STRATEGY AND POLICY COMMITTEE 10 MAY 2012



REPORT 6 (1215/52/IM)

DISPOSAL OF PROPERTIES – 106 TO 114 GLANMIRE ROAD, NEWLANDS

1. Purpose of Report

This report seeks that the Committee recommends to Council to declare that the properties at 106 - 114 Glanmire Road, Newlands (the "**Land**") are no longer required for a public work. To authorise Council officers to proceed with revoking the reserve status pursuant to Section 24 of the Reserves Act 1977 and effect the disposal of the Land pursuant to Section 40 of the Public Works Act 1981.

2. Executive Summary

The Land comprises four separate lots and is zoned outer residential under the District Plan – shaded red in the aerial plan at Appendix 1.

The Land is undeveloped, is not used as a park and has been identified as surplus following a study of the parks and reserves network in Newlands in 2009. This study followed on from the adoption of the Northern Reserves Management Plan in 2008 which identified several initiatives to improve the Newlands Parks network. The land has low ecological and recreation values and is close to a local playground at Brandon's Rock.

Internal business unit consultation confirms that there is no public work requirement for the Land, and Officers are therefore recommending its disposal.

3. Recommendations

Officers recommend that the Strategy and Policy Committee:

- 1. Receive the information.
- 2. Recommend that the Council:
 - (a) Agree to revoke the reservation against Lots 1 4 DP 50108 pursuant to section 24 of the Reserves Act 1977.
 - (b) Authorise the Chief Executive Officer to conclude the reserve revocation of Lots 1 4 DP 50108.

3. Note:

- (a) The reserve revocation is conditional on no objections being received following public notification of the intention to revoke the reservation in accordance with section 224 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 needs to be obtained in accordance with section 24 of the Reserves Act 1977.

4. Recommend that the Council:

- (a) Agree, if the reserve revocation is successful, that the properties at 106 – 114 Glanmire Road, Newlands (comprising Lots 1 – 4 DP 50108) (the **Land**) are not required for a public work and are surplus to requirements.
- (b) Agree, if the Land is declared surplus, to authorise Council officers or suitably qualified consultants to undertake a section 40 report to identify whether any of the properties must be offered back to the former owner (s) or their successor(s) or whether an exemption from offer back applies under section 40 (2), 40 (3) or 40 (4) of the Public Works Act 1981.
- (c) Agree, if the Land is declared surplus, to approve their disposal.
- (d) Delegate to the Chief Executive Officer the power to take all actions necessary to sell the Land in accordance with the provisions of the Public Works Act 1981.

4. Background

4.1 Acquisition History

In the early 1960's, the Council carried out a realignment of Glanmire Road at its intersection with Turville Crescent. The land freed up by the realignment was later considered by the Town Planning Department. In 1977 it determined that it should be subdivided into four sections, with three to be sold for residential development and the remaining section be set aside as a Reserves Contribution.

Following the subdivision, Lots 1 to 4 on DP 50108 were created. Lot 1 was thought to contain suspect filling and considered unsuitable for residential development. It was therefore dedicated as reserve in 1979.

Lots 2 to 4 were to be offered for sale to the public, however this did not proceed. Instead, they remained undeveloped and were maintained as reserve land by the Council. On 23 November 1995, as part of an ongoing Council

programme to formally protect all Council freehold land being managed as though it were reserve, Lots 2 to 4 were dedicated as reserve.

4.2 Property Description

There are four parcels (Lots 1 to 4 on DP 50108) on respective titles Computer Freehold Register WN16A/513-516.

As it climbs, Glanmire Road heads in a south-easterly direction until it meets Turville Crescent, at which point it diverges into two parts: the main sealed route (which heads east away from Turville Crescent) and a short, unsealed branch that continues south for approximately 40 metres. The Land is situated at this division. Lots 1 and 2 are accessible from both the unsealed and the sealed portions of Glanmire Road; Lot 3 is only accessible from the sealed eastward-bound portion of Glanmire Road; Lot 4 is situated at the end of the unsealed portion of Glanmire Road and this is its only access to road.

