

13. 11. 2008

REPORT BY THE CHAIRPERSON OF THE  
SHIRLEY/PAPANUI COMMUNITY BOARD No.1  
15 October 2008

PART A - REPORTS REQUIRING A COUNCIL DECISION

1. WESTMINSTER SPORTS INC – PROPOSED LEASE



|                                     |   |
|-------------------------------------|---|
| <b>General Manager responsible:</b> | City Environment Group, DDI 941- 8608   |
| <b>Officer responsible:</b>         | Asset and Network Planning Unit Manager   |
| <b>Authors:</b>                     | David Sissons Parks and Waterways Planner, Mary Hay Consultation Leader and David Rowland Property Consultant |

PURPOSE OF REPORT

1. The purpose of this report is to recommend to the Council that it supports granting a long term ground lease to Westminster Sport Incorporated (WSI) over the former works yard in Westminster Street.

EXECUTIVE SUMMARY

2. Westminster Sports Incorporated is a new organisation whose principle objectives are to assist in the development of sport in the Christchurch area and meet and promote the interests of its members. They are keen to establish a new multi sports facility and complex on the former Council works yard in Westminster Street.
3. They are seeking a long term ground lease of up to 35 years over the site with the rental being based on the Council's standard sports club ground rental policy.
4. The Council in February 1993 resolved "That the Westminster Street Yard be retained for recreational development in conjunction with adjoining and other interested sports clubs".
5. The Society's application has been considered by staff and subject to some reservations that can be resolved, the application is supported as detailed in this report.
6. An outline of the proposal was distributed as a Public Information Leaflet to the wider community (**attachment 1**). The community feedback and responses from WSI and Council staff are discussed in the Consultation Fulfilment section of this report at paragraph 22. The formal public consultation received 118 submissions.
  - 89 per cent responded "YES – I support this proposal"
  - 6 per cent responded "NO – I do not support this proposal"

FINANCIAL IMPLICATIONS

7. There are no financial implications relative to the application to lease the site beyond the costs detailed in paragraph 10. The Council's sports club rental policy would be implemented given the nature of the proposal even though the site is freehold land.
8. It is estimated, using the Council standard sports club ground rental calculation, the annual rental will be in the region of \$6000 per annum. This is solely dependant upon building and site requirements and also substantially lower than a market related ground rent.
9. It has been proposed, as part of the rejuvenation of Westminster Park, to replace the public toilets and changing sheds. They currently are inadequate. WSI have been advised that the Council would contribute \$100,000 towards public toilets and changing facilities within the new complex should the project proceed.

10. There is a financial commitment to undertake the Environmental Assessment Report just in excess of \$25,000 + GST.
11. In reaching a conclusion to ultimately lease the site to WSI the Council should also be mindful and consider in commercial terms the financial viability of the project. There is no proposal within the Annual Plan nor LTCCP to acquire such a facility should the project reach fruition and then at some future date encounter financial difficulties.

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

12. Yes. Recreation and Leisure: Sports support and promotion LTCCP Page 137. Also the lease will enable the Council to maintain and renew park assets, being public toilets and changing rooms for Westminster Park sports park, LTCCP page 127.

**LEGAL CONSIDERATIONS**

13. Any lease approved by the Council would be subject to the usual Council lease terms and conditions for this type of lease and be prepared by the Legal Services Unit.
14. It is sound business practice that a specific stipulation of the lease be inserted that should WSI for whatever reason relinquish possession of the site the improvements would revert to the Council without compensation whatsoever and the lease would terminate.

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

15. Yes.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

16. It supports the Strategic Direction Strong Communities: 5. Encourage healthy and active lifestyles, by:
  - (a) Providing parks, public buildings, and other facilities that are accessible, safe, welcoming and enjoyable to use;
  - (b) Providing and supporting sport, recreation and leisure activities.

