, the Council must be satisfied that the mitigation offered, combined with the overall benefits of the proposal, is enough to offset the challenge to the settled City Plan objectives and policies (and any other adverse effects of the proposal).

[20] see Par 89 of Memon et al vs CCC (C116/03)

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Given the scale of greenfield development in the City, thirty-eight houses is not a significant number. The proposed Johns Road rezoning (Variation 92) yet to be heard by the Council provides for a deferred Living 1 zoning for an area of under 4ha, with a similar number of residential units able to be provided for. In comparison, the s293 proposals at Masham and Belfast are for approximately 2400 residential units in total.

Given the relatively small scale of the development, the benefits that accrue from it, and the ability to internalise the majority of the environmental effects that arise from it, I am satisfied that the compensation offered is sufficient, when considered as part of an overall assessment of costs and benefits of the proposal, to warrant proceeding with the variation. Although there may be an opinion that the value of the compensation package when offset against financial contributions is not sufficient to counter the urban growth policy conflict, I consider that even with the offset, the net value of the mitigation package amounts to $500,000. This will enhance the area and be of considerable benefit to the Council, and is sufficient to mitigate the effects of the limited additional development now proposed, being 38 additional houses over and above what could have been erected in the vicinity as of right plus the clustering of the transferred development right houses with an urban, rather than rural, form.

Natural Resources Regional Plan

Variation 1 to the Proposed Natural Resources Regional Plan (NRRP) was publicly notified on 3 July 2004. Chapter 4: water quality contains objectives for ensuring the quality of community drinking water supplies in Canterbury. Associated policies seek to achieve these objectives by prohibiting from July 2004 'the subdivision of land for residential, commercial or industrial purposes' as well as 'any increase in the existing area of land authorised under a district plan for mineral extraction activity or activities dependent upon mineral extraction' and 'any excavation that would result in groundwater being permanently exposed' (Policy WQL12) in Zone 1 of the Groundwater Recharge area – which includes the subject site. The methods for implementing this policy include WQL12(k) that requires territorial authorities to prohibit the above activities in Zone 1 of the groundwater recharge zone (which encompasses the variation site) in the preparation, variation, change or review of their district plans. The NRRP also contains rules to prohibit mineral extraction in areas outside of the existing quarry zones within the groundwater recharge zone 1. Section 74 of the RMA requires that the Council 'have regard' to any proposed regional plan in preparing a variation to the Plan. Once the regional plan is operative, the City Plan cannot be inconsistent with it.

Obviously the provisions of the variation in terms of extended quarrying, lake creation and further residential and commercial development are inconsistent with the direction given to the Council by the Regional Council in the NRRP. However, the variation has incorporated provisions that require the consideration of groundwater quality when development is proposed within the zone, so therefore the key question is whether the environmental outcomes sought by the NRRP can be achieved by the variation. The NRRP takes a risk-averse approach to development in the groundwater recharge zone, whereas the variation is based on the premise that risks can be managed through appropriate design. This is likely to be a key issue traversed through the submissions process on the NRRP. The Council's submission to the NRRP queries the basis for the restriction on residential development above the unconfined aquifer, but did not challenge this approach to commercial development. It is understood Environment Canterbury are considering a Variation 3 to the NRRP to take over the control of the use of land for groundwater protection in the recharge zone 1. Such a variation would be subject to the full submission and hearing process.

The legal requirement for Council at this stage is to "have regard to" the NRRP not to implement it in full. After the NRRP is operative, the City Plan must not be inconsistent with it and may require amendment. At this stage enough has been included to address the issues to satisfy the "have regard to" test.

Airport Noise

The proposal to erect further housing inside the noise contour conflicts with the present City Plan policies. Environment Court hearings on this issue are almost complete. In an interim decision the Court has upheld the use of the 50-dBA contour as a policy limit to further development of noise sensitive activities, which suggests that the residential development beyond the 50-dBA contour should not be proceeding. The variation attempts to overcome this by way of a site-specific exception to the existing policy.

12 Cont'd

Christchurch International Airport Limited (CIAL) have provided their conditional approval to the proposal, without restricting their rights to participate in any statutory process. While their approval does represent the removal of a significant obstacle to the development on airport noise grounds, it does not remove the amenity issues identified by the Court associated with allowing residential (and other noise sensitive) development within the noise contours. While the Council can be satisfied that a potential 'reverse sensitivity' effect in relation to the airport's operations has been removed via an arrangement between Clearwater and CIAL for covenants on property titles, this does not remove the effects on the future occupiers of any residential unit within the noise contours. The Council must be satisfied that allowing residential units to be constructed where they will be affected by airport noise, notwithstanding any non-complaint covenants, is in accordance with the purpose of the Act as provided for in the objectives of the Plan.

