

**REPORT 1**  
*(1215/52/IM)*

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## **OWHIRO BAY ENTRANCE – REPORTING ON CONSULTATION PROCESS OF POSSIBLE DISPOSAL OF 178 AND 180 OWHIRO BAY PARADE**

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### **1. Purpose of Report**

To report the results of the public consultation on the design concept for Owhiro Bay Entrance Upgrade and possible sale of the two sections at 178 and 180 Owhiro Bay Parade ('the two sections').

To seek the Committee's decision on the future of the two sections.

### **2. Executive Summary**

Late last year Council voted to sell the two sections at the end of Owhiro Bay Parade. At the time Councillors made this decision to sell they were under the impression that the community had had an opportunity to comment on the proposed sale as part of the draft South Coast Management Plan (SCMP) in 2000.

However, that was not the case. The potential sale of the sections was not included in the original draft SCMP. For that reason Councillors agreed to reconsider the decision to sell following public consultation.

Public consultation on the concept plan for the upgrade of the Owhiro Bay Entrance and the possible sale of the two sections was held over four weeks and closed on 2 June 2006. A brochure including a submission form was prepared which described what was planned for the site and provided detailed information about the two sections. This was widely available at libraries, services centres and on the Council's website.

A total of 500 submissions have been received. 402 submissions were from Wellington and 200 from the Southern areas. 476 (95%) of the submissions support retaining the two sections in public ownership. 13 (2%) of the submissions support selling the two sections, 7 of the submissions don't mind what happens to the two sections and 4 have not provided an answer.

The main reasons not to sell that were provided by the submitters included; the matter of principle (public land should remain in public ownership), retaining the land as reserve for future generations to enjoy, the original intention of purchasing the quarry land for reserve purposes, the loss of open space and need for extra car parking.

There are 3 options available to the Committee. They are;

- Option 1. Do not sell the two sections. Rescind the Council decision dated 27 September 2005 to declare the 2 sections surplus.
- Option 2. Sell the two sections as residentially zoned land. (Council will need to follow the District Plan zone change process).
- Option 3. Sell the two sections as their current rural zoning.

Advantages and disadvantages of each option are provided in section 5.2 of this report.

Officers recommend Option 1. Do not sell the two sections.

The public consultation process has proved that the level of opposition to sell the two sections is considerably high and can not be ignored or considered as minor. The risk to Council if the sections are sold increases. This risk is not only in time and loss of value but to Council's reputation and ability to continue to engage and develop partnerships with the community on future projects.

### **3. Recommendations**

It is recommended that the Committee:

1. *Receive the information.*
2. *Note that 500 submissions were received, the majority supporting the retention of the two sections.*
3. *Recommend to Council to rescind the Council decision dated 27 September to declare the 2 sections surplus.*
4. *Note it is now not necessary to consider and vote on the Procedural Motion initiated by Councillor Wade Brown under standing order 174(which was laid on the table on 23 November 2005) as six months has passed since the 27 September 2005 decision.*

### **4. Background**

#### **4.1 Process to date**

- On 22 September 2005, the Strategy and Policy Committee received an officer's report on the Upgrade of the Owhiro Bay Quarry Carpark.

The Committee resolved the following:

1. *Receive the information.*
  2. *Approve the design brief and preliminary concept sketch for the upgrade of the Owhiro Bay quarry carpark as attached in Appendix B.*
  3. *Agree to the old quarry building being demolished and replaced with a purpose built information/interpretation kiosk and toilet facilities as discussed in section 5.2 of this report.*
  4. *Agree to declare the two sections surplus in principal and officers report back on the disposal process.*
  5. *That the Committee approves the Owhiro Bay quarry carpark and entrance upgrade for inclusion in the 2006/07 Long Term Council Community Plan.*
- At the Council meeting on the 27<sup>th</sup> September 2005, the Council also agreed to the above resolutions.
  - At the Council meeting on the 23 November 2005, two separate procedural motions were brought under standing orders 174 to revoke the 27 September resolution and replace it with substitute motions.
  - During the Mayoral announcements at the Council meeting on 23 November 2005, the Mayor announced;

