



Otorohanga Community Board

AGENDA

1 December 2016

4.00pm

Deb Hill - Manager of the Otorohanga Support House will present at 4.10pm

Members of the Otorohanga Community Board

Mr Alan Buckman
Mrs Katrina Christison
Mrs Liz Cowan
Mr Neville Gadd
Mr Paul McConnell
Mr Peter Coventry

Minutes Secretary: Mr CA Tutty (Governance Supervisor)

OTOROHANGA COMMUNITY BOARD

1 December 2016

Notice is hereby given that the first triennial meeting of the Otorohanga Community Board will be held in the Council Chambers, 17 Maniapoto Street, Otorohanga on 1 December 2016 commencing at 4pm.

25 November 2016

DC Clibbery
CHIEF EXECUTIVE

AGENDA

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PRESENT

IN ATTENDANCE

APOLOGIES

ITEMS TO BE CONSIDERED IN GENERAL BUSINESS

CONFIRMATION OF MINUTES – 20 OCTOBER 2016

DECLARATION OF INTEREST

REPORTS

ITEM 9 POTENTIAL SALE OF BUILDING AT WATER RESERVOIR

To: **Chairman and Members
Otorohanga Community Board**

From: **Chief Executive**

Date: **1 December 2016**

Relevant Community Outcomes

- Ensure services and facilities meet the needs of the Community
 - Promote the local economy and opportunities for sustainable economic development
-

Executive Summary

A potential sale of the small wooden building adjacent to Council's water reservoirs on Thomson Avenue is discussed.

Staff Recommendation

It is recommended that:

Tenders are invited for the purchase of building adjacent to the Thomson Avenue water reservoirs, conditional upon the building being removed from the site.

Background

In March of 2016 a resident of Thomson Avenue made an initial enquiry to Council regarding the potential for them to use the small (approximately 45 m²) building that is adjacent to the water reservoirs off Thomson Avenue.

The intended use was as an office or consulting rooms for a registered nurse.

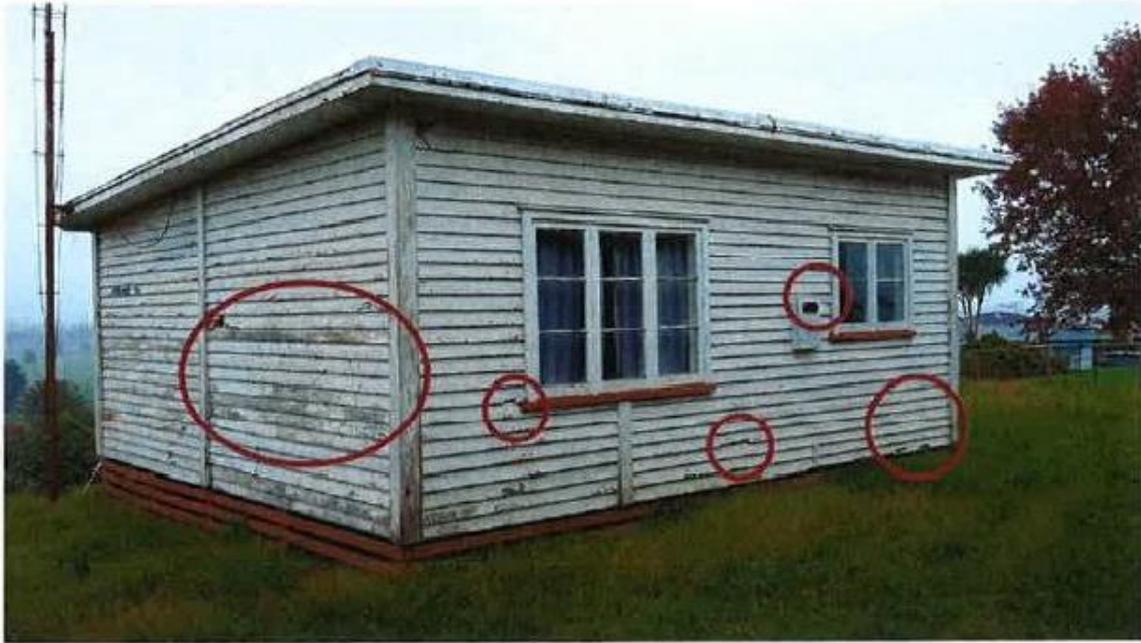
This weatherboard clad and corrugated iron roofed building was originally a small dwelling, and contains one reasonably sized living room, a single very small bedroom, and rudimentary kitchen and bathroom facilities. Pictures of the building are provided overleaf.