The Council's resource management solicitor, Barbara Read advises as follows:

> *[Policy] 6.3.7 is located in our Urban Growth policy and therefore forms part of the City's strategy to manage this.*
>
> *The wording of Policy 6.3.7 itself indicates an intention to balance, on the one hand, protection of the airport as a "facility of major importance to the regional economy" against, on the other hand, residential amenities. At p. 6/12, this is neatly summarised as:*
>
> *"This policy is intended to ensure that the operation of Christchurch International Airport can continue without undue restriction and that residential amenities and the quality of life for people living around the airport are safeguarded."*
>
> *Also, of Environmental Results anticipated from the Urban Growth policy, ensuring the continued unrestricted operation and growth of the airport is only one of 10 anticipated, and in the very wording of that particular anticipated result, is also expressed the "…protection of future residents from noise impacts."*

It is recognised that the transfer of development rights proposal results in an outcome better than that which was provided for in the Plan even with some housing located within the 50-dBA contour. That is because an equivalent number of houses could have been erected as of right either scattered across the Isaac land or in an urban cluster closer to the airport and even more affected by airport noise. Proposed Variation 90 to the Plan notified in September 2004 and yet to be heard, seeks to correct this anomaly by removing the ability to cluster development as of right. Clearwater has acquired additional land outside the 50-dBA contour sufficient for them to proceed with part of their development without infringing the noise policies. In discussions, Council staff suggested that the variation allow for housing in respect of those lands only, but this was not supported by Clearwater. It is understood that the land within the 50-dBA contour is cheaper to develop as it is at a relatively higher elevation, which means that less earthworks are required to achieve floor levels above flood levels.

Urban Design

The proposed variation is very permissive in terms of the standards used to avoid, remedy or mitigate adverse environmental effects. In terms of the built development within the Clearwater zone, the use of the Clearwater design guidelines is relied upon to achieve a high standard of amenity at the resort. The design guidelines do not form part of the variation, and the Council has no way of influencing the content, administration or enforcement of these guidelines. While it is evident from the development at Clearwater to date that a high standard of built environment has been achieved, there are no guarantees that should the ownership of the resort, or the constitution of the residents association change, that these standards will be maintained. In the living zones in the City the Plan rules provide minimum standards for development, ensuring that such things as privacy, access to sun and daylight, density of development, outlook and private outdoor living spaces are provided on every site to the Plan's standards for that zone, or else the requirement for resource consent is triggered whereby the effects of any non-compliances with the standards can be identified and evaluated. Within Clearwater, the only equivalent standards relate to setback from road or property boundaries, recession planes (for residential activity areas only); height standards and site coverage (up to 100% for sites of 150m^2 or smaller). There are no density controls within the seven resort community areas.

12 Cont'd

The character of the existing zone will change significantly to accommodate the extra development. While the overall 'zone' density will be very low, there are potential for clusters of high density development within the various activity areas. The applicant's consultants (Boffa Miskell Ltd Landscape Assessment) concede that a mechanism to ensure the sensitive siting of development into discrete nodes rather than a large aggregation would be appropriate, but this was not provided for in the variation document. In order to address these concerns Council staff have inserted the requirement for an 'concept plan' approval process prior to the development of the resort community areas.

Traffic & Transport

The variation recognises that an upgrade of the intersection of Johns Road and Clearwater Avenue will be required once a certain development threshold is reached, and provides for this via a rule restricting all further built development until the intersection is upgraded. Transit New Zealand have provided initial comments on the proposal. These can be summarised as follows:

- Major concern is with the growth and development of urban land use to the north west of Johns Rd, which will result in the further development and consolidation of a community whose linkages and communication are adversely affected by the presence of a major arterial;
- Cumulative effects of this and other proposed development on Johns Rd on the functioning of Johns Rd;
- Support the location of the primary access to the zone from Clearwater Avenue, and the proposed upgrading of the intersection;
- Recommend that other access options be considered (i.e. Sawyers Arms Road with internal local road linkage) although recognise this may be beyond the scope of the variation;
- Concerned that integration of transport between Clearwater and Christchurch City has not been sufficiently addressed;
- Concerned that a greater intensity of development without consideration of cross traffic options across Johns Road will adversely affect its safe and efficient use for through traffic;
- Recreation options within Isaac Conservation Park mean that pedestrian and cycle access to the park from the City need to be considered – and the effect of these on the functioning of Johns Rd as a through route;

Some of these concerns cannot be effectively dealt with through the variation as proposed, due to its site-specific nature. The South Waimakariri and Belfast Area Plans provide the opportunity for the Council to consider wider issues of transport linkages in the area. Other issues remain outstanding. Transit staff have advised in relation to the 200-residential unit variation that they would probably recommend to the Transit Board that the variation be opposed.