*“On 27<sup>th</sup> September 2005 Council resolved to sell the two rural sections 178 & 180 Owhiro Bay Road.*

*Since then I have received an email from the Southern Environment Association regarding the inclusion of sale of the two sections in the South Coast Management Plan. I have also had discussions with Councillor Wade –Brown. I have followed up the email with Officers and it would appear that the sale of these sections was not in the draft South Coast Management Plan for which was consulted on, although it did appear in the final South Coast Management Plan.*

*I am personally giving an undertaking that no action will be taken on the sale of the sections until consultation is completed.*

*In the mean time Councillor Wade Brown has agreed to the report lying on the table.*

*Report 3 dealing with the revocation of the resolution regarding the former Quarry are unaffected by this. So we will still proceed with that report.”*

- Since the Council meeting on the 23 November 2005, Officers have been designing the concept for the site and undertaking public consultation on the concept plan and possible sale of the two sections.

## **4.2 Public consultation process**

Public consultation on the concept plan for the upgrade of the Owhiro Bay Entrance and the possible sale of the two sections was held over four weeks and closed on 2 June 2006.

A brochure including a submission form was prepared which described what was planned for the site and provided detailed information about the two sections.

The brochure and a covering letter were sent to all key stakeholders, including 196 individuals and organisations. This information was also available at libraries, service centres and on the Council website. The consultation was advertised in Our Wellington Page in the Dominion Post and the Cook Strait News. A sign was placed at the entrance of the Owhiro Bay Carpark, notifying the public of the opportunity to provide feedback.

A public information evening was also held on Tuesday 23 May, from 5.30 pm to 7.30 pm, at the Wellington City Council Committee Room foyer. This was to give the public an opportunity to view the concept plan and ask any questions of the design team. Approximately 20 people turned up to view the plans and ask questions.

## **4.3 Review of information about the site, the upgrade project, the open space assessment of the two sections and valuations**

### **4.3.1 The Site**

In 2000 Council purchased the Owhiro Bay Quarry from Milburn New Zealand Limited to stop quarrying on the South Coast, restore open space values and improve public access around the coast. Over the last five years Council has been implementing the Owhiro Bay Quarry Closure Management Plan, including earthworks, restoration and revegetation of the quarry faces. The final stage of the Quarry Closure Management Plan is the upgrade of the car park area as a major entrance and gateway to the South Coast. Upgrading the car park is also identified as a special project in the South Coast Management Plan (SCMP), Policy 8.1.

Due to the increasing recreation demand around the South Coast, upgrading the quarry car park area has become a priority. There is an urgent need to protect and enhance the natural coastal values while accommodating the needs of visitors. Achieving the balance between recreation use and environmental protection is critical in such a sensitive coastal area.

The site is the large undeveloped open gravel area at the end of Owhiro Bay Parade to Hape Stream. (Refer to the plan in appendix A).

The site has many issues and conflicts which are magnified by the lack of visitor facilities, site design and development. Car parking and traffic circulation is

uncontrolled, causing dust problems and conflict issues between vehicles, pedestrians and mountain bikers. There are no visitor facilities such as toilets, rubbish bins and only limited information and interpretation signs. The site is exposed to extreme weather conditions especially in the winter, and its isolation makes it a target for constant vandalism.

#### **4.3.2 Information on the two sections**

The two Council owned sections at the end of Owhiro Bay Parade (178 and 180 Owhiro Bay Parade) were part of the Owhiro Bay quarry property purchase in 2000.

Both sections are held under two separate Certificates of Titles, WN21C/11 and WN479/226, and currently zoned rural under the operative District Plan.

The first section, 178 Owhiro Bay Parade, comprises of an irregular shaped lot with a frontage of approximately 12 metres and a depth of 47.5 metres. 180 Owhiro Bay Parade is larger with frontage of 30 metres and depth of 47.5 metre. The front of both sections is level to approximately 15 metres, then the sites comprise of steep revegetating hill side.

The existing quarry building encroaches onto the south west corner of 180 Owhiro Bay Parade.

