

## 5. QEII SPORTS HOUSE UPDATE

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The purpose of this report is to update the Community and Leisure Committee on the current status of the Sports House refurbishment at QEII Park and to seek support for additional money for the renovation.

### BACKGROUND

Formerly the New Brighton Trotting Club members' pavilion (circa 1913), this building was more recently utilised as the Civil Defence Training Centre for Christchurch.

The building has since been relocated to a site adjacent to the Village Green with the intention that it be used concurrently as a sports pavilion, a sports administration centre and for community purposes.

Canterbury Cricket have not hired the Village Green during the past two seasons due to a lack of supporting facilities at the ground. New Zealand Cricket also have issued a dictate that first class matches should not be played at venues which relied upon "tent villages" for the provision of support facilities. Previously Canterbury Cricket had utilised the ground on a regular basis for first class fixtures.

With the recent completion of the ground floor refurbishment, which includes facilities for players and match officials, New Zealand Cricket hired the ground for five two-day fixtures during January and has confirmed the Village Green as the venue for New Zealand A vs Sri Lanka over five days in March.

It is expected that in future the Village Green will be used for both club and first class cricket. It is recognised as one of the best playing surfaces in New Zealand. In addition, the ground will continue to act as the base venue for Australian Rules Football in Canterbury and is available for use by other codes as required.

### POTENTIAL USE OF THE FIRST FLOOR

First floor design work has been completed with the intention that this space could be utilised for sports administration. This is seen as ideal usage for the building, in keeping with the history and tradition of the building itself, the purpose of QEII Park, and will meet a very real need in Christchurch.

Figures supplied by the architect associated with the renovation of the building indicate that the cost of painting the exterior of the building and to renovate to a standard suitable for tenancy is \$340,000. Any further requirements of a respective tenant would be at the cost of the tenant.

The 2004-05 QEII Park budget includes \$100,000 for improvements to the Village Green precinct. Additional funds required therefore to carry out necessary renovation work in preparation for a tenancy total \$240,000.

A valuation company has assessed a market rental for the building at approximately \$30,000 per year.

The issue of renovation however, is more than just a question of tenancy. Since relocation to the Village Green, vandals have repeatedly targeted the building. First floor windows are currently being replaced. QEII Park staff members have been successful in removing squatters and have thwarted arson attempts. As such, it is important that the building be used on a daily basis.

Painting the exterior of the building will have a positive effect on alleviating the threat of vandalism.

The first floor of the building will not be suitable for use until refurbishment is completed. Christchurch City Council Facility Assets staff are currently assessing the project, giving consideration to making completion of the first floor possible, to a standard suitable to attract a tenant.

### FOR CONSIDERATION

Completion of the first floor to a standard suitable for a tenant to move in will require an additional \$240,000. \$100,000 has already been budgeted for in the 2004/05 financial year.

Completion of first floor renovations will allow the building to be utilised on a daily basis providing rental income of approximately \$30,000 per annum. There are clear advantages in having the building occupied and in regular use which will alleviate the serious security issues which currently exist with this building. The intention of this proposal is to renovate the building to a standard suitable for consideration by a tenant. Any fit-out requirements of the tenant would be at their cost and responsibility and would be subject to landlord approval.

The Council has a policy to dispose of all surplus property by public tender unless there are good reasons for doing otherwise.

The Facility Assets Unit has consistently adopted this policy with the disposal of property rights in terms of commercial leases. Recent examples of this include cafes at QEII, South Christchurch Library and at the new Art Gallery.

Sport Canterbury is very keen to relocate their headquarters from rented facilities in the city to QEII Park. The building would then be utilised on a functional daily basis in a manner befitting one of Christchurch's recognisable landmarks. Sport Canterbury's current lease of premises in St Asaph Street runs out in September this year

The nature of services provided by Sport Canterbury is such that virtually all sporting bodies at provincial, club and school level, and members of the wider Christchurch community, benefit from their existence. Sport Canterbury play a vital role in positively influencing the Christchurch community through sport. The proposed relocation of Sport Canterbury to QEII Park represents a timely opportunity to provide the organisation with a secure and appropriate tenancy well suited to its requirements.

Relocation to QEII Park would provide Sport Canterbury with a high profile location from which the Christchurch community and sporting organisations would gain maximum advantage. The lease of their current premises runs out in September this year. QEII provides Sport Canterbury with the opportunity to relocate to a location far more appropriate to the needs of their business. Sport Canterbury contribute to the wider Christchurch community through sport, recreation and leisure. Given that Sport Canterbury deals with schools, clubs, sporting organisations and associations throughout our region, QEII Park is clearly the most appropriate location for their operation. Relocation to QEII Sports House provides the ideal opportunity for the Council and Sport Canterbury to maximise the benefit of operating from such an appropriate facility.

The Community and Recreation Unit believes that Sport Canterbury is clearly the most appropriate tenant to maximise the use of, and benefit from the renovation of the building and that the Council policy to tender be put aside in this instance.

#### **Staff**

- Recommendation:**
1. That the Council support the renovation of the first floor of QEII Sports House by making available an additional \$240,000 as part of the 2004/05 Annual Plan.
  2. That the Council policy for tendering surplus property (property rights) be put aside in this instance for the reasons outlined in the report, and that the Council negotiate a lease with Sport Canterbury, a charitable trust.
  3. That the lease of the QEII Sports House first floor be negotiated between representatives of Sport Canterbury and Christchurch City Council's Facility Assets Manager and the QEII Park Manager.

#### **Chairman's**

**Recommendation:** For discussion.