

**Wānaka Community Board
12 August 2021****Report for Agenda Item | Rīpoata mot e Rāraki take 1****Department: Property & Infrastructure**

Title | Taitara **Request to stop and dispose of land at 35 Capell Avenue to Lake Hāwea Holdings Ltd**

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to consider a request to stop road adjacent to 35 Capell Avenue, Hāwea and dispose of it to the adjoining owner Lake Hāwea Holdings Ltd.

RECOMMENDATION | NGĀ TŪTOHUNGA

1 That the Wānaka Community Board:

1. **Note** the contents of this report;
2. **Recommend to Council** initiation of the procedures of section 342 and the tenth schedule of the Local Government Act 1974 to stop that portion of legal road shown on the attached Southern Land plan No. V4031_E1 revision D dated 15/11/19 with approximate area of 301.9m²; and
3. **Recommend to Council** the road, when stopped, being disposed of in accordance with section 345 (1)(a) of the Local Government Act 1974 and amalgamated with the adjoining land, subject to confirmation of sales to both Lake Hāwea Holdings Ltd and IWC Holdings Ltd, and forming of the proposed public improvements; and
4. **Recommend to Council** the conditional sale of the legal road shown as Sections 2, 3 and 4 to be stopped, to Lake Hāwea Holdings Ltd for a purchase price of \$75,000 (plus GST if any). Council will provide a contribution of \$10,000 (plus GST) towards the applicant's costs in forming the bus stop and pull in area to acknowledge the public benefit created; and
5. **Recommend to Council** the conditional sale of the legal road shown as Section 1 to be stopped, to IWC Holdings Ltd for a purchase price of \$25,000 (plus GST if any).
6. **Recommend to Council** that Council's costs in undertaking the Tenth Schedule procedures of the Local Government Act 1974 be billed and paid on a monthly basis by the applicant Lake Hāwea Holdings Ltd with those costs being deducted from the road being sold at settlement; and

7. **Recommend to Council** that Council's approval to undertake this process, including executing any sale and purchase agreements relating to it, shall be limited to a period of 3 years from the date of the full Council resolution; and
8. **Recommend to Council** final terms and conditions, along with any associated agreements and consent notices to facilitate the legalisation and to provide any approvals for the placing or removal of easements, minor alignment, area changes and signing authority, be delegated to the Chief Executive of Council.

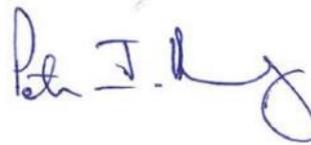
Prepared by:



Dan Cruickshank
Property Advisor, APL Property Ltd

3/08/2021

Reviewed and Authorised by:



Pete Hansby
GM Property & Infrastructure

3/08/2021

CONTEXT | HORPOAKI

- 1 Lake Hāwea Holdings Ltd (the applicant) is the registered owner of the land at 35-27 Capell Avenue, 89 Parry Crescent and 3 Bodkin Street, all adjacent to the Hāwea Store and Kitchen.
- 2 The applicant has requested that Council stop and dispose of a portion of the legal road adjacent to the land as indicated on **Attachments A & B** to this report.
- 3 The registered owner of the land and shops at 33 Capell Avenue (OTC378/104) is IWC Holdings Ltd, it is proposed that IWC will acquire Section 1, should it be stopped, with confirmation required from them before the road stopping request is notified.
- 4 The total area proposed to be stopped, sold and amalgamated with the adjoining properties measures 302.9m² as surveyed.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 5 The legal road requested to be stopped, are adjacent to the applicants existing property which if stopped would be amalgamated with the land to increase the development capacity of the site.
- 6 The legal road in this area of Lake Hāwea township is wider than would typically be provided at 30m. Through the proposal it would decrease the road width down to a minimum of 20m.
- 7 QLDC Roding and Transport Engineers have been consulted on the request and have confirmed their support for progressing the road stopping and disposal. It was requested that the proposed footpath and cycle facilities around the development be secured as part of the process. It is proposed that this be incorporated through registering a covenant against the titles receiving the stopped road. It should be noted that the indicative development including parking and crossing facilities will be finalised through the consenting process.
- 8 Council engineers consider that there is a public good in the development through formation of the bus stop. On this basis it is proposed to provide a contribution of \$10,000 plus GST towards the bus stop forming costs, once works are completed.
- 9 The process of stopping a road can be completed by Council pursuant to schedule 10 of the Local Government Act 1974. The Local Government Act process requires public notification to consider affected parties. The process carries a potential to be taken to the Environment Court, should submitting parties disagree with the road stopping proposed.
- 10 The road to be stopped has been valued in total at \$100,000 plus GST (if any). The applicant has agreed that they will pay this amount, should the stopping be concluded. The Council currently deducts the costs to process a road stopping from the cost of the land being sold. However, the applicant will be required to pay the costs to process the