#### **4.3.3 Open space assessment presented in the report to Committee in September 2005**

This information on the open space assessment was presented in the September 2005 Committee report.

An assessment of open space values identifies if there are any landscape, ecological, recreation and heritage values worthy of protection.

##### *Landscape values*

The landscape values of these two sections can be described as medium to high. Visually and spatially these two sections are part of the carpark area. They form the edge between existing residential development and public open space. The steep banks at the rear of the sections link with the undeveloped coastal escarpment and provide a significant visual backdrop.

If residential development occurs on these two sections, the entrance and car park area changes in size and sense of place. There will be less area to create an entrance and a buffer zone between private residential property and the public meeting and picnic area. This may cause future conflicts over dust, noise, privacy, views and vandalism.

To mitigate some of these concerns restrictions could be placed on development, such as covenanting the rear steep banks and building height.

### *Ecological values*

There is no significant native vegetation on the property. The vegetation on the steep slope is predominantly regenerating coastal shrubs and some rough grass.

### *Recreation values*

Currently these sections have no recreation value, but if they are retained the front flat area would be used for car parking and landscaping.

Maximising car parking opportunities is essential in this area due to the significant visitor growth. Any future restrictions on vehicle access around the coast will also generate an increase in parking demand.

Proposed car parking areas are shown on the concept plan in Appendix B. Parking will be provided for approximately 50 cars if the sections are sold or about 62 if the sections are retained.

#### **4.3.4 Land valuations**

There are five different valuation scenarios for the two sections with various contributing factors.

#### *Zoning issues:*

Residential zoning - For the two sections to be sold as residential zoned land, the Council as land owner would have to initiate a change to the District Plan. This is a publicly notified process and any objections are heard at a formal hearing. This process could take up to six months to two years, depending on the outcome and whether or not there are appeals to the Environmental Court.

Rural zoning – Council could sell the two sections under their current rural zoning. However, a rural zoning would not reflect the likely future use, and for any residential development, the land owner(s) would be required to seek resource consent or initiate a private plan change for re-zoning.

The District Plan team advises Council Business Units to ensure that land is appropriately zoned to the intended use prior to disposal. For example, residential use, residential zoning.

#### *Restrictions on Title:*

If required Council can register the following covenants on the titles of the two sections before disposal to ensure added open space values:

- Bush covenant the top slope of each section to protect the landscape and ecological values

- Height covenant on any future development on the sites, i.e. no building can be built over 6 metres. This is not required if the zoning remains as Rural due to the District Plan restrictions placed on rural developments.

*Boundary Adjustment:*

Under the current zoning (rural) and the configuration of the two sections, Council officers recommend undertaking a boundary adjustment, prior to disposing of the sections. This adjustment will increase the lot size of 178 Owhiro Bay Parade and the side boundaries to a desirable size which will ensure the future owner(s) will have an opportunity to develop a single dwelling within the current Rural District Plan rules. Without this adjustment only one section, 180 Owhiro Bay Parade will be able to be developed under the current rules. This will ensure Council gains the most value for both sections within their current zoning.

*Table 1. Valuations*

<b>Valuation Scenario</b>	<b>1A</b>	<b>1B</b>	<b>2A</b>	<b>2B</b>	<b>2C</b>
Approx Value in today's market	\$ 1.1m	\$1.0m	\$700k	\$675k	\$575k
Approximate value to Council (Adjusting for cost and time). <sup>1</sup>	\$900k	\$850m	\$630k	\$610k	\$575k
Zoning	Residential	Residential	Rural	Rural	Rural
Restrictions on Title Covenant on bank Height covenant	None	Yes Yes	None	Yes No	None
Completion of a boundary adjustment	N/A	N/A	Yes	Yes	No

## **5. Discussion**

### **5.1 Results of the Public Consultation**

The level of public interest in the decision regarding the two sections is very high.

A total of 500 submissions have been received. 402 submissions were from Wellington and 200 from the Southern areas. 476 (95%) of the submissions support retaining the two sections in public ownership. 13 (2%) of the submissions support selling the two sections, 7 of the submissions don't mind what happens to the two sections and 4 have not provided an answer.

