

CHRISTCHURCH CITY COUNCIL AGENDA

EXTRAORDINARY MEETING

THURSDAY 21 MARCH 2013

9.30AM

**COUNCIL CHAMBER, CIVIC OFFICES,
53 HEREFORD STREET**

AGENDA - OPEN EXTRAORDINARY MEETING

CHRISTCHURCH CITY COUNCIL

Thursday 21 March 2013 at 9.30am
in the Council Chamber, Civic Offices, 53 Hereford Street

Council: The Mayor, Bob Parker (Chairperson).
Councillors Peter Beck, Helen Broughton, Sally Buck, Ngaire Button, Tim Carter, Jimmy Chen,
Barry Corbett, Jamie Gough, Yani Johanson, Aaron Keown, Glenn Livingstone, Claudia Reid, and
Sue Wells.

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1. APOLOGIES

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**COMMUNITY, RECREATION AND CULTURE COMMITTEE
15 MARCH 2013**

**A meeting of the Community, Recreation and Culture Committee
was held in the Function Room
on 15 March 2013 at 1pm.**

PRESENT: Councillors Yani Johanson (Chairperson), Glenn Livingstone (Deputy Chairperson), Barry Corbett, Jimmy Chen, and Jamie Gough.

APOLOGIES: Councillors Peter Beck, Helen Broughton and Tim Carter.

The Committee reports that:

PART A - MATTERS REQUIRING A COUNCIL DECISION

(1.) SOCIAL HOUSING INTENSIFICATION (PART ONE)

General Manager responsible:	General Manager Community Services, DDI 941-8534
Officer responsible:	Unit Manager Community Support
Author:	Lee Sampson, Project Manager – Facilities Rebuild

PURPOSE OF REPORT

1. The purpose of this report is to seek approval to proceed with the proposed design and build of 16- 22 new Christchurch City Council social housing units. These new one bedroom units will be built through infill development on vacant Council City Housing land located within existing complexes, as outlined through Works Package 1. Subject to approval to proceed, completion is scheduled for the final quarter of 2013.

EXECUTIVE SUMMARY

2. This programme is part of a greater strategy to repair or replace social housing stock which was either severely earthquake damaged following the September 2010 and February 2011 earthquakes or red zoned. The social housing DEE (Detailed Engineering Evaluation) process has also seen further closures which have compounded the existing supply shortage.
3. These new one bed units to be built on vacant Council City Housing land and are planned for delivery in the final quarter of 2013 taking into consideration build times of a approximately 14 - 16 weeks (following the design and consenting periods).
4. A list of sites where the potential exists for infill development was drafted through collaboration of City Housing, Strategy and Planning, the Property Consultancy Team and Facilities Rebuild Programme Team. Several sites are currently undergoing feasibility studies and will be presented to Council in due course. Works Package 1 identifies the follows sites as suitable to proceed at this time (refer to **Attachment 1** for site location plans):
 - (a) Maurice Carter Courts (Dundee Place), Spreydon (8-12 Units); and
 - (b) Knightsbridge Lane, Aranui (8-10 Units).

The above complexes were master planned accordingly (at inception) to receive further units by the Council at a later date.

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(1.) Cont'd

5. In accordance with the procurement plan, the recommendation is now to proceed directly to tender for these two schemes. Contractors with previous and relevant experience will be requested to tender (noted as a minimum of three) for the design and build of these units. A number of specialist construction companies exist in the local market with the resource and capability to complete this project scope within the required time, cost and quality parameters.
6. Design and build is considered to offer condensed project delivery duration in lieu of more traditional routes coupled with a single line of accountability. Furthermore in approaching the market, we are ensuring the latest technological and innovative solutions are incorporated into the design including off site pre-fabrication methods. In meeting the requirements of the design brief, these units will be permanent solutions.
7. The tender submissions will be assessed to ensure the total cost of ownership is financially viable (i.e. initial capital and forecast lifecycle cost over 90 years will be assessed, based on the current rent setting model for an A Grade One Bedroom unit as of 1 July 2013). Key non price attributes measured in the tender evaluations will include; design merits and innovation, conformity to the Lifemark standard, full accessibility and an assessment against the council's sustainability Policy. The Council is therefore actively encouraging designs that deliver good sustainable outcomes for Social Housing in a financially viable way.