The building was moved to the site by the Waitomo Radio Club, a group of amateur radio operators which is a registered branch of the NZ Association of Radio Transmitters.

The subsequent evolution of communication systems such as the internet has however greatly decreased the value of amateur radio in such situations, and diminished interest in the amateur radio activity generally.

This decline is reflected in the fact that the building on Thomson Avenue had not been actively used for amateur radio for a number of years.

An initial visual inspection of the building was conducted following the Thomson Avenue resident's enquiry, which suggested that its condition might be poor, but a subsequent more detailed inspection by Council's Senior Building Control Officer indicated that most of the building is sound, and the extent of repairs required was limited.



1. Front and side elevation showing rotten cladding and paint system failure.



1. Front and side elevation showing rotten cladding and paint system failure.
2. The main entrance door requires sanding and repainting to ensure on going weather performance.
3. A complaint access step is also required to be installed.

Required Building Renovations

If the building was to be used for any purpose there was however a need at the very least to repair the damaged cladding, paint the exterior (including roof) and install complying access steps. The initial total of this work, based on figures provided by the officer was around \$9,000.

For the building to be inhabited the minimum work required would have to be extended to include the installation of a complying bathroom (current the bathroom only contains a toilet) and sealing

of the kitchen, laundry and bathroom floors. It was estimated that this probably take the total cost to around \$13,000.

Based upon these initial estimates it was assumed that total remediation costs for inhabited and non-inhabited use would be around \$15,000 and \$10,000 respectively.

At the time the enquiry regarding potential use of the building was received it was believed that the building was owned by Council, but it was subsequently discovered that it was still in the ownership of the Waitomo Radio Club.

Subsequent discussion with the club has however resulted in ownership being formally transferred to Council, with a grant of \$1,500 being made to the Radio Club in recognition of the building having some value.

The previous Community Board resolved at its meeting of 2 June 2016 as follows:

- 1. The Chief Executive be authorised to enter into negotiation with Phallyn Rangitaawa in respect of a potential lease of the Council building at the Thomson Avenue water reservoir.*
- 2. That subject to the outcome of those negotiations, appropriate maintenance and improvement works on the above building are undertaken by Council, to be funded from the Otorohanga Water Supply account.*

Recent Developments

Before entering into those negotiations local builders were then approached and invited to give estimates for the required work on the cladding and the steps, so that a proposed rental could be based on likely costs. Only one builder responded to these invitations, who indicated a cost of around \$10,000 for this element of the works alone, which was more than three times what had been previously assumed. This is believed to reflect the fact that there is a good deal of significant building work going on in the District, and that builders are therefore reluctant to take on these smaller projects.

This suggested that the total costs for the full programs of works might be twice or more what was initially indicated, and upwards of \$20,000.

These likely high renovation costs make the initial concept of a simple low cost lease of this small building less viable. If only renovated to a standard where it is suitable for use as an office or storage space the rental there is likely to be very limited demand for such a space, and hence reducing the rental that is likely to be obtainable.

The party who originally expressed interest has been asked to indicate how much they might be willing to pay for the rental of the building, but has not provided a specific figure. This party did however suggest some other approaches to the use of the building, but none are considered to be suitably simple and straightforward.