<sup>1</sup> Adjusted value makes allowances for the costs of any rezoning or boundary changes together with the estimated loss in opportunity cost due to the time delay required for any rezoning and the like

Many of the reasons identified by submitters for not selling the two sections included;

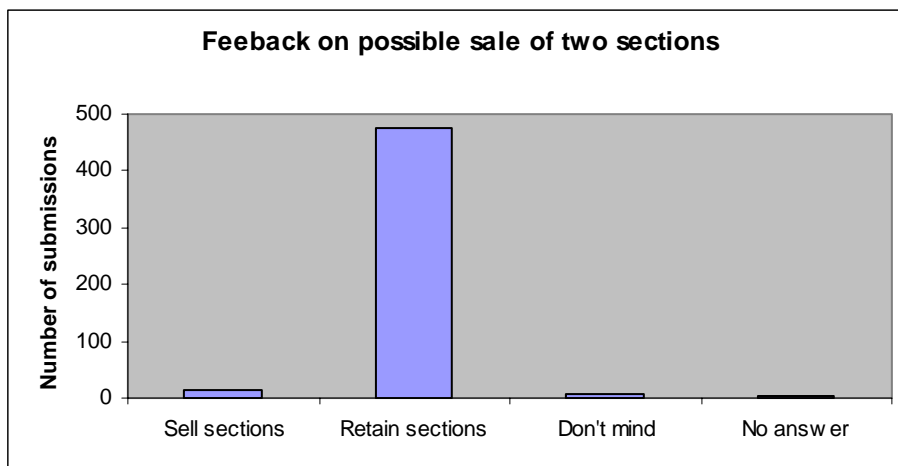
- This public land should remain in public ownership as a reserve for future generations to enjoy.
- The sections should be used for car parking to cope for the increase in visitor growth.
- It was always the intention of the quarry purchase and the closing of the quarry that all of this land would become reserve.
- The opportunity to retain this land is unique and if sold can never be replaced.
- This area is extremely popular with residents and visitors alike, we would like it to stay in public ownership.

Officers have discussed the possible disposal of the two sections with the Tenth Trust and Ngati Toa. The Tenth Trust oppose the sale of the two sections and believe that they should remain in public ownership. Ngati Toa does not oppose but would like to be involved with detail design of the upgrade.

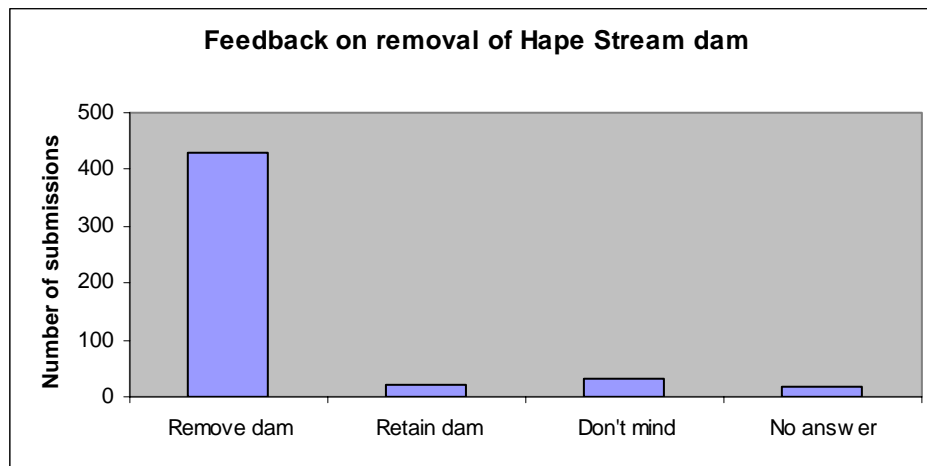
Generally the comments about the overall design concept and proposed shelter were very positive. The lack of provision of rubbish bins was a key concern. Other comments included the provision for speed humps, dust control, making pedestrian friendly areas and access. There were also a few submissions requesting that the site be used for the proposed Marine Education Centre. A summary of all submissions is attached in Appendix C.