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

17. The proposal supports the draft Parks and Open Spaces Activity Management Plan by enabling upgrade of public toilets and changing rooms for Westminster Park sports park to achieve Activity Management Plan targets:
  - (a) Proportion of senior use sports parks with toilet facilities 100 per cent.
  - (b) Proportion of users satisfied with toilet facilities on sports parks 100 per cent.
  - (c) Proportion of sports parks with pavilions/changing facilities (club or Council) 79 per cent.
  - (d) Proportion of users satisfied with changing facilities on sports parks >55 per cent.
18. Recreation and Leisure: Sports support and promotion LTCCP Page 137. Also the lease will enable the Council to maintain and renew park assets, being public toilets and changing rooms for Westminster Park sports park. LTCCP page 127.

**ALIGNMENT WITH STRATEGIES**

19. The proposal supports the draft Parks and Open Spaces Activity Management Plan by increasing public supervision of Westminster Park, thus increasing the feeling of safety: Proportion of park users that feel safe in parks during the day are over 90 per cent.

**Do the recommendations align with the Council's strategies?**

20. Yes: It also supports the Council resolution of February 1993 "That the Westminster Street Yard be retained for recreational development in conjunction with adjoining and other interested sports clubs"
21. Yes: Recreation and Sport Strategy 1.1.2: Manage, maintain and redevelop existing facilities (and open space) to meet current and future participation expectations and trends wherever possible.

**CONSULTATION FULFILMENT**

**WSI Consultation Process**

22. In terms of membership, WSI has eight member clubs, not nine as mistakenly mentioned in the Public Information Leaflet. Westminster Petanque is not a member of WSI.
23. WSI has advised the following in terms of consultation with its eight member clubs:
- (a) All clubs have attended meetings where the concept has been discussed, and a brief list of requirements has been supplied by each member. This list formed the basis of their original concept.
  - (b) All member clubs are sent the minutes of the board meetings so they are aware of how the project is progressing. The CEO also attended at least one committee meeting for each of the members to present information updates in person. An update is also given at each Annual General Meeting of Westminster Sport.
  - (c) The intention is that, once the lease is secured, there will be greater consultation with the member clubs to finalise the final requirements of each member. This level of detail is not required by the organisation until the lease is granted.

**City Council Consultation Process**

24. The formal public consultation period was open from 21 July 2007 until 8 August 2008. A public information leaflet and feedback form was delivered to approximately 700 surrounding residential properties and a number of other key stakeholders. This pamphlet included a feedback form and a summary of the concept with an initial site plan, location plan and elevations of the proposed facility (refer attachment 1). Council staff sought feedback from the community to see whether the proposal was generally supported and asked for any additional comments. Also included was an offer to meet onsite, if requested. The proposal was advertised in local media and on the Council's Have Your Say website.
25. On Thursday 31 July, Council staff and representatives from Westminster Sports Incorporated were available to discuss any questions about the proposal. This 'Project Information Session' was held at the Papanui Service Centre Board Room and included a presentation from Westminster Sports Incorporated and opportunities for discussion with the community. Board members were invited to this workshop. Approximately 12 members of the community attended this session.
26. Further discussions were had with three residents adjoining Westminster Park that expressed concerns about the effects of the proposed outdoor multipurpose courts, specifically in terms of noise and lighting.

27. Each submission received an interim reply letter, which acknowledged that the submission had been received and that it would be considered once the consultation period had closed. Submitters were also advised that they would receive further correspondence prior to a decision being made.
28. Once the concept was finalised by WSI and Council staff in August 2008, all respondents were sent a final reply letter that outlined the outcome of consultation, included the finalised site plan. The letter informed respondents that a report would be presented to the Shirley/Papanui Community Board for their consideration and that final approval would be required from the Council. Details of the Board meeting were also provided so that any interested residents could attend or address the Board prior to the decision being made.

