

Potential Disposal of Council Owned Properties

Potential disposal of Council-owned properties

The Council has a small number of properties which are no longer being used for the purpose they were originally acquired for, or that have been transferred to us by the Government (former residential red zone properties in the Port Hills).

The properties we're putting up for consideration make up less than 1% of the Council's overall portfolio and won't affect current levels of service. The estimated revenue from the sale of properties over the life of the LTP is approximately \$20-\$23 million. The Council owns many types of properties of all different shapes and sizes, and as the city grows, land holdings also grow to maintain levels of service. Since 2011, it's grown by more than 12%. This includes all of the former residential red zone land that the Government handed over to the Council to own and manage.

Why we are proposing to dispose of some Council-owned properties

Because owning property has a cost, it's good financial practice to continually review the portfolio and decide whether to keep or dispose of properties that are no longer being used for their original purpose.

When doing this, our first step is to identify likely properties and assess them against the criteria for retention. These criteria include:

- whether the property is being used for the purpose it was originally acquired for
- its cultural, environmental or heritage value, and
- whether it can meet any of the Council's immediate or longer-term needs.

Properties that don't meet the retention criteria go onto the shortlist to be considered for disposal. The shortlist contains 46 properties set out in the Schedule below.

Five of these properties are either reserve or "parks" under section 138 of the Local Government Act 2002 because the land was acquired or used principally for community, recreational, environmental, cultural or spiritual purposes:

- three reserves are undeveloped, with
 - one held for a future road that is not proceeding
 - one held for recreation in an area where there are many other parks
 - one held for utility purposes and has a single buried cable on it.
- two parks
 - one is a block in a rural area that has been grazed for many years and is not required for community purposes
 - one is surplus land associated with a land drainage project.

One is residential land that the Council is considering selling to a community housing provider for new homes.

The other 40 properties identified are former residential red zone properties (which equates to less than 3% of the Port Hills red zone land). For these properties, we need to take an extra step to assess the hazards that led to the land being zoned red:

- If the hazard can be removed or reduced to an acceptable level, for example by land title reconfiguration or engineering works such as bunds or rock clearance, the property can be considered for disposal
- If not, the Council will retain ownership of the property.

How do we dispose of properties that are no longer required?

We follow the Council's policy and normal practices:

- Policy – publicly tendering properties for sale unless there is a clear reason for doing otherwise.
- Practice – in an open, transparent, well-advertised and public manner at market value. This may include methods other than tender, such as auction, deadline sale or general listing.

Where it's appropriate, the Council may consider departing from these practices to give effect to the Housing Policy we adopted in 2016. This could result in the land being used to deliver the outcomes of that policy, like selling land to other housing providers for them to develop and/or deliver social and affordable housing. The specific circumstances related to a property may also give rise to a departure e.g. where the adjoining owner is the only logical purchaser.

Before we can do this for the five properties that are either reserves or parks, we must undertake formal consultation. This involves a greater level of detail being provided about each property and why we are proposing to dispose of it, and the reasonably practicable options that have been considered. There are also additional process requirements for land which is reserve under the Reserves Act 1977.

List of Council owned properties that could potentially be disposed of:

Properties identified as either reserve or the land subject to section 138 of the Local Government Act 2002

Name	No	Street	Rating ID	Legal Description	Title Reference	Area (m ²)	Proposed next steps	Note
Mataroa Reserve	5	Mataroa Place	142219	Lot 5 DP 348678	199837	413	Section 24 Reserves Act Consultation	A small undeveloped reserve that isn't needed as it is located in an area well serviced by other parks. As it has reserve status Section 24 of the Reserves Act 1977 applies.
Penruddock 3 Drainage Reserve	148R	Penruddock Rise	176058	Lot 93 482377	678511	1,010	Section 24 Reserves Act Consultation	This utility reserve serves no purpose for the Council. As it has reserve status, Section 24 of the Reserves Act 1977 applies.
Reserve	26	Waipara Street	106772	Lot 30 Deposited Plan 22421	CB11A/828	665	Section 24 Reserves Act Consultation	This land was originally acquired for a road that has never been built. As it has reserve status Section 24 of the Reserves Act 1977 applies.
Vacant Land	25	Kinloch Road	151360	Lot 1 DP 44849	CB23B/1211	14,310	Section 138 Local Government Act consultation	The reason why this property was acquired is not known, so a conservative approach has been adopted regarding compliance with Section 138 of the Local Government Act.
Vacant Section Balance of Te Kuru not required	32	Sutherlands	121297	Lot 2 Deposited Plan 7106	CB407/30	15,000	Section 138 Local Government Act consultation	While this property has never been open to the public, it was acquired for a community use (land drainage) so Section 138 applies. It is not needed for the project and will need to be subdivided from Te Kuru