In regards to the removal of the dam in Hape Stream, 429 submitters would like to see the dam removed, 20 would like it to remain, 33 don't mind and 18 gave no answer.

The following graphs show the results of the public consultation.







## 5.2 Options

There are 3 options available to the Committee. They are;

- Option 1. Do not sell the two sections. Rescind the Council decision dated 27 September 2005 to declare the 2 sections surplus.
- Option 2. Sell the two sections as residentially zoned land. (Council will need to follow the District Plan zone change process).
- Option 3. Sell the two sections as their current rural zoning.

### 5.2.1 Option 1: Do not sell the two sections.

Retain the two sections in public ownership and incorporate them into the car park entrance upgrade.

#### *Advantages*

- Strong community support
- Council responsive to community feedback
- Community ownership for entrance upgrade project
- Council's relationship with the community improves
- No lengthy or costly disposal process.
- Avoids future community challenge.
- The flat area of the two sections can be used as a buffer area between the entrance and residential properties and will accommodate approximately 10 -12 extra car parks.

### *Disadvantages*

- No financial gain to reduce borrowings.

## **5.2.2 Option 2: Sell the two sections as Residential zoned**

### **Advantages**

- Financial gain for Council. (However there are costs and uncertainties associated with trying to sell the two sections as residentially zoned land i.e. having to complete a District Plan change.
- Council showing leadership in regards to District Plan. It is advisable from Council's District Plan team that Council should zone the land according to its intended use. (Residential use, residential zone).

### **Disadvantages**

- Strong community opposition continues through process.
- Loss of trust from the community and public criticism in regards to Council ignoring public consultation.
- Compromises Council's future relationship when working with the community on new projects on the coast.
- District Plan zone change process will involve considerable costs and uncertainty (estimate up to \$100,000, depending on outcome and possible environmental court costs).
- No guarantee that the residential zoning will be approved.
- Likely to have lengthy timeframes. (Estimated 6 months to 2 years depending on outcome).
- Loss of some landscape values, but possibly mitigated by covenanting the rear bank.
- Loss of space for approximately 10 -12 car parks in a high use area.

## **5.2.3 Option 3: Sell the two sections as their current rural zoning.**

### **Advantages**

- Financial gain for Council
- District plan risks and delays for Council are reduced

### **Disadvantages**

- Strong community opposition continues through process.
- Potential public criticism
- Challenges Council's future relationship when working with the community on new projects on the coast.

- Boundary adjustment consent process will involve some costs (estimate \$10,000, depending on whether or not the consent is publicly notified)
- No guarantee that the boundary adjustment will be approved.
- Likely to have lengthy timeframes. (Estimated 4 weeks to 6 months depending on outcome).
- Loss of some landscape values but possibly mitigated by covenanting the rear bank.
- Loss of space for approximately 10 -12 car parks in a high use area.

#### 5.2.4 Summary of options

**Table 2. Summary of options**

	<i>Option 1. Retain</i>	<i>Option 2. Sell as residential zone</i>	<i>Option 3. Sell as current rural zone</i>
<i>Level of community support</i>	476 submissions	13 submissions to sell	13 submissions to sell
<i>Valuations in today's market</i>	N/A	Between \$ 1m and \$1.1m	Between \$ 575k and \$ 700k
<i>Likely costs to Council</i>		Approximately \$200,000 depending on outcome & possible environmental court costs. Including the lost opportunity through time delays	Approximately \$70,000, depending on whether or not consent is publicly notified. Including the lost opportunity through time delays, if boundary is adjusted.
<i>Likely value to Council</i>		Between \$800k - \$900k	Between \$575k and \$ 630k
<i>Advantages</i>	<ul style="list-style-type: none"> <li>• Council responsive to community feedback</li> <li>• Gain community support</li> <li>• Utilise flat area of sections for 10 -12 car parks.</li> <li>• Create larger buffer area between existing residential properties and entrance</li> </ul>	<ul style="list-style-type: none"> <li>• Financial gain</li> <li>• Following District plan team's advice to zone land according to intended use.</li> </ul>	<ul style="list-style-type: none"> <li>• Some financial gain but not as much if zoned residential</li> <li>• District plan processes, cost and time potentially reduced for Council.</li> </ul>
<i>Disadvantages</i>	<ul style="list-style-type: none"> <li>• No financial gain for Council</li> </ul>	<ul style="list-style-type: none"> <li>• Strong community opposition and loss of trust</li> <li>• Potential community challenge through disposal process</li> <li>• Damage to Councils relationships and</li> </ul>	<ul style="list-style-type: none"> <li>• Strong community opposition</li> <li>• Potential damage to Councils relationships and community partnerships</li> <li>• Some costs and time</li> </ul>