stopping as it is progressed, with these costs being deducted from the sale price at settlement.

- 11 Option 1 Agree to initiate the proposed road stopping and disposals, as described in this report.

Advantages:

- 12 Releases underutilised legal road to increase the development potential of the adjacent land.
- 13 Provides improvements to the community through the provision of a new bus stop and cycling and pedestrian pathway.
- 14 Provides the public consultation on the proposal to stop the legal road.
- 15 Council and ratepayers will benefit from the sale of land by receiving income of \$100,000 plus GST (if any) less costs.

Disadvantages:

- 16 Could result in the stopping of an existing legal road and therefore removes the public's ability to traverse upon it.

- 17 Option 2 Decline the request.

Advantages:

- 18 Would not stop an existing legal road and therefore would retain the public's ability to traverse upon it.

Disadvantages:

- 19 Would not release underutilised legal road to increase the development potential of the adjacent land.
- 20 Would not provide improvements to the community through the provision of a new bus stop and cycling and pedestrian pathway.
- 21 Would not provide the public consultation on the proposal to stop the legal road.
- 22 Council and ratepayers would not benefit from the sale of land by receiving income of \$100,000 plus GST (if any) less costs.

- 23 This report recommends **Option 1** for addressing the matter because it releases legal road, subject to community consultation, that would support the provision of community benefits through the provision of a new bus stop and cycling and pedestrian pathway.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 24 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it involves the disposal of Council legal road.
- 25 The persons who are affected by or interested in this matter are the residents and ratepayers of the Queenstown Lakes District.
- 26 The Council will publicly consult on the proposal to stop the road, in accordance with the procedures of the Local Government Act.

> MĀORI CONSULTATION | IWI RŪNANGA

- 27 The Council has not consulted with Iwi in this instance, as the disposal involves land of particular interest to the owner and adjoining owners only

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 28 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 considering permanently disposing of legal road to adjoining owners. This risk needs to be highlighted when considering approving the disposal.
- 29 The approval of the recommended option will support the Council by allowing us to implement additional controls for this risk. This shall be achieved by carrying out public notification of the intention to stop the legal road.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 30 All costs associated with the exchange will be met by the applicant. Upon completion of the stopping, Sections 2, 3 & 4 will be sold to the applicant Lake Hāwea Holdings Ltd at \$75,000 plus GST (if any) less costs and a contribution of \$10,000 plus GST towards the formation of the proposed bus stop. Section 1 is proposed to be sold to IWC Holdings Ltd for \$25,000 plus GST (if any).

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

- 31 The following Council policies, strategies and bylaws were considered:
- Vision Beyond 2050, supporting Thriving People through provision of effective roading assets
 - Property Sale and Acquisition Policy 2014
 - The Significance and Engagement Policy 2014
- 32 The recommended option is consistent with the principles set out in the named policy/policies.

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

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

34 The recommended option:

- Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. Approval of the report recommendation will ensure the Council has roading and traffic assets in locations most beneficial to the community and rate payers. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act;
- 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	Disposal plan