Bird Strike

The creation of new water bodies at Clearwater and within the Isaac Conservation Park is provided for as a discretionary activity. The supporting documents to the variation include a summary report of the existing management undertaken at Clearwater. The Ecosure report commissioned by Council in its consideration of the separate 'Lake Isaac' rowing lake included reference to overseas standards that require that no new water bodies be created within 8km of an airport. The implementation of such a standard in Christchurch is supported by Council's park ranger and resident bird expert Andrew Crossland, who is concerned about the potential adverse effects on bird populations of new lakes in this area, and the ineffectiveness of management techniques on transitory bird species. He also highlights the potential biodiversity impacts of culling bird species that are otherwise protected (black backed gulls etc). In his opinion, it is not sustainable to create a water body that will be investigated by birds, to then have to scare off or destroy these birds. He also emphasises the wider effects of bird-scaring techniques that potentially send disoriented, alarmed birds into the flight path of aircraft. CIAL have formally indicated their opposition to the creation of waterbodies within the vicinity of the airport and advise that they would vigorously oppose any application for this activity.

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Flooding

The variation notes that the site is between the primary and secondary stopbanks for the Waimakariri River and that there are opportunities for alternative secondary or tertiary protection from those currently being developed by ECan. The intense development proposed at Clearwater is capable of being protected from flooding by raised floor levels. A rule is provided in the Open Space 3D zone to ensure this.

Environment Canterbury have commented that "While the probability of flooding for Clearwater is relatively low and the buildings will be sited above flood levels it makes it difficult to decline future requests for development of other land at McLeans or Coutts Island, is likely to lead to demands for improved flood protection by those residents between the two banks and in the event of a flood breakout, may result in residents trapped on islands surrounded by floodwaters". ECan also raise concerns with the effects of extended quarrying on floodwaters.

The City Plan's policies on management of the flood hazard have been refined through Variation 48, which has been the subject of submissions and further submissions but has yet to proceed to a hearing. Policy 2.5.2 "Limitations on development" as varied by Variation 48 states:

> *To avoid any increased risk of adverse effects on property, wellbeing and safety from natural hazards by limiting the scale and density of development, which:*
> *(a) is within an area subject to moderate to high risk of damage from natural hazards; or*
> *(b) would result in an increased risk of damage from natural hazards elsewhere*.

The explanation to this policy includes the following paragraph:

"… it is justified to impose some measure of control over the density of development because this is an effective means of allowing some scope for development of land (for example on flood plains south of the Waimakariri River), while ensuring that the resultant intensity of building development is sufficiently low to minimise exposure to damage ~~and loss~~ and unacceptable risk to life and safety should a major flood occur." (strikethrough and underlining indicate changes due to variation 48.)

The variation also includes a new policy 2.5.12 to "avoid new high risk development in the overflow flood channels of the Waimakariri river". "High risk development" is not defined, but the intention is to target critical facilities such as hospitals, technology industries and those activities involving the use and storage of large quantities of hazardous substances. The residential and accommodation activities while concentrating people in an at-risk area, do not necessarily represent 'high risk development' as flagged in the variation. It is noted that Clearwater and ECan (among others) have made submissions to these provisions in Variation 48.

The Council needs to be satisfied that requiring residential units and resort hotel buildings to be constructed above the 10,000 year flood level, and the creation of raised building platforms designed in such a way to prevent floodwaters from being diverted on to neighbouring properties, will implement and achieve the natural hazards policies of the Plan.

Servicing

The additional development at Clearwater will require upgrades and extensions to Council reticulated water supply and sewerage network, and relies upon the Council to undertake the necessary work to divert all wastewater flows from the Belfast wastewater treatment plant to the City wastewater system. A rule has been inserted in the variation to prevent development beyond that already provided for in the existing open space 3D zone from occurring until the required infrastructure can be provided.

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Consultation

There have been a series of workshops at Clearwater over the last 3 years at which the proposals have been discussed by many parties in general terms. Parties who have seen the documents in draft form include Christchurch International Airport Ltd (CIAL), Canterbury Regional Council (ECan), Transit NZ, Department of Conservation and Fish and Game. Neighbours and owners of the affected lands have had the opportunity to attend meetings at Clearwater where the proposal was outlined. A consultation report accompanies the variation and summarises the issues raised in consultation. After the receipt of the consultation report, finalised comments were received from ECan and Transit, both who raise concerns with various aspects of the proposal. More recently representatives of CIAL, ECan and Transit were approached for any update on their comments.

