

STRATEGY AND POLICY COMMITTEE 24 MARCH 2011

REPORT 6 (1215/52/IM)

REVOCATION OF RESERVE STATUS AND DISPOSAL OF PROPERTY – 89 WOODBURN DRIVE, TAKAPU VALLEY

1. Purpose of Report

The purpose of this report is to seek the Strategy and Policy Committee's agreement to recommend to Council to initiate the processes to revoke the reserve status of the property at 89 Woodburn Drive, Takapu Valley ('the property') pursuant to Section 24 of the Reserve Act 1977. If reserve revocation is successful, then pursuant to Section 40 of the Public Works Act 1981 (PWA), declare the property as no longer required for a public work purpose, and authorise Council officers to proceed with offer back investigations and possible disposal.

Refer to Appendix 1 for an aerial view with the property outlined white.

2. Executive Summary

The property was vested in Council in 1993 for water reservoir purposes under the Reserves Act 1977, as part of an 18 lot subdivision in Takapu Valley.

A small wooden reservoir was constructed to serve only the immediate locality. In recent years a larger concrete reservoir has been constructed at Rossaveel Heights, having a higher capacity, and being able to serve a much wider area. This made the small wooden reservoir redundant, and in June 2010 it was removed and relocated to Highbury.

Consultation with all relevant Council business units has been carried out, and there was no interest to retain the property.

As the property has Local Purpose (Utility) Reserve status, it is recommended to revoke the reserve status, and if that is successful, that it be declared surplus in terms of the PWA, and disposed of in accordance with that Act.

3. Recommendations

Officers recommend that the Committee:

- 1. Receive the information.
- 2. Recommend that Council:
 - (a) Agree to revoke the reserve status of 89 Woodburn Drive pursuant to section 24 of the Reserves Act 1977.
 - (b) Authorise the Chief Executive Officer to conclude the reserve revocation of 89 Woodburn Drive.
 - (c) If the reserve revocation is successful, agree that the property at 89 Woodburn Drive, is not required for a public work and is surplus to requirements.
 - (d) If 89 Woodburn Drive is declared surplus, authorise Council officers to commission a section 40 report PWA from a suitably qualified consultant to identify whether the section at 89 Woodburn Drive, Takapu Valley must be offered back to a former owner or their successor in title, or whether an exemption from offer back applies under section 40(2), 40(3) or 40(4) PWA.
 - (e) If 89 Woodburn Drive is declared surplus, approve its disposal.
 - (f) Delegate to the Chief Executive Officer the power to take all actions necessary to sell 89 Woodburn Drive, Takapu Valley in accordance with the provisions of the Public Works Act 1981.
- 3. Note:
 - (a) That the reserve revocation is conditional on no objections being received following public notification of the intention to revoke the reserve status in accordance with section 24 of the Reserves Act 1977.
 - *(b)* That if objections are received to the reserve revocation, a further report will be presented to Council to decide whether to uphold them or not.
 - (c) The consent of the Minister of Conservation to be obtained in accordance with section 24 of the Reserves Act 1977.

4. Background

4.1 Acquisition History

In late 1993 resource consent was granted for an 18 lot subdivision in Takapu Valley, Wellington. As part of that subdivision the property was vested in the Wellington City Council for water supply purposes under the Reserves Act 1977.

A wooden water reservoir was constructed and this serviced the immediately surrounding properties. Continued development in the Takapu Valley area has resulted in a new larger concrete reservoir being built at nearby Rossaveel Heights. The new reservoir is now in use, providing increased storage capacity and water pressure. The old wooden reservoir that had been on the property was relocated to the Highbury reservoirs in June 2010.

4.2 Property Details

Area	811 m2
Legal description	Lot 11 DP 88281 on CFR WN55B539
Zoning	Open Space B

The 89 Woodburn Drive property is irregular in shape, gently sloping, and is covered mainly in grass with a few trees.

5. Discussion

5.1 Internal Consultation

The preliminary step in any potential disposal process is to undertake consultation with Council's business units. Relevant Council's business units have been given the opportunity to confirm whether they had any interest. All have responded confirming that they have no interest in retaining the property, or that there are any special interests that need to be considered in the event of its sale.

Parks and Gardens being the asset owner have approved the proposal to revoke the reserve status.

Development Planning and Compliance highlighted that the 89 Woodburn Drive allotment was created by the subdivision specifically for utility (water) purposes. It would not have been created, nor would it have been approved, for the construction of a house. The surrounding land is zoned rural, having a minimum lot size of one hectare. If Council attempted to sell the property on the open market as it is, then given that it is only 811m² in size, if someone wished to build a house on the site, that would be in conflict with the District Plan rules.

