

QLDC Council
10 December 2020

Report for Agenda Item | Rīpoata moto e Rāraki take: 5

Department: Property & Infrastructure

Title | Taitara 466 & 516 Frankton-Ladies Mile Land Exchange

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to consider the exchange of land between the Council property at 516 Frankton-Ladies Mile and the adjoining privately owned property at 466 Frankton-Ladies Mile.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;
2. **Approve** the exchange of land between 516 Frankton-Ladies Mile and 466 Frankton-Ladies Mile at nil consideration as shown on the Maven South plan with drawing number C160 Rev C dated August 2020; and
3. **Agree** that Council's approval to undertake this land exchange, along with any sale and purchase agreements relating to it shall be limited to a period of 3 years from the date of this resolution; and
4. **Delegate** final terms and conditions, along with any associated agreements, minor alignment, area changes and signing authority, to the Chief Executive of Council.

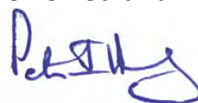
Prepared by:



Daniel Cruickshank
Property Advisor

22/11/2020

Reviewed and Authorised by:



Peter Hansby
General Manager
Property & Infrastructure

27/11/2020

CONTEXT | HOROPAKI

- 1 The developers Queenstown Commercial Ltd (QCL) have entered a sale and purchase agreement with the owners of 466 Frankton-Ladies Mile (466 Ladies Mile). Since agreeing the purchase they have been working on designs for a residential subdivision of the property and have identified a potential exchange with the Council land at 516 Frankton-Ladies Mile (516 Ladies Mile).
- 2 The Council bought the property at 516 Ladies Mile on the 14th June 2019 for future development and community use, however actual works to the site are currently on hold due to the Ladies Mile Master planning work currently underway.
- 3 516 Ladies Mile has an existing water bore that supplies 466 Ladies Mile, and there is also a covenant in favour of 466 Ladies Mile which provides for any upgrades 3 waters services to the property being also extended to the their property.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 4 The Council has received a request by QCL to carry out an exchange of land, potentially affecting 527m² of property in each of the two titles (refer to Attachment B).
- 5 The proposal will see an equal area of land exchanged, which benefits their site by removing an existing accessway, when the property can be accessed directly from Howards Drive without the accessway land. The new access way to 466 Ladies Mile is proposed to be constructed in the South West corner of their property.
- 6 By realigning the boundary of their property, QCL believe it will improve their future use of the site, which is being considered for residential development.
- 7 The Council will benefit from the exchange as it provides an additional road frontage to the 516 Ladies Mile property of 65m. It should be noted that some of the existing chestnut trees on the land to be transferred are likely to be subsequently removed for the future development.
- 8 Approval of the land exchange does not infer any subsequent approval by Council in a regulatory capacity to the new accessway location or to a future subdivision of their property. This will need to be assessed through normal planning processes, and the Council will not be obliged to provide an Affected Person's Approval as neighbour to the development (if requested).
- 9 The exchange also provides a benefit to the Council by providing for the release of a covenant on the 516 Ladies Mile property which currently requires any services connections installed to be extended to the property at 466 Ladies Miles. In addition, the Council will also receive the applicants agreement to surrender the existing easement for access to the 516 Ladies Mile water bore, which is decommissioned due to high concentrations of arsenic being detected (naturally occurring).
- 10 The Council is currently undertaking a masterplan process for the Ladies Mile area, to inform long term planning and zoning of the area. This is now advanced to the point

where the Council is confident that the proposed exchange would not affect and planned uses for the site.

11 Option 1 Approve the exchange between properties.

Advantages:

12 Provides a pragmatic and beneficial realignment of a Council property.

13 Provides for the removal of land covenants and easements from a Council property.

14 Enables a better utilisation of private land, potentially for residential purposes.

Disadvantages:

15 Would make a long-term change to the Council property prior to the Ladies Mile Masterplan being completed.

16 Option 2 To decline the request.

Advantages:

17 May allow for further planning to be completed relating to the Ladies Mile Masterplan before the Council undertakes any long term works to its property.

Disadvantages:

18 Would not provide a pragmatic and beneficial realignment of a Council property.

19 Would not provide for the removal of land covenants and easements from a Council property.

20 Would not enable a better utilisation of private land, potentially for residential purposes

21 This report recommends **Option one (1)** for addressing the matter because it provides a beneficial realignment of property boundaries for both parties, increase their potential utilisation.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

22 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it involves the disposal and acquisition of land by exchange.

