

PUBLIC EXCLUDED

7 Road stopping and disposal request by Queenstown Commercial Ltd at Kawarau Heights

A report from Quintin Howard (Property Director) proposed that Council approve a road stopping and disposal to enable Queenstown Commercial Ltd to develop farmland between Shotover Country and Lake Hayes Estate as a residential subdivision, to be known as Kawarau Heights.

Mr Howard and Mr Cruickshank presented the report.

Councillor Lewers questioned the valuation, specifically the 25% profit and risk and gross realisation. He considered these should be lower and also questioned the overall price.

Mr Cruickshank commented in response:

- He was confident of the valuer's competence and the process used;
- He considered the profit and risk were both normal for these sorts of transactions;
- The purchaser was already aware of the price.

The Chief Executive advised that the objective of road stopping was to recover fair value and to do so, the Council relied on professional valuation advice. He did not support questioning this advice.

Councillor Lewers stated that he did not wish to alter the price but sought a better understanding of the valuer's assumptions. He also questioned early disclosure of the price to the developer prior to consideration by Council.

It was moved (Councillor Clark/Councillor Copland):

That the Queenstown Lakes District Council:

- 1. Note the contents of this report;**
- 2. Approve 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 Attachment C, SO 570191; and

3. Approve 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 held in Record of Title 990645 (or successors); and
4. Approve the conditional sale of the legal road to be stopped, to Queenstown Commercial Ltd, proprietor of Record of Title 990645 (or successors), for a purchase price of \$1,050,000 (plus GST if any), with settlement to occur before the 30th June 2023. If settlement is delayed beyond this date, Council to reserve the right to revalue the land and nominate a new 'market' purchase price; and
5. Approve 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 with those costs being deducted from the road being sold at settlement; and
6. Agree that Council's approval to undertake this additional road stopping, sale and vesting process, along with any sale and purchase agreements relating to it shall be limited to a period of 2 years from the date of this resolution;
7. Delegate 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, to the Chief Executive of Council; and
8. Delegate the Mayor and/or Chief Executive to make a public comment about this report and/or resolution at an appropriate time, if required.

The motion was put and carried unanimously:

For: Mayor Boulton; Councillor Clark, Councillor Copland, Councillor Ferguson, Councillor Gladding, Councillor Lewers, Councillor MacLeod, Councillor Miller, Councillor Shaw, Councillor Smith, Councillor Whitehead

Against: Nil

Abstain: Nil