### Consultation Outcome

29. The consultation received a 17 per cent response rate (118 responses), which is a moderate level of response from the community.
30. Community feedback was generally very positive. The consultation outcome and WSI and Council staff responses are:
  - 89 per cent responded "YES – I support this proposal"
  - 6 per cent responded "NO – I do not support this proposal"
  - 5 per cent didn't indicate a preference
31. Submissions were received from a number of the directly affected residents and sports groups. No submissions were made from the two affected residents' associations, although the Shirley Residents' Association attended the Project Information Session.
32. Seven submissions indicated that they **did not** support the proposal. They cited a range of reasons. These are outlined below:
  - (a) Noise and lighting from multipurpose courts
  - (b) Scale of the proposal – it is too big, adverse visual effects
  - (c) Location of the proposal – should be next to Mairehau High School
  - (d) Need for the proposal - there is not a need for more sporting facilities or childcare facilities
  - (e) Cost of the proposal - effect on rates
  - (f) Inappropriate use of Westminster Yard – should be private housing, medical centre, preschool or shops
  - (g) Traffic – effects on on-street parking
  - (h) Concern that the facility would not be shared with the community
  - (i) Development of Westminster Park needs to proceed sooner than planned.
33. The **key issues raised** in the public consultation, and the responses from WSI and Council staff, are outlined below. A 'key issue' has been defined as something that has been identified by significant numbers of individual submissions and/or an issue raised by key stakeholders (such as adjoining residents).

**Key issues for WSI:**

- (a) Request for more car parks
  - (i) The number of car parks required by a facility of this type will be determined by the City Plan, through the resource consent process. The aim of this proposal is to cater for the parking requirements of the users of the facility, most of who currently use Westminster Park's sports fields and park on the surrounding streets. The proposal will result in a small increase in the use of this area but provide a substantial increase in available parking.
- (b) Opposition to outdoor courts by neighbours.
  - (ii) Most of the noise that is generated from the facility will occur indoors, with the exception of the carpark and the outdoor courts. Council staff and WSI met residents on site to discuss possible mitigation of potential noise and lighting effects. The residents were advised that low level down-lights are proposed, which will not result in light spill. WSI has redesigned the courts to move them further away from neighbours and allow for screening of the property boundaries.

**Key issues for Christchurch City Council:**

- (c) Traffic issues and parking on Westminster Street and surrounding streets:
  - (i) Traffic manoeuvrability on surrounding streets – the Council is aware of the existing issues on Westminster Street with traffic and parking, which is created by users of Westminster Park, particularly on the weekends. Given that the WSI proposal will cater for the parking requirements of the users of the facility, most of whom currently use Westminster Park's sports fields, it is anticipated that this proposal would significantly reduce the parking demand in the surrounding streets. However, Council staff have requested that the installation of No Stopping lines on Westminster Street near its intersections with Fergusson Avenue, Mahars Road and Greenwood Close be investigated.
  - (ii) Traffic speed on surrounding streets – An assessment of the traffic effects of this proposal on the surrounding road environment has not been undertaken by staff. Therefore, amendments to the existing roading environment, such as speed bumps, have not been recommended as part of this report.
  - (iii) Parking - The proposal will result in a small increase in the use of this area but provide a substantial increase in available parking.
- (d) Issues relating to the development of Westminster Park:
  - (i) The Council's long term plans are to open up the park to Westminster Street so that visibility to the park is improved. A landscape plan, which will consider the arrangement of carparks, paths, waterways and landscaping, is yet to be developed. It is anticipated that this will be drafted once the plans with Westminster Yard have been confirmed.

34. The WSI and Council staff considered this consultation feedback and revised the concept plan by including **following amendments**:
- Reorientation of outdoor multipurpose courts and provision of screening.
35. The final concept plan, which includes the above amendments, is included as **attachment 3** and recommended for approval by the Council. If approval is granted, WSI will apply for resource consents for this proposal.