23 The persons who are affected by or interested in this matter are the residents and ratepayers of the Queenstown Lakes District.

24 Consultation is not considered necessary in this instance, as the land is not reserve, and the Council property is improved through the addition of road frontage and the removal of easements and covenants.

> MĀORI CONSULTATION | IWI RŪNANGA

25 The Council has not consulted with Iwi in this instance, as the exchange involves land of particular interest to the Council as owner and the adjoining owner of the property at 466.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

26 This matter relates to the Community & Wellbeing risk category. It is associated with RISK00009 within the QLDC Risk Register. This risk has been assessed as having a high inherent risk rating. This matter relates to this risk because the Council is undertaking a permanent property alteration through the exchange, and this risk needs to be highlighted when considering approving the action.

27 The approval of the recommended option will support the Council by allowing it to implement additional controls for this risk. This shall be achieved through the resource consenting process required to alter the property boundaries.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

28 The applicant will pay for the survey, project management and subdivision costs associated with the exchange. Council will also benefit from not having to pay for extending services to 466 from 516, as currently apply to the property should it be developed in the future. Some legal costs may be incurred by the Council to review any agreement for sale and purchase, surrender of existing easement or associated settlement documents.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

29 The following Council policies, strategies and bylaws were considered:

- Significant & Engagement Policy 2014
- Property Sale & Acquisition Policy 2014

30 The recommended option is consistent with the principles set out in the named policy/policies.

31 This matter is not included in the Ten Year Plan/Annual Plan, but has no effect upon it.

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KĀ TAKOHAKA WAETURE

[If there are no legal considerations or statutory responsibilities then delete this heading and section]

32 [State if there are any particular legal considerations that need to be taken into account. For example, is there any particular legislation that must be complied with, has legal advice been taken, and is the recommended option consistent with that advice?]

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

33 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by ensuring Council has property assets in their optimal configuration and with minimal property covenants and easements;
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	Overview Plan
B	Plan of Proposed Exchange

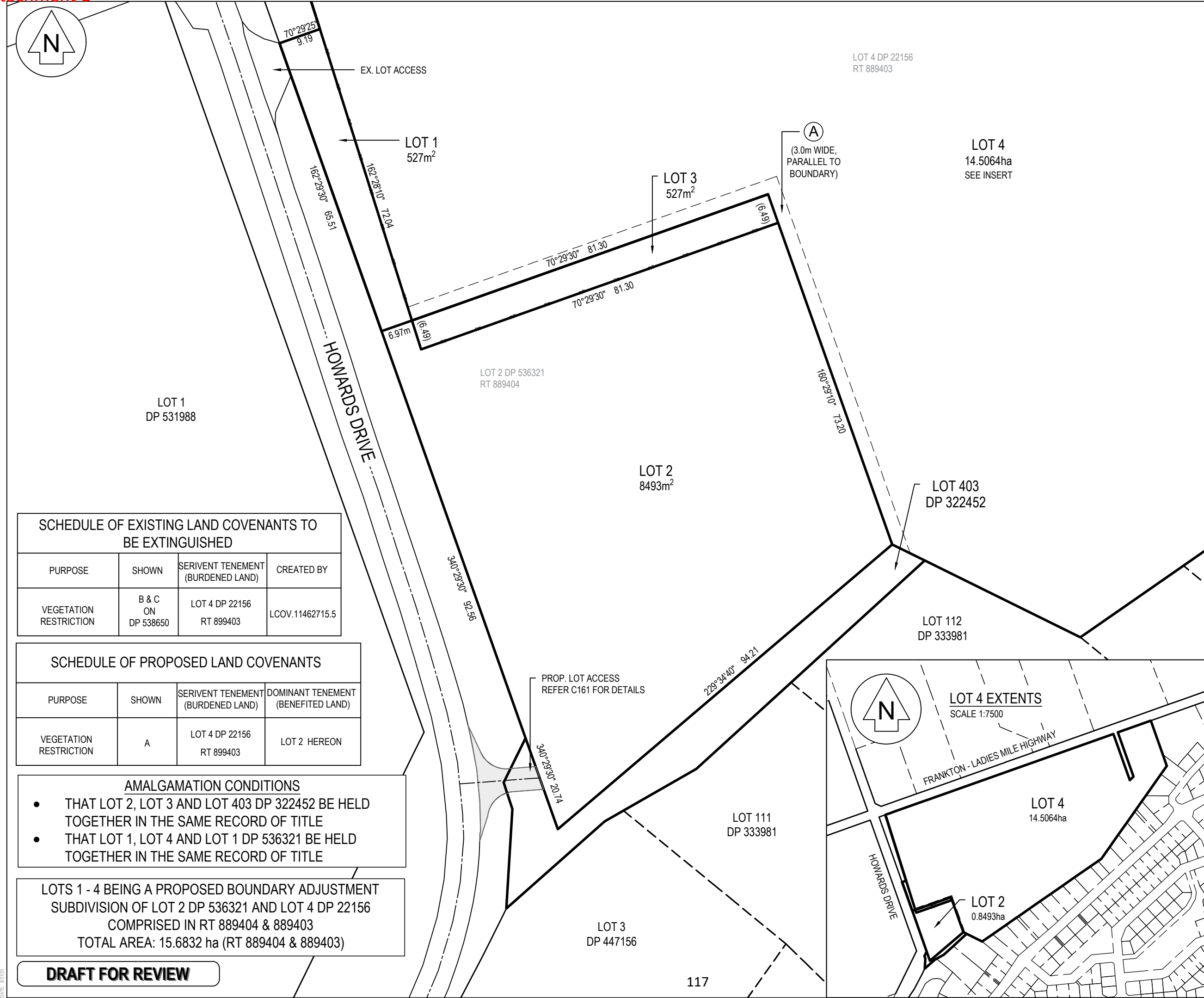
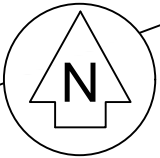
Overview Plan