The Land is covered in low scrub and trees. Lot 1 is mostly level, with some gradual sloping towards its western boundary. Lot 2 is mostly level, with some sloping towards its southern boundary. Lot 3 slopes sharply towards its eastern boundary. Lot 4 is a steep site, but flattens out at its height (on the southeastern boundary) and is fairly level where it meets the unsealed portion of Glanmire Road.

All sites have potential for construction of a residence, though some restrictions on where a dwelling could be built may apply in respect of Lots 3 and 4 as a result of overhead power transmission lines. It is possible that some remedial work may be required on Lot 1 due to fill. If Council approves disposal, Officers will commission a geotechnical report to confirm the viability of this site for residential development.

4.3 Previous use

The Land has been undeveloped and is largely unused, though local residents planted fruit trees on Lots 2 and 3 in 2011. At the time approval was granted for the planting, Parks & Gardens advised that the land may be disposed of in the future. The nearby Lyndfield Lane Reserve has been redesigned with community input to include fruit trees for community use. This information will be communicated to the affected residents during consultation.

The reserve is included in the Northern Reserves Management Plan (NRMP). The actions identified for this area were to rezone the parcels as Open Space B under the District Plan. The NRMP included several initiatives around improving the parks and reserves network in Newlands/Paparangi. This included new playgrounds, future recreation options for some reserves, new track linkages and so on. Following adoption of the NRMP, Officers decided to carry out a more detailed analysis of the network in Newlands/Paparangi. This analysis identified the Land as possibly surplus to requirements and asked for feedback on its future use. Of the 28 submitters, 65% did not know of the area. Suggestions for the area included installing a footpath, putting up a sign and doing some planting.

Council has not proceeded with the rezoning exercise.

5. Discussion

5.1 Potential role in the parks and reserves network

In mid-2009 Council carried out an assessment of the parks and reserves network in the Newlands area to see if there were gaps or duplication. The assessment looked at the location, size and layout, the range of activities, accessibility, visual appeal and the amount of winter sun and summer shade.

The assessment found that there are some great parks in Newlands and some changes could improve the range of activities available and the accessibility of some parks. It identified that some parks had significant limitations including being isolated and hidden from view, having poor connections to the neighbourhood, being situated on sloping land that limits use for informal games, and/or were close to other parks.

In late 2009, Council consulted with the community on proposals to improve the quality of these parks and reserves. Council also sought comments on four sites that were assessed as being of poor quality with limited opportunity to improve. The Land was one of those sites. A further assessment confirmed it has low ecological and recreation values and is close to a local playground at Brandon's Rock (see Appendix 2 for an aerial showing reserves in the area).

5.2 Internal Consultation

Consultation has been carried out with Council internal business units to consider the disposal of the Land. No business unit has objected to the proposal. Roading has imposed conditions to allow for future footpath development on the sealed part of Glanmire Road that fronts Lots 1 to 3.

Parks and Gardens is asset owner of the Land. The four properties were identified as surplus to requirements by Parks and Gardens during its review of the whole reserve network in the Newlands/Paparangi/Woodridge area as part of the Northern Reserves Management Plan. Parks and Gardens has confirmed it has no requirement for any of these properties, that there are no plans for this site and no amenity or ecological values that Parks and Gardens are looking to maintain or enhance.

5.3 Reserve revocation

The titles to each Lot are each subject to the Reserves Act 1977. In order to dispose of the Land, the reservation in respect of each Lot should be revoked, following the process set out in the Reserves Act 1977.

5.4 District Plan changes

The Department of Conservation has been made aware that Council is considering disposal of the Land and therefore the reserve revocation. The Department of Conservation will be further consulted should Council resolve to dispose of the Land.