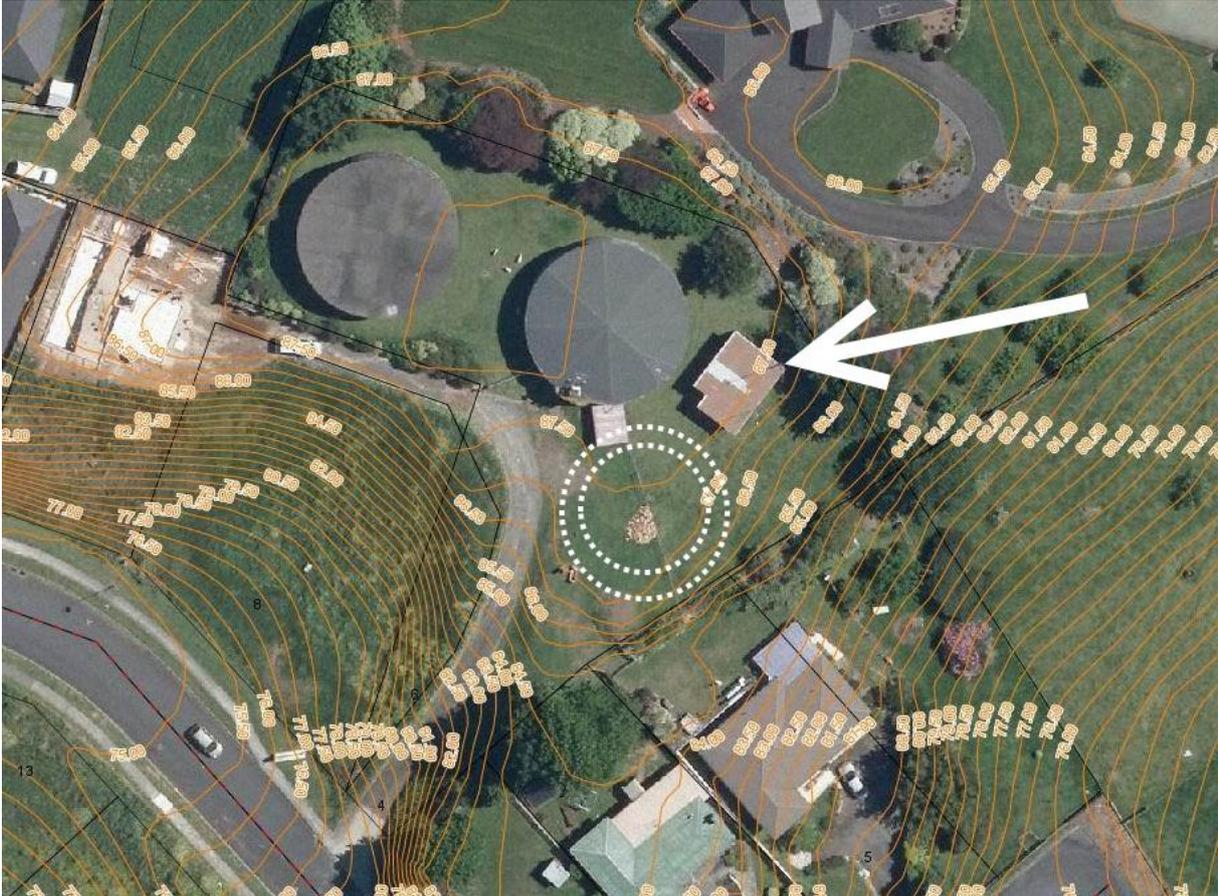
It was initially envisaged that if perhaps \$10,000 was spent on renovating the building, leasing at around \$50 per week would provide a relatively quick payback and a little additional income thereafter. That the renovation costs appear likely to be twice this figure – even for a non-habitable building – appears to make financial viability questionable.

Even if a party was found who was initially willing to pay an adequate rental there would be no assurance of this rental continuing in the long term, and finding new tenants for a small building that can only be used for office or storage purposes is likely to be challenging.

The potential to obtain an adequate return is likely to be significantly increased if the building was renovated and improved to a standard suitable for residential occupation, as there is currently a significant shortage of rental accommodation.

Whether it would be appropriate for Council to become involved in the provision of accommodation at such a small scale on that site is however considered very questionable, as this would require additional oversight and administration that might not justify the limited amount of additional revenue obtained.

The site on which the building is located is intended for water supply purposes, not residential accommodation, and it would be important not to compromise this purpose in any way through having persons living there.



Building Location

Because of these limiting factors it is suggested that the most appropriate course of action would be to offer the building for sale, with it to be removed from the site.

It is believed that the building does have some significant value as its 'bones' are basically sound and that it should be possible for it to be effectively utilised elsewhere.

Such an outcome was however not the intention when the ownership of the building was obtained from the Waitomo Radio Club, and consideration to this might be given to this in the final arrangement if a sale proceeds.

Dave Clibbery
CHIEF EXECUTIVE

ITEM 10 POTENTIAL FINANCIAL SUPPORT OF COMMUNITY EVENTS

To: **Chairman and Members
Otorohanga Community Board**

From: **Chief Executive**

Date: **1 December 2016**

Relevant Community Outcomes

- Foster an involved and engaged Community
-

Executive Summary

A suggestion is made regarding providing financial support for Community Events in Otorohanga.