		community partnerships •District plan processes will be high cost, time lengthy & with no guarantee on outcome. •Loss of approximately 10 -12 car parks and reduced area for buffer zone	required for boundary adjustment process & no guarantee of outcome. •Loss of approximately 10 -12 car parks and reduced area for buffer zone

### 5.3 Recommended option

This decision needs to consider a number of social, environmental and economic factors, and weigh up these factors to determine the best outcome for Council and the community it serves.

This is a unique situation. Council identified through the South Coast Management Plan that there may be an opportunity to sell two sections as part of the quarry car park upgrade project. However, this idea (although indicated in the SCMP) had never been tested in a public forum before now. The level of community interest and feedback was considerably high with 500 submissions received. 95% stated that they did not want Council to sell these two sections, based on reasons of principle, (public land should remain in public ownership) , retaining the land as reserve for future generations to enjoy, the intention of purchasing the quarry land for reserve purposes, the loss of open space and need for extra car parking.

The objectives of the South Coast Management Plan are “To protect and enhance the coastal character of Wellington’s South Coast.’ and “To manage the coast as a public asset with the assistance of the community in conjunction with our Treaty partners”. (Page 6 SCMP).

The public consultation process has proved that the level of opposition to sell the two sections is considerably high and can not be ignored or considered as minor. The risk to Council if the sections are sold increases. This risk is not only in time and loss of value but to Council’s reputation and ability to continue to engage and develop partnerships with the community on future projects.

Therefore officers recommend option 1. Do not sell the two sections

## **6. Conclusion**

In 2000 Council purchased the Owhiro Bay Quarry from Milburn New Zealand Limited to stop quarrying on the South Coast, restore open space values and improve public access around the coast.

Late last year Council voted to sell the two sections at the end of Owhiro Bay Parade. At the time Councillors made this decision to sell they were under the impression that the community had had an opportunity to comment on the proposed sale as part of the draft South Coast Management Plan (SCMP) in 2000.

However, that was not the case. The potential sale of the sections was not included in the original draft SCMP. For that reason Councillors agreed to reconsider the decision to sell following public consultation.

The level of community interest and feedback was high with 500 submissions received. 95% stated that they did not want Council to sell these two sections.

The decision regarding the future of the two sections needs to weigh up the gains and losses. In this case, the potential financial advantage weighed against the level of community feedback.

Contact Officers:       Derek Fry; Director of Recreation and Events  
                                  Joanna Gillanders; Open Space & Recreation Planning Manager

## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

The recommendation generally fits with Council's strategy outcome and SCMP

### **2) LTCCP/Annual Plan reference and long term financial impact**

The upgrade project is included in the Draft LTCCP

### **3) Treaty of Waitangi considerations**

We have considered the Treaty of Waitangi and consulted with Iwi

### **4) Decision-Making**

This is a significant decision. The report sets out a number of options and reflects the views and preferences of those with an interest in this matter who have been consulted with.

### **5) Consultation**

#### **a) General Consultation**

A full consultation process has been followed.

#### **b) Consultation with Maori**

We have consulted with the Tenth Trust and Ngati Toa.

### **6) Legal Implications**

Council's lawyers have been consulted during the development of this report.

### **7) Consistency with existing policy**

*This report is consistent with Council's policies*

## **List of Appendices**

Appendix A Site Plan

Appendix B Concept Plan

Appendix C Summary of submissions

## **Appendix A Site Plan**



## **Appendix B Concept Plan**

## **Appendix C Summary of Submissions**