

# Have your say on: proposed land transfer

Christchurch City Council is seeking feedback on a proposal to transfer three properties to Development Christchurch Limited (DCL). Transferring the properties to DCL allows it to use the land for specific regeneration outcomes, and to access capital for investment purposes.

## Who is DCL and what does it do?

DCL is a Council Controlled Trading Organisation and a wholly owned subsidiary of Christchurch City Holdings Ltd (CCHL), the Council's commercial holdings company. It works alongside Regenerate Christchurch, Ōtākaro Limited and other agencies and stakeholders to contribute to the regeneration of Christchurch.

DCL's Statement of Intent for the year ending 30 June 2017 states that:

"DCL's principal objective is to support the Council and CCHL's vision for the City through the achievement of the Council's Community Outcomes identified in the Long Term Plan by contributing to the enhanced well-being of Christchurch through the improved economic, social, community and environmental outcomes that successful development, investment and regeneration plans bring."

More specifically successful regeneration activity will contribute to:

- A vibrant, competitive and attractive city, with higher levels of public participation across a range of opportunities, including social and community investment therefore driving economic growth.
- Greater convergence to opportunity and outcomes across all of Christchurch by promoting equal levels of service, amenity, access to transport and employment opportunities as well as availability and quality of housing stock in areas more severely affected by the earthquakes and the post-earthquake environment.
- Increased productivity and incomes from a more spatially efficient and consolidated central city."

In addition the Statement of Intent refers to DCL "advanc[ing] the Council strategic objectives in taking a pro-active approach to development through the use of Council-owned land and other non-financial levers."

## Why is the transfer needed?

DCL currently receives operational funding from the Christchurch City Council for its core services. It also manages some capital projects and budgets on Council's behalf. Over time Council wants DCL to be self-sufficient financially.

Transferring land to DCL allows it to use the land for regeneration outcomes, and to access capital for investment purposes. Council expects DCL to use returns from these investments to fund ongoing operations, future investments and regeneration projects for the betterment of the city.

If the Council does not transfer these properties to DCL, then it will need to consider other methods and options to capitalise DCL (including the possible transfer of other properties).

## Details about the three properties

The three properties that Council is proposing to transfer to DCL are:

### 1. Peterborough Street

Three central city properties at 82 and 84 Peterborough Street and at 95 Kilmore Street (as shown outlined in red on the aerial photo below). These sites include the former convention centre site and commercial properties owned by Council.

82 Peterborough St is currently occupied by a two level office building, leased for commercial purposes.

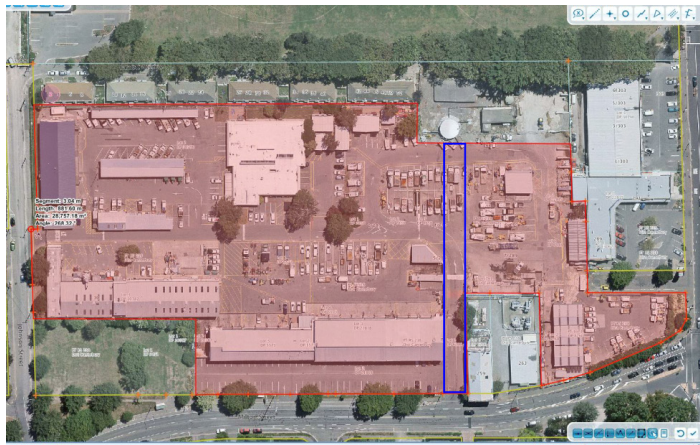


84 Peterborough St is currently vacant and is an unrepaired earthquake damaged, two level, office building. It has been vacant for an extended period and in addition to earthquake strengthening and repairs is likely to require some modernisation to attract new tenants.

Approximately 40% of the former convention centre site at 95 Kilmore St is currently occupied on a monthly basis by the Life in Vacant Spaces Charitable Trust. The balance of the site has been used since the demolition of the Convention Centre by the general public as an unformed, unmanaged and unsanctioned car-park.

## 2. The City Care Milton Street Depot

The land under consideration is that area coloured red and outlined on the aerial photo below.



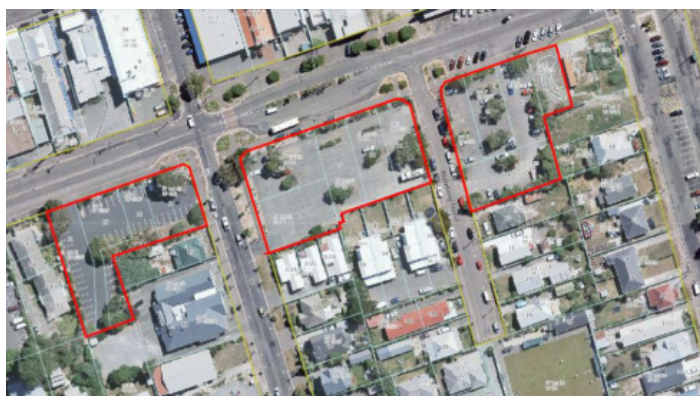
The entire Milton Street property is comprised of approximately 50 individual parcels and separate land titles. These are historic and do not reflect the current physical layout or use of the site.