Treaty Relations confirmed that as the 89 Woodburn Drive land could not be built on, there was no need to consult further with Council's Treaty Partners.

5.2 External Consultation

As the property is local purpose reserve (utility) under the Reserves Act 1977, in order to be able to declare it surplus and sell the land, reserve revocation is required in accordance with Section 24(2) (b) Reserves Act 1977. This process requires consultation with the two neighbours on either side of 89 Woodburn Drive land, and the Minister of Conservation. Both neighbours have been advised of Council's proposal to sell the property, and neither has objected.

The Department of Conservation has also being notified, and subject to their receiving a formal application, they have indicated that in principal they would support the proposal.

5.3 Proposal to sell to an adjoining neighbour

The 89 Woodburn Drive land is zoned Open Space B, and Local Purpose (utility) reserve under the Reserves Act 1977. The surrounding land is zoned Rural having a minimum lot size of one hectare. If 89 Woodburn Drive is declared surplus, and the reserve status revoked, then it is recommended that it be sold to one of the two adjoining neighbours, and amalgamated with their existing land.

This course of action is being recommended as building a house on the section would not be permitted under the current Open Space B zoning. The size of the property is significantly less than the minimum lot size of the surrounding rural zoned properties, so a zone change to Rural would also not be supported. Therefore selling the section to an adjoining neighbour as Open Space and amalgamating it into their title would appear to be the best outcome.

The owners of 91 Woodburn Drive have already indicated that they are keen on purchasing 89 Woodburn Drive, as they want to add it to their existing 1.5ha lifestyle block. They are aware that it could not be built on. 87 Woodburn Drive has not responded.

5.4 Significance Policy/ Strategic Assets

Under Council's Significance Policy, the sale of the property would not be deemed significant.

5.5 Valuation of property

No current market valuation of the property has been obtained at the time of preparing this report.

5.6 LTCCP Implications

Any sale proceeds generated will be used to offset Council borrowing, and any costs of sale will be offset against sale proceeds.

5.7 Next Steps

If the recommendations of this report are accepted the next steps would be -

- Publicly notify the reserve revocation proposal.
- If objections are received, a further report to Council will be needed along with hearings (if required) to decide whether they should be upheld or not.
- If objections are not upheld, Council will refer them to the Minister of Conservation, for decision on the reserve revocation proposal.
- Publish reserve revocation notice in the New Zealand gazette.
- Investigate and implement any section 40 offer back obligations.
- Report to the Chief Executive Officer, with a recommendation to either proceed with an offer back, or to agree that an exemption applies.
- If offer back is applicable, obtain a current market valuation, and offer the property back to the former owner, or their successors.
- If an offer back exemption is applicable, or the former owner or their successors are not interested in a re-purchase, proceed to negotiate with the two adjoining neighbours to sell the property to the best advantage of Council.

6. Conclusion

It is recommended that the committee recommend to Council, that it approve revoking the reserve status of 89 Woodburn Drive. Once the revocation process was complete to then carry out section 40 PWA offer back investigations, to confirm whether or not an offer back exemption applies, and if there was, then pursue its sale to one of the two adjoining neighbours.

Contact Officer : Paul Davidson, Property Advisor, Property Projects

Supporting Information

1) Strategic Fit / Strategic Outcome

In line with the Council's financial principals, assets that are declared surplus to strategic or operational requirements are sold.

2) LTCCP/Annual Plan reference and long term financial impact *The sale proceeds generated will be used to offset Council borrowing.*

3) Treaty of Waitangi considerations

There are no Treaty of Waitangi implications.

4) Decision-Making

The report reflects the views and preferences of those with an interest in this matter who have been consulted with.

5) Consultation

a) General Consultation

Relevant Council business units have been given the opportunity to demonstrate whether they have an interest in this property. None had any interest with the exception of Development Planning and Compliance. The interest of that unit is detailed in the main report.

b) Consultation with Maori

Treaty Relations were provided with details of this proposal and had no objections to the proposed sale.

6) Legal Implications

Any Sale and Purchase Agreements will be prepared by the Council's Solicitor's. A Solicitor's Certificate will be obtained before any documentation is signed.

7) Consistency with existing policy

This report recommends measures which are consistent with existing Wellington City Council policy for the disposal of surplus property.

APPENDIX 1

Aerial view of 89 Woodburn Drive, Takapu Valley