**STAFF RECOMMENDATION**

It is recommended that the Council support the application by Westminster Sports Incorporated for a 35 year lease over the former Westminster Works Yard, being described as part of part Lot 65 DP 13198 comprised in freehold Certificate of Title CB2C/1423 having an area of approximately 1.2500 ha as shown on the plan attached to this report and subject to:

- (a) Delegated authority being granted to the Corporate Support Manager to finalise the formal lease when all conditions relating to the lease have been obtained, satisfied and consents held.
- (b) That a monitoring group be established meeting quarterly to assess progress with the project and that Westminster Sport Incorporated and the Council each have three nominated representatives on the monitoring group. Council representatives shall report progress to the Shirley/Papanui Community Board.
- (c) Westminster Sport Incorporated:
  - (i) Satisfying the Corporate Support Manager as a precondition of any lease that the project is financially viable and that sound funding lines of credit have been arranged.
  - (ii) Obtaining the necessary Resource and Statutory consents necessary to proceed with the project.
  - (iii) Making an independent decision whether or not to proceed subsequent to taking independent design, engineering and structural advice relative to the proposed building following release by the Council of the Environmental Assessment on the site.
  - (iv) Having a period of three years from the date of any Council resolution to grant a lease to either accept or decline the Council's offer to lease enabling them to consider all aspect of the proposal including sources for funding.

**BOARD'S RECOMMENDATION**

That the Council:

- (a) Approve staff recommendations.
- (b) Note that a time frame for the report back to the Shirley/Papanui Community Board by the nominated Council representatives be three monthly or as required.
- (c) That Shirley/Papanui Community Board members Yvonne Palmer and Pauline Cotter be included in the monitoring group.

**BACKGROUND (THE ISSUES)**

36. The former Westminster Street Works Yard has been closed for some years. It is known to have been filled, being located on or adjacent to a former landfill, with potential contamination and landfill gas issues; four underground diesel tanks have been removed and bitumen was stored on site.

37. An earlier soils investigation report undertaken by MWH New Zealand Ltd dated May 2004 undertook a study of the front portion of the site. That report was comprehensive and self explanatory and although the extent of that report was limited it did record that there are issues with the site.
38. An environmental site assessment and report has been commissioned and the outcome of the soils investigation work will address and evaluate the site issues. This will enable an assessment to be undertaken by both the Council and WSI to determine whether or not this site is suitable to be leased enabling the establishment a new multi-sports facility.
39. Westminster Sports is a fully Incorporated Society and its initial membership comprised the Christchurch Football Club, Christchurch Football Club Netball, Christchurch Football Squash Club Incorporated, Canterbury Lacrosse Club, Western Association Football Club Incorporated, Canterbury Judo Area Association Incorporated and who have now been joined by sports groups representing the Australian Football League (AFL) and Korfbal.
40. The principal objectives of Westminster Sport are to assist in the development of sport in the Christchurch area, meet and promote the interests of its members.
41. Membership as September 2008 was a total of 2416 comprising:
- |            |     |       |
|------------|-----|-------|
| • Rugby    | 850 | 35.2% |
| • Squash   | 275 | 11.4% |
| • Netball  | 90  | 3.7%  |
| • AFL      | 150 | 6.2%  |
| • Lacrosse | 38  | 1.6%  |
| • Judo     | 413 | 17.0% |
| • Korfbal  | 50  | 2.1%  |
| • Soccer   | 550 | 22.8% |
42. There is a noticeable movement by sports groups to combine within structures like WSI for the benefit of all participants. In 2008, in response to this interest among sports clubs, national and regional sports organisations, and potential investors like councils and community trusts, Sport and Recreation new Zealand (SPARC) commissioned Peter Burley, Director of Sport Guidance, to examine how eight 'sportville' projects had evolved and developed, and what lessons could be learned. This report is available at <http://www.sparc.org.nz/partners-programmes/active-communities/sportville-model-review>.
43. The article concludes that "Six of the eight are succeeding while one is defunct and the other has been struggling. Those that are successful are generally very successful. They display healthy financial positions, and are able to demonstrate growth in sport participation by the constituent clubs that formed them. They are able to show much more than this. Many of the successful clubs also provide a range of programmes that they are now able to support as a result of the increased human capital and infrastructure they created out of forming collectives. For sports leaders, council politicians and officers, and investor organisations alike, the report is a valuable resource."
44. WSI has taken independent professional advice relative to the proposed sports stadium and early cost estimates for the proposed complex are \$6 million. Their Quantity Surveyors have commented that they have allowed for a Ribraft floor system due to the known ground conditions, however, they have not made allowance for piling, interior fit out, building consents, resource management fees, development levies if applicable, contingencies and importantly, inflation.
45. Inflation has been suggested at four per cent per annum and dependant on the time required to obtain all consents such as, lease approval, resource consents, building consents, fundraising and the construction period this could well increase costs to around \$7 million on the premise that the complex would be complete during 2011. This is at variance with that suggested by WSI whose estimate is well below that of staff. Additional costs as detail in paragraph 44 above would also be incurred.