FINANCIAL IMPLICATIONS

8. The initial expenditure will be financed from the existing Housing Development Fund which has a current balance of \$30,195,000. (including the balance of the \$21 million received from EQC). Following the 2009 rent review the Council has committed to upgrading the standard of its existing housing stock and substantial funds will be required to meet these obligations. With insurance funds applied to the rebuild the above development is a stand alone investment, and is financially sustainable at a rental of approximately \$140.60 per week (the current charge for an A Grade One Bedroom Unit as of 1 July 2013).
9. Details of the financial analysis are outlined in the Public Excluded part of the meeting as they are commercially sensitive.

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

10. Yes. This expenditure meets the Level of Service ("Maintain portfolio of rental units and owner/occupier units) in order to return to ("2649 rental units")

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

11. Resource consent will be required to progress these developments and confirm the total permissible site density. This will be a discretionary activity under the plan; however Clause (a) of the City Plan removes the minimum specified site density for EPH (Elderly Persons Housing) units of less than 80m² gross floor area.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

12. As the recommendations are a consequence of the earthquake events, this issue is not addressed within the LTCCP.

ALIGNMENT WITH STRATEGIES

13. This report aligns with current strategy in maintaining Social Housing stock levels.

Do the recommendations align with the Council's strategies?

14. As above.

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(1.) Cont'd

CONSULTATION FULFILMENT

15. Consultation will occur through the Resource Consent process.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Proceed to tender for Dundee Place, Spreydon (8 Units – 12 units) and Knightsbridge Lane, Aranui (8 Units – 10 Units) and;
- (b) Authorise the General Manager of Community Services and one other General Manager to accept a tender where it is within the range (plus/minus 10 percent) detailed in the additional report in Public Excluded and;
- (c) Note that these units on completion will be classified as A Grade One Bedroom Units and charged the appropriate rental for that level.

COMMITTEE RECOMMENDATION

That the Council:

- (a) Proceed to tender for Dundee Place, Spreydon (8 Units – 12 units) and Knightsbridge Lane, Aranui (8 Units – 10 Units).
- (b) Note that these units on completion will be classified as A Grade One Bedroom Units and charged the appropriate rental for that level.

(Note: the Committee requested that the recommendations be considered at a special meeting of Council on 21 March 2013 following the earthquake forum. This recommendation was overtaken by a requisition for an Extraordinary Council meeting on 21 March 2013.)

PART C – DELEGATED DECISIONS

2. RESOLUTION TO EXCLUDE THE PUBLIC

At 3.04 pm it was **resolved** on the motion of Councillor Johanson, seconded by Councillor Chen, that the resolution to exclude the public as set out on page 13 of the agenda be adopted.

The meeting was then adjourned and reconvened at 3.10pm in Committee Room 1.

It was **resolved** on the motion of Councillor Corbett, seconded by Councillor Johanson, that the public be readmitted at 3.15pm, at which point the meeting concluded.

CONSIDERED THIS 21ST DAY OF MARCH 2013

MAYOR

ATTACHMENT 1

Dundee Place, Spreydon (on vacant land at Maurice Carter Courts)

Area as highlighted 1878m², this Social Housing site was master planned to receive further units.

Zone L1

TC2 (Surrounding)



Knightsbridge Lane, Aranui (off Pages Rd)

Area as highlighted circa 1267m², this Social Housing site was master planned to receive further units.

Zone L1

TC2 (Surrounding)



3. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.

21. 3. 2013

COUNCIL**RESOLUTION TO EXCLUDE THE PUBLIC**

Section 48, Local Government Official Information and Meetings Act 1987.

I move that the public be excluded from the following parts of the proceedings of this meeting, namely item 2.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
2.	REPORT OF THE COMMUNITY, RECREATION AND CULTURE COMMITTEE: MEETING OF 15 MARCH 2013 (PART TWO)) GOOD REASON TO) WITHHOLD EXISTS)) UNDER SECTION 7)	SECTION 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM NO.	REASON UNDER ACT	SECTION	PLAIN ENGLISH REASON	WHEN REPORT CAN BE RELEASED
2.	Would prejudice commercial procurement	7(2)(b)(ii)	Contains information on works to go to tender	On completion of procurement process

Chairperson's

Recommendation: That the foregoing motion be adopted.

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”