

**Community & Services Committee  
10 July 2018**

**Report for Agenda Item 1**

**Department: Community Services**

**Proposal to amend the Reserve Improvements offsets for Shotover Country Sports field**

**Purpose**

- 1 To recommend to Council to amend reserve land and reserve improvement development contributions off-sets as appropriate.

**Recommendation**

That the Community & Services Committee:

1. **Note** the contents of this report and in particular;
2. **Recommend to Council** to amend the credit from the following previously agreed reserve improvement contributions for Shotover Country, to the Shotover Country Sportsfields:
  - a. Cycleway linking to future reserve adjacent to Lower Shotover - \$35,000
  - b. Playground in Merton Park - \$66,455.90

subject to the following works being done in accordance with the associated costs:

- a. Sports field in future reserve adjacent to Lower Shotover - \$69,000 (additional to the \$72,768.95 agreed by Council on 10 August 2017 and \$138,231.05 agreed by Council on 24 February 2016 for this purpose)

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25/06/2018

Reviewed and Authorised by:



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26/06/2018

## Background

- 2 Shotover Country Limited has previously negotiated with Council the following proposals for reserve improvement offset contributions that are to be created from future consented stages:
  - Sports field \$211,000
  - Pump Track \$35,000
  - Cycleway \$35,000
  - Merton Park Playground \$66,455.90
- 3 Shotover Country Limited has to date received an offset of reserve improvements for the works identified above, for a total (excluding GST) of \$347,455.90. This is the maximum amount to this period. Future reserve improvements will become available through the final subdivision stages 8d, 15 and 16.

## Comment

- 4 The sports field is now largely complete. During the construction phase changes the following changes to the design were required:
  - a. QLDC required that the extent of the irrigation had to be increased (had previously been underestimated); and
  - b. Significantly more earthworks were required to reach an adequate level with less flooding risk.
- 5 The final cost of the sports field as a result was approximately \$280,000 plus GST, \$69,000 more than anticipated.
- 6 A total of \$211,000 (\$72,768.95 10 August 2017 and \$138,231.05 24 February 2016) has previously been credited for the development of the sports field. Since then the final costs have come in at approximately \$280,000 (Attachment A).
- 7 Negotiations have occurred between the developer and the Parks Department and it is proposed that previously agreed reserve improvement offsets for Merton Park and the cycleway connection to the Lower Shotover River are instead credited towards the Sportsfields to meet the additional construction costs. This is to ensure that the Reserve Improvement offsets reflect the actual costs to the developer.
- 8 Merton Park is a local park on the lower terrace of Shotover Country. Shotover Country has agreed to develop a playground in this park to ensure that all residents in Shotover Country will have a playground within easy walking distance of generally 600m or less and will ensure all residents will be able to access a playground within the subdivision at all times, including school hours. Approximately half the costs (\$66,455.90) for 'Stage 1' of the playground were to be provided through agreed reserve improvement development contributions, whilst the remainder of funding be sourced from elsewhere. It is now proposed that the playground is funded through a combination of future reserve improvement contributions from the remaining stages and external funding sources, such as the community trusts.

- 9 A cycleway connection linking to the future recreation reserve adjacent to Lower Shotover River was proposed. It was agreed to offset the cost of this connection (\$35,000) from reserve improvement contributions. As above it is now proposed the cycleway is funded through a combination of future reserve improvement contributions from the remaining stages and external funding sources, such as collaborating with the Queenstown Trails Trust.
- 10 It has been confirmed with Planning and Development that future reserve improvement contributions will be available, and no further significant reserves are to be developed within the subdivision.
- 11 A Developers Agreement will be completed which requires the developer to complete construction of the playground and cycleway within two years of signing, to provide assurance to Council that the reserve assets will be provided to the community.
- 12 The recommended option ensures that the offsets will reflect the actual cost of the sports field works and that Council will not meet any costs of work that exceed the value of reserve improvement development contributions required from the consented stages of development, and that the playground and cycleway are still completed.

### **Options**

- 13 Option 1 Accept the proposal to credit previously agreed reserve improvement offsets to meet the additional construction costs.