46. Council staff have undertaken an analysis of the Business Plan submitted by WSI and have considered their response to a number of verbal questions. Most of the questions and understanding of the operations of the complexes comes from the Council's knowledge and understanding of both day to day operations and issues of sports complex management plus longer term capital commitments and known replacements.
47. It is concluded initially from that analysis that the operating cost and revenue projection are overstated and or overly optimistic. In addition, greater detail and financial analysis and discussion with WSI is needed relative to the projected construction costs as it is the view of staff that adjustments require to be considered before final decisions are made to proceed with the proposal.
48. Of concern is the level of "Grants and Sponsorship" required on an annual basis to ensure the complex remains viable and operational in the community. These concerns are an operational activity that WSI would manage. However, should the activity cease to function there are no proposals nor intent to acquire the complex even though the improvements are on Council freehold land.
49. Section 218 (1) (a) (iii) of the Resource Management Act 1991 defines the term subdivision of land in this case as "The division of an allotment by a lease of part of the allotment which including renewals, is or could be for a term of more than 35 years." The City Plan replicates these provisions. The Council has two options in this regard, either lease the site for a total of 35 years less one day and comply with the provisions of the City Plan but not incur additional costs associated with the creation of a new certificate of title by way of subdivision or incur subdivision costs, create a new certificate of title by way of subdivision. Costs associated with this are estimated at \$10,000 + GST.
50. Should, however, WSI require a longer term lease and this may be determined by financing arrangements, this is feasible with Council consent, although it is considered that the subdivisions cost mentioned should be borne by WSI.
51. The proposed complex is shown in schematic form as attached to this report. The concept is preliminary only but it shows the scale, location and form of the facilities. There is provision for a Community Sports Facility, Sports Hall along with associated changing and recreational facilities. Planning indicates that additional services such as a commercial gym, on site physiotherapist and café are possibilities. Off-street car parking for over 120 cars is provided as are exterior all-weather multi-purpose courts.
52. Associated with the complex is a proposed early childhood centre to meet the demands of those parents utilising the complex, which could also serve the local community. It is understood that dialogue has commenced between WSI and the St Albans Early Childhood Centre although no determination or lease arrangements have been finalised. Relative to the total development this is too premature.



**The proposal includes:**

- community sports facility (with public changing rooms and toilets)
- multi-purpose sports hall
- early childhood centre
- new car park

**Public Consultation**

Please consider the attached plans and let us know what you think about them. We would be happy to meet you onsite to discuss the proposal, if that would help clarify the proposal.

Westminster Sports Inc will be available to discuss the proposal at a Project Information Session at Papanui Service Centre Board Room, corner of Langdons Road and Restell Street, on **Thursday 31 July from 5pm until 7pm**. Westminster Sports Inc will give a short presentation at 5pm, which will be followed by general discussion. This presentation will be repeated at 6pm. Plans and project information will be on display and Council staff will be available to answer your questions and hear your concerns

If you have any comments in regard to this project, please complete the attached form with any feedback and return it by **Friday 8 August 2008**.

**Timeline**

Once consultation has been completed, the concept will be finalised and amended to reflect community views, where appropriate. A Board report, which considers the club's application to lease the Council site and the outcome of this consultation, will be presented to the Shirley/Papanui Community Board for their consideration.

