

34. 153 MAIN SOUTH ROAD - SALE OF PART

General Manager responsible:	General Manager Corporate Services Group, DDI 941- 8540
Officer responsible:	Unit Manager, Corporate Support
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PURPOSE OF REPORT

1. The purpose of this report is to seek the Council's approval to the sale of part of 153 Main South Road shown as Lot 1 on the plan in **Attachment 1** to Enable Networks for the location of a building to support the ultra-fast broadband being provided to residents of Christchurch.

EXECUTIVE SUMMARY

2. Enable Networks won the contract to provide Christchurch with ultra-fast broadband in May 2011. The project will cost \$440 million and provide a fibre optic network to 180,000 homes. In order to service the new network it is necessary to construct a number of buildings to act as fibre optic hubs. Such are best placed in the middle of the area serviced and are designed to service 10-20,000 users.
3. A number of sites were investigated by Enable Networks but this location was considered the most favourable and further benefits from being co-located with a proposed Council public work.
4. The retention of this property was reported to the Board on 30 August 2011 following a process to determine if it was redundant as the original purpose for which it was purchased was no longer valid. Following the process to determine if other Council units required the property, City Water and Waste identified the site as being suitable for future water wells.
5. The City Water and Waste unit have confirmed a sale of the part identified on the plan attached will not impact on the use of the remainder of the property for the provision of water wells.

FINANCIAL IMPLICATIONS

6. None. All costs, together with the open market value of the site and any associated easements, will be paid by Enable Networks.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

7. No.

LEGAL CONSIDERATIONS

8. A sale and purchase agreement will be entered into with Enable Networks.

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

9. Yes the Legal Services Unit has been consulted. An easement for the main building is not appropriate given the permanent nature of the structure and the exclusive occupation of the site. The disposal of this property will be subject to Section 40 of the Public Works Act 1981. This may involve offering the property to the former owner or their successor at market value and will be completed if the Council declares the property surplus.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

10. This does not align with the LTCCP or Activity Management Plans.

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

11. No.

34 Cont'd

ALIGNMENT WITH STRATEGIES

12. Not applicable.

Do the recommendations align with the Council's strategies?

13. Not applicable.

CONSULTATION FULFILMENT

14. Not applicable.

STAFF RECOMMENDATION

That the Council that the Council adopts a resolution in the following form:

- (a) Declare this part of the property surplus and approve the sale of part of 153 Main South Road, as shown as Lot 1 on the plan in **Attachment 1**, to Enable Networks.
- (b) Delegate authority to the Corporate Support Unit Manager to manage the disposal process including any obligations under s.40 of the Public Works Act 1981.

BOARD RECOMMENDATION

That the staff recommendation be adopted.