The Northern Reserves Management Plan recommended the parcels be rezoned as Open Space B. This is no longer appropriate given the network analysis shows the area to be surplus to requirements. There is no significant vegetation on site and the site is of low ecological value.

5.5 Financial Considerations

Officers have undertaken a cost/benefit analysis with regard to disposal of the Land. Estimated costs of disposal are approximately \$80,000 (including costs associated with the reserve revocation process, a section 40 PWA investigation, works required to make the sites suitable for residential development and marketing and advertising). As with the sale of any Council land, costs for work required to facilitate a disposal would be met by the proceeds of sale. Officers have consulted a local Real Estate Agent and understand that sections in this area of similar size and type are currently valued between \$150,000 and \$200,000. Accordingly, the estimated net proceeds from sale of the Land would be between \$520,000 and \$620,000.

5.6 Climate Change Impacts and Considerations

There is no climate change implication associated with this paper.

5.7 Long-Term Plan Considerations

As the reservation will have been revoked on the Land before disposal, the sale proceeds will not need to be paid into the Reserves Purchase and Development Fund pursuant to Section 79 of the Reserves Act 1977. However, when revoking the reserve status, the Minister of Conservation may require the Council use the proceeds for reserve purposes. Otherwise, any sale proceeds generated will be used to offset Council borrowing, and any costs of sale will be offset against sale proceeds.

5.8 Next Steps

If the recommendations of this report are accepted and a resolution to dispose of the property is passed, the next steps would be as below:

- 1. Investigate offer back obligations under section 40 of the Public Works Act 1981. Approximate timeframe is four weeks.
- 2. Report to the Chief Executive Officer, with a recommendation to either proceed with an offer back, or to agree that an exemption applies. Approximate timeframe is two weeks.

- 3. If no offer back exemption is applicable, offer the property back to the former owner or their successors at current market value. Approximate timeframe is ten weeks.
- 4. If exemption from offer back applies, or the former owner or their successors are not interested in purchasing the land, commence the revocation process of the reservation against the Land. Approximate timeframe for this step ranges from sixteen to thirty weeks depending on whether any objections are received.
- 5. Once the reservation has been revoked, decide on the best marketing methodology / commencement of drainage work and electrical investigation. Approximate timeframe is one to ten weeks depending on whether Council undertakes these works or sells as is to a developer.
- 6. Engage real estate agents to market the property. Approximate timeframe is one week.
- 7. Sale to new owner/s.

6. Conclusion

It is recommended that the Strategy and Policy Committee recommend to Council that, under section 40 of the Public Works Act 1981, the Council owned property at 106 to 114 Glanmire Road, Newlands is not required for a public work, that it is surplus to Council requirements and can be sold. During this process Officers recommend seeking to revoke the reserve status of the land to make it more attractive to prospective purchasers.

Contact Officers: Rosalind Luxford, Property Advisor – Property Projects and Mike Oates, Manager – Open Space & Recreational Planning

Supporting Information

1) Strategic Fit / Strategic Outcome

It is in line with the Council's financial principals that assets which are declared surplus to strategic or operational requirements are sold.

2) Long-Term Plan/Annual Plan reference and long term financial impact

Unless directed otherwise by the Minister of Conservation, any sale proceeds generated will be used to offset Council borrowing, and any costs of sale will be offset against sale proceeds.

3) Treaty of Waitangi considerations

There are no Treaty of Waitangi implications.

4) Decision-Making

This is not a significant decision. The report sets out the options available and 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 consulted with, and have no objection to the intention to dispose of this land.

Public consultation will be carried out as per the statutory requirements of the reserve revocation process.

b) Consultation with Maori

Both Port Nicholson Block Settlement Trust and Ngati Toa have no objections to the intention to dispose of the land.

6) Legal Implications

Any Sale and Purchase Agreements will be prepared by the Council's solicitors. A solicitor's certificate will be obtained before any documentation is executed.

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



APPENDIX 2