At this stage it is anticipated that the Board will consider this proposal in September 2008.

If the Community Board grants a lease, Westminster Sports will then apply for a resource consent to build the facility.



Mary Hay  
Consultation Leader  
Christchurch City Council  
Papanui Service Centre  
PO Box 5142  
CHRISTCHURCH  
Phone (03) 941 5410 or (027) 232 7467  
Email: mary.hay@ccc.govt.nz



## HAVE YOUR SAY

The Council is interested to read or hear your feedback on this plan. This plan is NOT finalised or detailed and is presented as part of our consultation process.

You can comment by:

- Returning the freepost feedback form enclosed with this leaflet
- Visiting the Christchurch City Council 'Have Your Say' website at [www.ccc.govt.nz/haveyoursay](http://www.ccc.govt.nz/haveyoursay)
- Attending a Project Information Session at Papanui Service Centre Board Room, corner of Langdons Road and Restell Street, on **Thursday 31 July from 5pm until 7pm**. Westminster Sports Inc will give a short presentation at 5pm, which will be followed by general discussion. This presentation will be repeated at 6pm. Plans and project information will be on display and Council staff will be available to answer your questions and hear your concerns

If you would like to discuss any aspect of this proposed plan or the consultation process, please contact:

Mary Hay  
Consultation Leader  
Christchurch City Council  
Papanui Service Centre  
Phone (03) 941-5410 or 027 232 7467  
Email: [mary.hay@ccc.govt.nz](mailto:mary.hay@ccc.govt.nz)

Please ensure that your feedback reaches us by **Friday 8 August 2008**.

## Westminster Sports Inc – Application to lease Westminster Yard site

This leaflet includes the plans for a multi-sport facility that is proposed by Westminster Sports Incorporated. The proposed facility is located on Council land and, as such, requires a lease from Council. Community views are therefore being sought about this proposal.

**Background - Westminster Yard site**

The City Council has been looking into possible future uses of the old Council works yard, located adjacent to Westminster Park and known as 'Westminster Yard', for some years. The existing sports buildings at Westminster Park are in poor condition, and the Council has been encouraging clubs to explore ways of combining their resources to provide better facilities. The Council is keen to encourage clubs to work together and share recreational resources in Christchurch.

**Westminster Sports Incorporated – Proposal for multi-sport facility**

In order to share resources at Westminster Park, Westminster Sports Inc have formed as an umbrella group of the following local sports clubs: Christchurch Football Club, Christchurch Football Club Netball, Christchurch Football Club Squash, Canterbury Australian Football League, Canterbury Judo Area Association, Westminster Korfball, Canterbury Lacrosse, Western Association Football Club and Westminster Petanque.

Westminster Sports Inc is proposing to establish a community sports facility at Westminster Yard. This includes a community sports facility (with public changing rooms and toilets), a multi-purpose sports hall, an early childhood centre and a new car park. The proposed facility would replace the existing sub-standard park buildings and gravel car park. In the longer term, the removal of the existing park buildings and car park would enable the Council to open up the park to Westminster Street and to landscape the new street frontage.

*The site plan overleaf illustrates the proposal. Also enclosed is a location plan, which shows the proposal in relation to Westminster Park and also elevations of the proposed facility.*

**Christchurch City Council – Lease of Westminster Yard site**

In order to progress this proposal Westminster Sports Inc requires a lease from Council for the use of part of Westminster Yard. If the lease is granted, Westminster Sports Inc would then require a resource consent to build the facility.