Section 32

A section 32 report has been prepared to accompany the draft variation. The report finds that the proposed variation is efficient and effective at achieving all but the urban growth objectives of the Plan. The section 32 report includes economic analysis of the benefits of the development, but this has not considered whether the investment proposed at Clearwater could be replicated elsewhere in Christchurch (i.e. high quality homes built in existing Living zones rather than at Clearwater). However, it is accepted that the development will provide economic benefits to Christchurch. The section 32 report considers that, subject to a range of mitigation measures the expanded resort community would give effect to recreation and open space policies. The Council's decision on the acceptability or otherwise of the mitigation package for Clearwater and whether or not to proceed with the variation will form part of the overall section 32 consideration, as will the changes made to the variation by Council staff and the independent review of the larger proposal by Ken Tremaine.

9. OPTIONS

The Council has two options in relation to the proposed variation. The first of these is to accept the variation as modified by Council staff, adopt it as a Council variation and proceed with public notification. This is the option sought by Clearwater (although they do not necessarily support some of the modified provisions). This option would rely on the submission process to address the issues raised in this report.

The second option is to reject the variation. This option will not quash the aspirations of Clearwater and Lady Isaac and therefore the many resource consent applications that have been lodged are likely to be quickly reactivated, with the associated time, cost and resourcing issues. Alternatively, Clearwater could lodge the proposal as a privately initiated plan change once the City Plan becomes operative.

10. PREFERRED OPTION

It is recommended that the first option be pursued.

12 Cont'd

ASSESSMENT OF OPTIONS

11. Notify the variation

	Benefits (current and future)	**Costs (current and future)**
Social	Increased choice of housing type at 'higher end' of market for Christchurch residents	Creation of isolated residential community with few community facilities in this location
Cultural	No cultural issues have been identified	No cultural issues have been identified
Environmental	Sets up opportunity for large conservation park Waterway enhancement on Environment Canterbury land and parts of Isaac Conservation Park Safe access to Groynes guaranteed	Development will not contribute to a consolidated city, with associated sustainability implications. Threats to groundwater quality through extended quarrying and development over recharge zone Impacts on residential amenities associated with development within airport noise contours
Economic	Spinoff effects of development, increased rates revenue	Cost of promoting and defending variation through hearings process and possibly to Environment Court

Extent to which community outcomes are achieved: Alignment with community outcome a City with a sustainable and natural environment dependent upon acceptability of compensation package.

Impact on Council's capacity and responsibilities: Will require ongoing input from Council staff and consultants through notification and hearing process, potentially through to the Environment Court.

Effects on Maori: None identified

Consistency with existing Council policies: Does not implement or achieve City Plan policies in relation to urban growth and the achievement of a consolidated city.

Views and preferences of persons affected or likely to have an interest: Consultation indicates mixed views of affected/interested parties, reflecting complex nature of proposal.

Other relevant matters:

12 Cont'd

12. Reject the variation

	Benefits (current and future)	**Costs (current and future)**
Social	Avoids creation of isolated residential community with few community facilities in this location	Removes opportunity for this particular choice of housing type within Christchurch..
Cultural	No cultural issues have been identified.	No cultural issues have been identified.
Environmental	Maintains consolidated urban form. Does not presuppose outcomes of UDS. Groundwater quality protected through existing plan provisions for rural area. Avoids traffic effects of increased development on Johns Road. Avoids amenity effects of development subject to airport noise Avoids adverse effects associated with quarrying.	Loss of benefits of waterway margin enhancement planting on ECan land and part of Conservation Park.
Economic	No further expenditure of ratepayers money on evaluation and consultants reports or legal services.	Loss of spinoff effects of development to construction industries, rates base, development contributions etc

Extent to which community outcomes are achieved:

Primary alignment with community outcome a City with a sustainable and natural environment

Impact on Council's capacity and responsibilities: Will free up capacity for other projects in City Plan team. May impact on capacity within Planning Administration team should resource consents be progressed as an alternative.

Effects on Maori: None identified

Consistency with existing Council policies: Will ensure Council is seen to be consistent in administering and considering changes to its existing City Plan. Outcome consistent with existing City Plan urban growth objectives and policies.

Views and preferences of persons affected or likely to have an interest: Consultation indicates mixed views of affected/interested parties, reflecting complex nature of proposal.

Other relevant matters: None identified

13. REPORT OF THE BURWOOD/PEGASUS COMMUNITY BOARD MEETING OF 29 JUNE 2005

Attached.

14. REPORT OF THE RICCARTON/WIGRAM COMMUNITY BOARD MEETING OF 14 JUNE 2005

Attached.

15. REPORT OF THE SHIRLEY/PAPANUI COMMUNITY BOARD MEETING OF 15 JUNE 2005

Attached.

16. NOTICES OF MOTION

Attached.

17. QUESTIONS

18. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.