Staff Recommendation

That the Board gives consideration to provision of \$6,000, or a substantial proportion of this amount, from the Otorohanga Community Special Fund to support the delivery of further community events in Otorohanga during the remainder of the 2016/17 financial year.

Report Discussion

Since the middle of this year there have been a number of community events in Otorohanga, in particular the main street WiFi launch, the movie matinees and nights and the Diwali celebration, which have been largely organised by Council's Executive Assistant, David Dowd, and/or Leigh Peglar, who has been acting as an Events Coordinator on an entirely voluntary basis, also being assisted (again on an entirely voluntary basis) by Darren Knapton.

These events have been extremely well organised, and most have drawn very good numbers of attendees, and have in my opinion made a very positive contribution to the social fabric of the town, contributing to the sense of community that is perhaps sometimes lacking.

The individuals mentioned previously have made huge contributions of their time to arrange and deliver these events, and have also been extremely effective in keeping the other incurred costs very low, through a combination of ingenuity, frugality and obtaining sponsorship or other support.

Despite this the organisation of such events does have a net cost which has to be met by Council, and currently there is no specific allocation in any of Council's accounts to support such community events.

There has in the past perhaps been a belief by some that the support of community events was a role of the Otorohanga District Development Board (ODDB). Consideration of this does however suggest that such a view is not correct, since the objective that Council has given to the ODDB is to *'promote the local economy and opportunities for sustainable economic development'*.

It is believed that the reality is that most, if not all of the community events organised in the Otorohanga District put little if any real and tangible additional economic value into the local

communities. Very few additional dollars go into the tills of local businesses, and as such it does not appear that support of these events aligns well with the role of the ODDB.

The main benefits of these events (which are considered to be real and significant) are in respect of 'softer' aspects such as a sense of community connectedness, vibrancy and well-being. These are important things, but it is not currently recognised in any formal way that Council should be making specific contributions to these objectives, and there are certainly not any budgetary allocations identified as being for such purposes.

Because of this the costs of the community events that have recently been organised have had to be met from various existing small Council funding sources. These sources for the 2016/17 financial year have however now been exhausted. Unless further funding is approved, the delivery of further community events that have some cost to Council will have to cease immediately.

It had been my hope that discussions between Council and ODDB regarding the future of 'Community Development' activities (including potential inclusion of some 'softer' activities) would by now have been completed, and which might have addressed this issue. Those discussions are however still continuing and in the interim there is an immediate need to find another source of funding to support community events if they are to continue to be delivered.

There was discussion with Council after its meeting of 15 November regarding whether there was a desire to continue with the delivery of community events and if so, how the support of these events should be funded.

It was agreed that many of these events were based in and most largely of benefit to the urban communities, and that as such it might be appropriate for those communities to provide the required support, and that as such the matter should be referred to the Community Boards.

Based on Leigh Peglar's proposed schedule the events to be conducted in Otorohanga during the remainder of the 2016/17 financial year will have a cost in the order of \$6,000, and it is suggested that a potential funding solution in the short term would be make this amount (or a substantial proportion of it) available from the Otorohanga Community's Special Fund.

In the longer term an annual budget of at least \$10,000 per annum would appear necessary to support community events in Otorohanga at the indicated level.

I would once again like to stress the great value that we are currently getting in this area through the efforts of Leigh Peglar and those assisting him, and feel that it would be really unfortunate if we had to terminate this activity for the lack of a very modest amount of funding.

Dave Clibbery
CHIEF EXECUTIVE

ITEM 11 OCB MATTERS REFERRED FROM 20 OCTOBER 2016

To: Otorohanga Community Board Members

From: Governance Supervisor

Date: 1 December 2016

1. ENGINEERING MANAGER

20 October 2016

- i. To obtain specifications and costings for the provision of two additional powerful lights to be installed on each end of the Village Green.

2. BOARD

28 January 2016

- i. To hold a workshop on the establishment/continuation of Community Boards.
- ii. To hold a workshop with Council and the Otorohanga Kiwi House representatives on the future of the Kiwi House.

3. Mrs K Christison

20 October 2016

- i. To inspect the lighting of the Village Green/Library once the faulty light has been repaired.

CA Tutty
GOVERNANCE SUPERVISOR

GENERAL