14. 8. 2008

Shirley/Papanui Community Board 23.7.2008

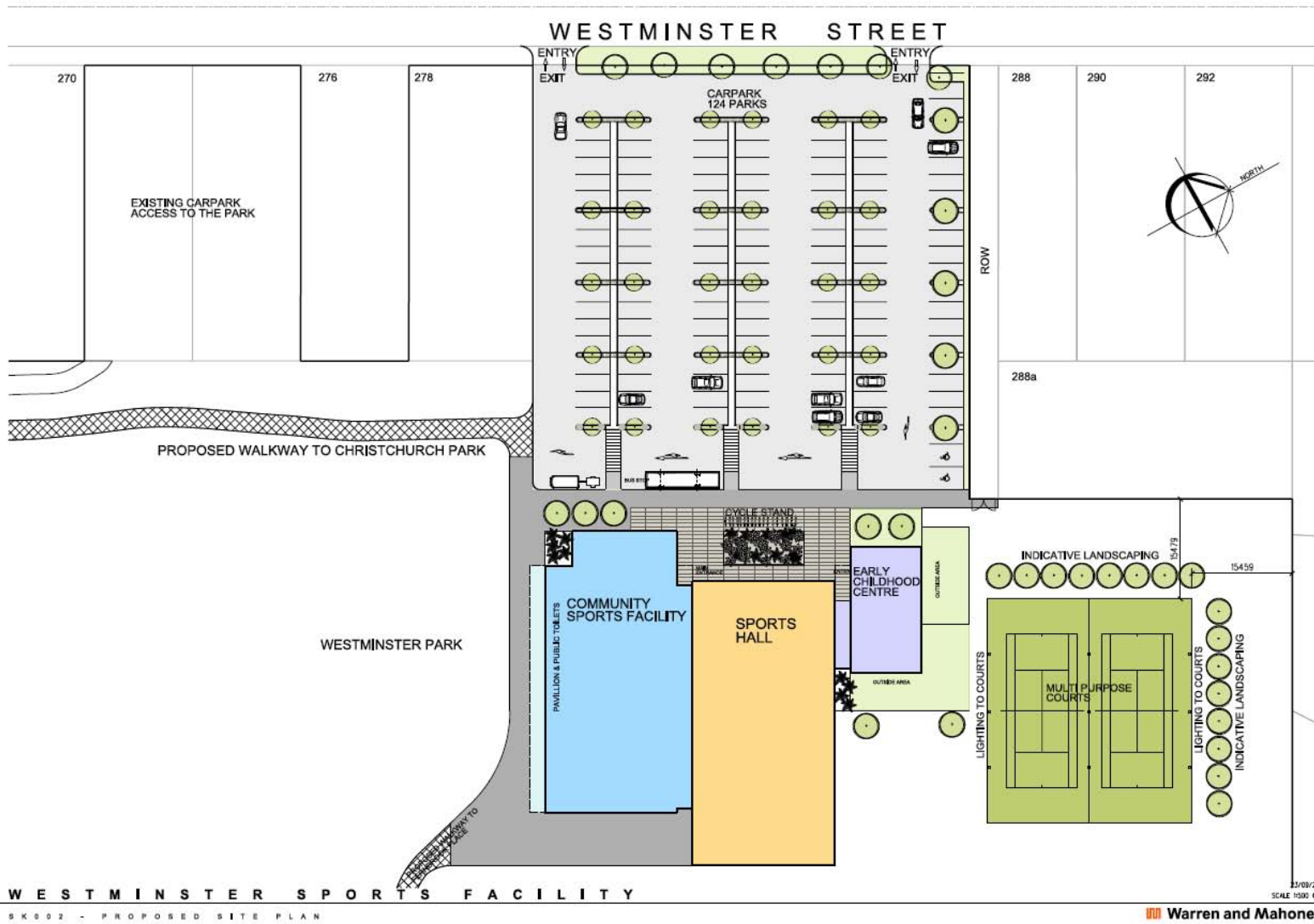
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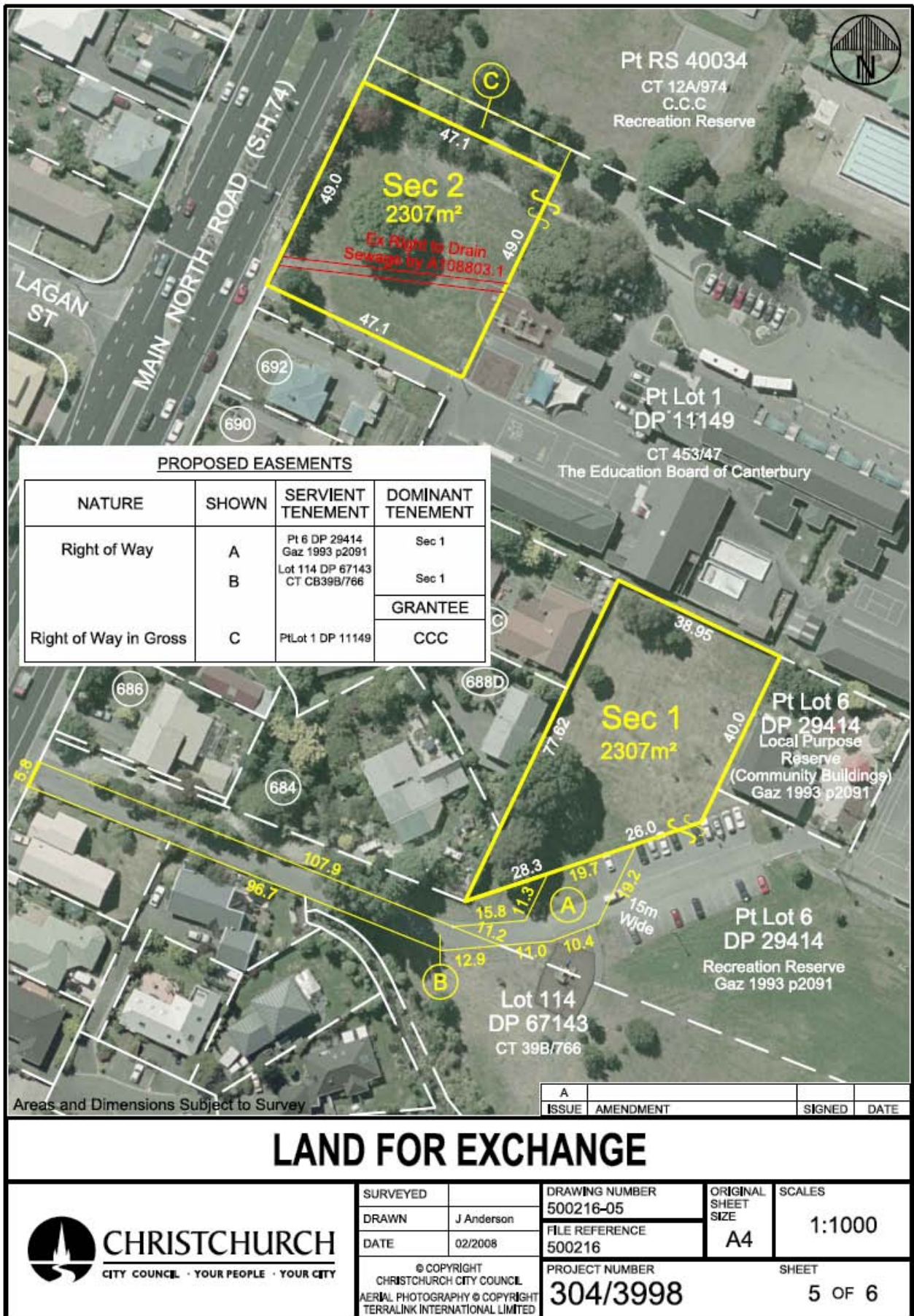


14. 8. 2008

Shirley/Papanui Community Board 23.7.2008

ATTACHMENT TO CLAUSE 1  
ATTACHMENT 3





Areas and Dimensions Subject to Survey

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| A | ISSUE | AMENDMENT | SIGNED | DATE |
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## LAND FOR EXCHANGE



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| DATE  | 02/2008    | PROJECT NUMBER | 304/3998  |                     |    | SHEET  | 5 OF 6 |
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