Other Properties

Name	No	Street	Rating ID	Legal Description	Title Reference	Area (m²)	Proposed next steps	Note
Vacant Section (Port Hills RRZ)	10	Aratoro Place	102329	Flat 2 DP 40657 and Garage 2 DP 40657 on Lot 25 DP 39753	CB18F/1351	300	Council makes decision	Reconfiguration of titles will be required to manage risk. Involves other Aratoro Place properties
Vacant Section (Port Hills RRZ)	10b	Aratoro Place	102328	Flat 1 DP 40657 on Lot 25 DP 39753 having share in 593 m ²	CB18F/1350	260	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Aratoro Place properties
Vacant Section (Port Hills RRZ)	12	Aratoro Place	102327	Lot 24 Deposited Plan 39753	CB18/1030	716	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Aratoro Place properties
Vacant Section (Port Hills RRZ)	14	Aratoro Place	102326	Lot 23 Deposited Plan 39753	CB18/1029	699	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Aratoro Place properties
Vacant Section (Port Hills RRZ)	16	Aratoro Place	102325	Lot 22 Deposited Plan 39753	CB18F/1028	540	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Aratoro Place properties
Vacant Section (Port Hills RRZ)	8	Aratoro Place	102330	Lot 1 Deposited Plan 41711	CB20A/1316	875	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Aratoro Place properties
Vacant Section (Port Hills RRZ)	27a	Glendever Terrace	101248	Flat 1 DP 403875 Lot 65 Deposited Plan 51716	413055	450	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Glendever Terrace properties
Vacant Section (Port Hills RRZ)	27	Glendever Terrace	158819	Flat 2 DP 71478 Lot 65 Deposited Plan 51716	CB41B/1249	450	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Glendever Terrace properties
Vacant Section (Port Hills RRZ)	11	Hammerton Lane	127080	Lot 2 Deposited Plan 80767	CB46B/711	974	Council makes decision	Requires a feasibility study for a bund to assist managing risk
Vacant Section (Port Hills RRZ)	11a	Hammerton Lane	121876	Lot 1 Deposited Plan 80767	CB46B/710	1,010	Council makes decision	Requires a feasibility study for a bund to assist managing risk

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Vacant Section (Port Hills RRZ)	7b	Hammerton Lane	121877	Lot 1 Deposited Plan 76781	CB44A/909	1,003	Council makes decision	Requires a feasibility study for a bund to assist managing risk
Vacant Section (Port Hills RRZ)	9	Hammerton Lane	141585	Lot 1 Deposited Plan 346509	191086	784	Council makes decision	Requires a feasibility study for a bund to assist managing risk
Vacant Section (Port Hills RRZ)	9a	Hammerton Lane	141586	Lot 2 Deposited Plan 346509	191087	1,320	Council makes decision	Requires a feasibility study for a bund to assist managing risk
Housing property associated with Andrews Cres	32	Hillier Place	81759	Lot 31 Deposited Plan 8335	CB7B/1478	911	Council makes decision	
Vacant Section (Port Hills RRZ)	1	Kinsey Terrace		Lot 1 DP 2493 & Lot 2 DP 43517	CB22K/782	1,140	Council makes decision	
Vacant Section (Port Hills RRZ)	334	Marine Drive	147929	Lot 30 DP 17345	CB41B/30	1,045	Council makes decision	
Vacant Section (Port Hills RRZ)	336	Marine Drive	147930	Lot 29 DP 17354	CB2C/182	1,105	Council makes decision	
Vacant Section (Port Hills RRZ)	342	Marine Drive	147935	Lot 26 DP 17345	CB3A/1159	1,009	Council makes decision	
Vacant Section (Port Hills RRZ)	22	McCormacks Bay Road	102335	Lot 1 DP29581	CB11K/1172	688	Council makes decision	
Vacant Section (Port Hills RRZ)	381	Port Hills Road	70132	Lot 4 DP18102	CB689/31	885	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Port Hills Road properties
Vacant Section (Port Hills RRZ)	387	Port Hills Road	70131	Lot 2 DP 52670 (898m ²) and Lot 11 DP 304078 (404m ²) and Lot 2 DP 70060 (751m ²)	16376	2,053	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Port Hills Road properties
Vacant Section (Port Hills RRZ)	389	Port Hills Road	70130	Lot 1 DP52670	CB31K/651	616	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Port Hills Road properties
Vacant Section (Port Hills RRZ)	5	Reservoir Lane	152687	Lot 5 Deposited Plan 361157	250627	1,071	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Reservoir Lane properties