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Notes

- All works to be in accordance with Queenstown-Lakes District Council standards.
- Co-ordinates in terms of New Zealand Geodetic Datum, Mt. Nicholas 2000
- Boundaries are subject to final survey.

Legend

- PROP BOUNDARY
- - - PROP COVENANTS
- RT — RT — EXISTING BOUNDARY
- - - EX BDY ABUTTAL
- - - ROAD CENTRE LINE

Rev	Description	By	Date
A	FOR RESOURCE CONSENT	BK	08/20
Survey			
Design			
Drawn	BK		08/20
Checked	BM		08/20

Maven South
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 info@maven.co.nz
 www.maven.co.nz
 36 Shotover Street, Queenstown
 Queenstown

Project
466 FRANKTON - LADIES MILE HWY DEVELOPMENT FOR QUEENSTOWN COMMERCIAL LTD

Title
PROPOSED BOUNDARY ADJUSTMENT SCHEME PLAN

Project no.	J000028
Scale	1:750 @ A3
Cad file	J000028_BDY ADJ SCHEME_C.DWG
Drawing no.	C160
Rev	C

SCHEDULE OF EXISTING LAND COVENANTS TO BE EXTINGUISHED

PURPOSE	SHOWN	SERIVENT TENEMENT (BURDENED LAND)	CREATED BY
VEGETATION RESTRICTION	B & C ON DP 538650	LOT 4 DP 22156 RT 889403	LCOV.11462715.5

SCHEDULE OF PROPOSED LAND COVENANTS

PURPOSE	SHOWN	SERIVENT TENEMENT (BURDENED LAND)	DOMINANT TENEMENT (BENEFITED LAND)
VEGETATION RESTRICTION	A	LOT 4 DP 22156 RT 889403	LOT 2 HEREON

- AMALGAMATION CONDITIONS**
- THAT LOT 2, LOT 3 AND LOT 403 DP 322452 BE HELD TOGETHER IN THE SAME RECORD OF TITLE
 - THAT LOT 1, LOT 4 AND LOT 1 DP 536321 BE HELD TOGETHER IN THE SAME RECORD OF TITLE

LOTS 1 - 4 BEING A PROPOSED BOUNDARY ADJUSTMENT SUBDIVISION OF LOT 2 DP 536321 AND LOT 4 DP 22156 COMPRISED IN RT 889404 & 889403
 TOTAL AREA: 15.6832 ha (RT 889404 & 889403)

DRAFT FOR REVIEW