#### Advantages:

- 14 The developer will not incur extra costs as a result of Council requiring a higher specification than originally forecast.
- 15 The community will gain a high quality sports field, a playground and cycleway connection.
- 16 Future reserve improvement funds will be available to meet the costs previously agreed for the playground and cycleway.

#### Disadvantages:

- 17 The delivery of the playground and cycleway may be delayed.
- 18 Transferring of previously agreed reserve improvements is complex.
- 19 Option 2 Do not accept the proposal and require the developer to meet the additional construction costs.

#### Advantages:

- 20 The reserve improvement credits will be consistent with the original Council resolutions.

Disadvantages:

- 21 The reserve improvement contributions will not reflect the actual costs of the sports field and the developer may be less inclined to provide quality facilities in future.
- 22 The playground and cycleway connection will not be delivered any sooner.
- 23 This report recommends Option 1 for addressing the matter because it results in a good outcome for both the developer and the community.

***Significance and Engagement***

- 24 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because there will be little impact on Council's function if the recommended option is taken.

***Risk***

- 25 This matter related to the operational risk OR002 and OR010b. OR002 relates to an Increase in Expenditure and OR010b relates to Damage or loss to third party asset or property as documented in the Council's risk register. The risks are classed as moderate.
- 26 This matter relates to this risk because accepting the land may increase Council's expenditure on maintenance after the initial land owner maintenance period. The recommended option ensures conditions are required to be met in terms of reserve specifications prior to handover to Council which should ensure expenditure on maintenance is at anticipated levels. The vesting is also in accordance with the Parks and Open Space Strategy 2017 further reducing risk of judicial review of any decision to accept the land.

**Financial Implications**

- 27 Provision will need to be made available within Council's maintenance budgets for the sports field and the level of service it will be maintained to. This has been estimated to be \$11,000 per annum.

**Council Policies, Strategies and Bylaws**

- 28 The following Council policies, strategies and bylaws were considered:
- 29 The following Council policies were considered:
- Significance and Engagement Policy
  - Parks and Open Space Strategy 2017
  - Development Contributions Policy
- 30 This matter is not included in the 10-Year Plan/Annual Plan as any future costs will be met through operational budgets.

## **Local Government Act 2002 Purpose Provisions**

31 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by provision of quality sports field to meet the recreational needs of the districts residents;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

## **Consultation: Community Views and Preferences**

32 The persons who are affected by or interested in this matter are the residents/ratepayers of the Queenstown Lakes district community, in particular the residents of Shotover Country and Lake Hayes Estate.

33 Council officers are involved in ongoing consultation with the Lake Hayes Estate and Shotover Country Community Association and the Lower Shotover Primary School about the future use of the sportsfields.

## **Attachments**

A Sports Field Costs and Final Design

## Attachment A

## Shotover Country Limited Sportsfield Construction Final Costs:

<b>SCL - Sport Field Confirmed Spend - 18052018</b>			
<b>Supplier</b>	<b>Date</b>	<b>ex GST</b>	<b>Detail</b>
TIC	31/01/2018	35,680	laser levelling
TIC	31/01/2018	15,075	back flow - pit - lid
TIC	31/01/2018	15,392	mainline and subline
TIC	31/01/2018	27,608	irrigation components
TIC	28/02/2018	3,045	Water meter
TIC	30/03/2018	23,800	Irrigation install
TIC	30/03/2018	8,500	Cultivate and Relevel
Beavers		30,475	150mm gravel place and compact
Civil		16,260	Extract and supply gravel
Civil		11,505	Building platform
Beavers		5,637	Shaping Embankments
Anderson Loyd		2,700	Legal
Anderson Loyd		3,900	Legal
TIC	19/04/2018	20,000	cultivate, prep, seed oval
TIC	19/04/2018	1,300	Aerator
TIC	19/04/2018	15,732	Sow, fert, Spray supporting reserve area
CFM		8,000	Set out and design
TIC		24,824	Establishment of Turf
PM Services		5,200	Project Management
Electrician		1,500	Irrigation system connection
Topline		2,500	Fencing to secure irrigation
<b>Total</b>		<b>\$ 278,633</b>	