The area proposed for transfer is currently occupied and used by City Care Limited as an operational works yard and offices. City Care Limited has indicated an intention to move from the site in the future. The site comprises a number of structures, the most significant of these being the plant maintenance workshops and trade workshops. There is also a significant administration office and amenity building. Most of these buildings are relatively old and are nearing the end of their economic life.

The proposed area under consideration is shown on the plan below. It excludes the social housing complex, an area for the existing waterworks infrastructure (with legal access to it by way of proposed easement) and the small greenspace area in the southwest corner. This leaves a balance to be considered for transfer to DCL of approximately 2.8 ha. The blue area shown on the aerial below shows an indicative easement to give access to the retained portions of the site.

## 3. Beresford Street

The land under consideration is outlined in red on the aerial photo below and comprises three blocks of land that are currently used for free public car-parking. They are located on the southern side of Beresford Street, which is on the southern fringe of the New Brighton business precinct.



## Value

The current market valuation of the properties taken together is between \$15m and \$20m.

## How will the transfer transaction be structured?

It is anticipated that the land will be transferred at agreed market value. It is expected that DCL will pay for the land by issuing shares to CCHL to the value of the land, and CCHL will issue shares to the Council for the same value.

## How will this land transfer affect Council finances?

For the Peterborough/Kilmore Street property and the Beresford Street property, transferring these to DCL will have a minimal positive impact on rates. While the rental income received from this property is forgone the property holding costs exceed the rental. Thus there will be a small reduction in operational costs.

For the Milton Street property the Council could potentially lose the rental income currently earned on the City Care lease. If lost, this would have a minimal negative affect on rates.

## How will these properties be used?

No decisions have been made on the final use of the land. If the Council decides to transfer the properties, DCL will develop detailed proposals for each site. Council has already set clear expectations with DCL that any detailed proposals will need to enhance the wellbeing of communities through improved economic, social, community and environmental outcomes. DCL will carry out site specific engagement and consultation processes, and will ultimately be responsible for making decisions on final use. DCL will also comply with all regulatory and consenting requirements.

As an early indication, DCL is considering the following uses:

- Peterborough Street – A possible outcome of this development is a thriving inner city community including residences, education facilities, retail, hospitality and a hotel.
- Milton Street – A mixed use/affordable housing development for approximately 200 people is possible on this site.
- Beresford Street – To support the regeneration of New Brighton, development of these sites into residential housing is possible, with owner occupier terraced houses potentially adding another 80 people into the catchment of the New Brighton commercial core. This would occur once car parking supply/demand in the area is addressed.

## Will I get a chance to have my say on the future use of the sites?

DCL has indicated that it will undertake site specific consultation and engagement prior to making final decisions about the use of the sites.

# Proposed land transfer Submission Form

Please share your views with us by ticking the relevant boxes:

- YES – I/we support the proposal.**
- YES – I/we generally support the proposal, but have some concerns.**
- NO – I/we do not support the proposal.**

Please let us know your comments about the proposed transfer of land to DCL for regeneration purposes.

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

Katy McRae  
Engagement Manager  
[katy.mcrae@ccc.govt.nz](mailto:katy.mcrae@ccc.govt.nz)  
941 8037

*Please fold with the reply paid portion on the outside, seal and return by 5pm, Friday 5 May 2017.*

**Please note:**

Your full name, address and telephone number are required because this information is important for transparency, and for Christchurch City Council's decision-making process. It also means we can update you on progress.

Ideally we would like your email address too, if you have one, as this makes it easier for us to stay in touch with you throughout the engagement process.

Your submission, including your name and contact details, will be made available to Council, to help them make an informed decision.

Submissions, **without names and contact details**, are made available online once the Council agenda goes live on the Council website.

If requested, Council is legally required to make all written and/or electronic submissions available to the public, including the name and contact details of the submitter, subject to the provisions of the Local Government Official Information and Meetings Act 1987.

If you believe there are compelling reasons why your contact details and/or submission should be kept confidential, please contact the Council's Engagement Manager on (03) 941 8999 or 0800 800 169 (Banks Peninsula residents).

Thank you for taking the time to respond. If you would like to be kept informed about the project, please note your contact details below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Post Code: \_\_\_\_\_

Phone: \_\_\_\_\_ (daytime) \_\_\_\_\_ (cell)

Email: \_\_\_\_\_

You can ask to speak to your submission at a Council meeting. The meeting will be held late May / early June. Limited time will be allocated for speaking to your submission, including time for questions. You will be contacted by phone to confirm the date and time of the Council meeting.

Do you wish to present your submission:  YES  NO

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FREEPOST Authority No.178



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Attention: Katy McRae  
Engagement Manager  
Christchurch City Council  
PO Box 73013  
Christchurch Mail Centre  
Christchurch 8154

tape here