Name	No	Street	Rating ID	Legal Description	Title Reference	Area (m²)	Proposed next steps	Note
Vacant Section (Port Hills RRZ)	7	Reservoir Lane	152689	Lot 7 Deposited Plan 361157	250629	1,117	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Reservoir Lane properties
Vacant Section (Port Hills RRZ)	9	Reservoir Lane	152681	Lot 9 Deposited Plan 361157	250631	1,429	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Reservoir Lane properties
Vacant Section (Port Hills RRZ)	4	Searidge Lane	104788	Lots 1-5 Deposited Plan 55982 & each has a 1/8 share in Lot 9 DP 55982 in Searidge Lane	CB36D/131, CB36D/130, CB36D/129, CB36D/128, CB36D/127	TBD	Council makes decision	Reconfiguration of titles required to manage risk. Involves other Searidge Lane and Taylors Mistake Road properties
Vacant Section (Port Hills RRZ)	6	Searidge Lane	104789	Lots 4 Deposited Plan 55982 & each has a 1/8 share in Lot 9 DP 55982 in Searidge Lane	CB36D/130	1023	Council makes decision	Reconfiguration of titles required to manage risk. Involves other Searidge Lane and Taylors Mistake Road properties
Vacant Section (Port Hills RRZ)	7	Searidge Lane		Lots 3 Deposited Plan 55982 & each has a 1/8 share in Lot 9 DP 55982 in Searidge Lane	CB36D/129	1026	Council makes decision	Reconfiguration of titles required to manage risk. Involves other Searidge Lane and Taylors Mistake Road properties
Vacant Section (Port Hills RRZ)	8	Searidge Lane	104791	Lots 2 Deposited Plan 55982 & each has a 1/8 share in Lot 9 DP 55982 in Searidge Lane	CB36D/128	1344	Council makes decision	Reconfiguration of titles required to manage risk. Involves other Searidge Lane and Taylors Mistake Road properties
Vacant Section (Port Hills RRZ)	10	Searidge Lane	104792	Lots 1 Deposited Plan 55982 & each has a 1/8 share in Lot 9 DP 55982 in Searidge Lane	CB36D/127	1228	Council makes decision	Reconfiguration of titles required to manage risk. Involves other Searidge Lane and Taylors Mistake Road properties
Vacant Section (Port Hills RRZ)	10	Stronsay Lane	131280	Lot 17 Deposited Plan 304078	16369	1,087	Council makes decision	
Vacant Section (Port Hills RRZ)	102	Sumnervale Drive	103376	Lot 40 Deposited Plan 54571	CB32L/404	2,186	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Sumnervale properties

Name	No	Street	Rating ID	Legal Description	Title Reference	Area (m²)	Proposed next steps	Note
Vacant Section (Port Hills RRZ)	106	Sumnervale Drive	103373	Lot 38 Deposited Plan 54571	CB32K/402	959	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Sumnervale properties
Vacant Section (Port Hills RRZ)	104A (not 2/104)	Sumnervale Drive	191460	Lot 2 Deposited Plan 547814	941008	217	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Sumnervale properties
Vacant Section (Port Hills RRZ)	98	Sumnervale Drive	103377	Lot 41 Deposited Plan 54571	CB32K/405	3,312	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Sumnervale properties
Vacant Section (Port Hills RRZ)	1/28	Taupata Street	101073	Lot 1 Deposited Plan 55525	CB33B/531, CB34B/396, CB34B/397 (Cross-lease format)	1,416	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Taupata Street properties
Vacant Section (Port Hills RRZ)	2/28	Taupata Street	101074				Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Taupata Street properties
Vacant Section (Port Hills RRZ)	22a	Taupata Street	101081	Lot 2 Deposited Plan 21022	CB1B/753	859	Council makes decision	
Vacant Section (Port Hills RRZ)	24	Taupata Street	101079	Lot 8 Deposited Plan 21022	CB24F/650	777	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Taupata Street properties
Vacant Section (Port Hills RRZ)	26	Taupata Street	101076	Part Lot 3 Deposited Plan 1895	CB23F/905	1,416	Council makes decision	Reconfiguration of titles may be required to manage risk. Involves other Taupata Street properties
Vacant Section (Port Hills RRZ)	9	Taylor's Mistake Road	166111	Lots 2 Deposited Plan 59130	CB35A/854	TBD	Council makes decision	Reconfiguration of titles required to manage risk. Involves other Searidge Lane and Taylor's Mistake Road properties