

PUBLIC EXCLUDED

QLDC Council
17 March 2022

Report for Agenda Item | Rīpoata moto e Rāraki take : 7

Department: Property & Infrastructure

Title | Taitara Road stopping and disposal request by Queenstown Commercial Ltd at Kawarau Heights

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

- 1 The purpose of this report is to consider a road stopping and disposal request within the Kawarau Heights subdivision, adjacent to Lake Hayes Estate.

> PUBLIC EXCLUDED | ĀRAI TE IWI WHĀNUI

It is recommended that this report be considered with the public excluded in accordance with the Local Government Official Information and Meetings Act 1987 section 7(2)(h-i) on the grounds that the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities; and enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

RECOMMENDATION | NGĀ TŪTOHUNGA

That 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.

Prepared by:



Quintin Howard
Property Director

25/02/2022

Reviewed and Authorised by:



Peter Hansby
General Manager
Property & Infrastructure

25/02/2022

CONTEXT | HOROPAKI

- 2 The Council has a number of unformed 'paper' legal roads throughout the district. The roads are often re-located when large scale development of adjoining land takes place, so as to better position the roads through the development.
- 3 Queenstown Commercial Ltd (the applicant) is currently intending to develop farm land between Shotover Country and Lake Hayes Estate on the Ladies Mile, referring to the development generally as 'Kawarau Heights' (refer to **Attachment A**).
- 4 The Council previously approved a request in 2016 by the Sanderson Group to realign a portion of unformed legal road in the same approximate location as part of their larger Special Housing Area approval.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 5 Queenstown Commercial Ltd is in the process of developing a residential subdivision on farmland adjacent to Lake Hayes Estate and Shotover Country. Through this process they have proposed to stop portions of the existing legal road that runs through the subdivision area, and provide legal road in new locations throughout the development area.
- 6 The land adjoining the unformed legal road has been recently rezoned to Lower Density Suburban Residential under the QLDC Proposed District Plan (PDP) via an Environment Court Consent Order and is subject to an approved Structure Plan within Chapter 27 of the PDP referred to as 'Kawarau Heights'.
- 7 The applicant proposes to stop the existing legal road, and incorporate it into the lots being subdivided, increasing their lot size (refer to **Attachment B**). Additional lots are not expected to be created through the process.
- 8 Initial consultation has been carried out with the Queenstown Trails Trust and Walking Access Commission representatives. They noted that trail connectivity through the site towards the Kawarau River was important and needed to be confirmed. The applicant has confirmed that this is provided for under resource consent RM210243 which provides for connectivity to the Crown Land adjacent to the river (refer to **Attachment C**).
- 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 A registered valuation has been sought for the road and this placed a value on the stopped road at \$1,050,000 plus GST if any. The applicant has agreed that they will pay this amount, less costs, should the stopping be concluded.
- 11 QLDC Roding and Transport Engineers have been consulted on the request and have confirmed their support for progressing the road stopping and disposal.

12 Option 1 Agree to initiate the proposed road stopping and sale, as described in this report.

Advantages:

- 13 It provides a pragmatic and beneficial realignment of legal roads within the subdivision, enabling best use of the land available.
- 14 Provides for public consultation on the proposal to stop a legal road.
- 15 Will provide a timely and efficient resolution to the area within the main develop.

Disadvantages:

- 16 Stops an existing paper road and therefore removes the public's ability to traverse it.

17 Option 2 To decline the request.

Advantages:

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

Disadvantages:

- 19 It would not make best use of the land available under the proposed subdivision.
 - 20 Council and ratepayers would not benefit from the sale of land by receiving income of \$1,050,000 plus GST (if any) less costs.
- 21 This report recommends **Option 1** for addressing the matter because it releases legal road, subject to community consultation, that is of little use or benefit to residents or ratepayers.

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 stopping and disposal of Council legal road.
- 23 The persons who are affected by or interested in this matter are the residents and ratepayers of the Queenstown Lakes District.
- 24 The Council has carried out initial consultation with both the Queenstown Trail Trust and Walking Access Commission.
- 25 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

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

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

27 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 seeks to dispose of a perpetual property right through the disposal of legal road, and this risk needs to be highlighted when considering approving any roading action.

28 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

29 All costs associated with the exchange will be met by the applicant. Upon completion of the stopping, the land will be sold to the applicant at \$1,050,000 plus GST (if any) less costs.

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

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

- Vision Beyond 2050, supporting Thriving People through provision of effective roading assets.
- Significance & Engagement Policy 2021
- Property Sale and Acquisition Policy 2014

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

32 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

33 To carry out the road stopping, the Council must follow the procedures of section 342 and the tenth schedule of the Local Government Act 1974. This includes providing public notice of the road stopping for a period of 40 days within which people may object. Should objections be received, the Council must consider those objections and if still unresolved, refer the matter to the Environment Court.

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

34 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. Approving the recommendation of this report will help to ensure Council has roading assets in locations most beneficial to the community and rate payers;

35 The recommended option:

- 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	Road Realignment and Easement Plan
C	Kawarau River Trail Easement Plan
D	Proposed Road Stopping Plan – SO 570191

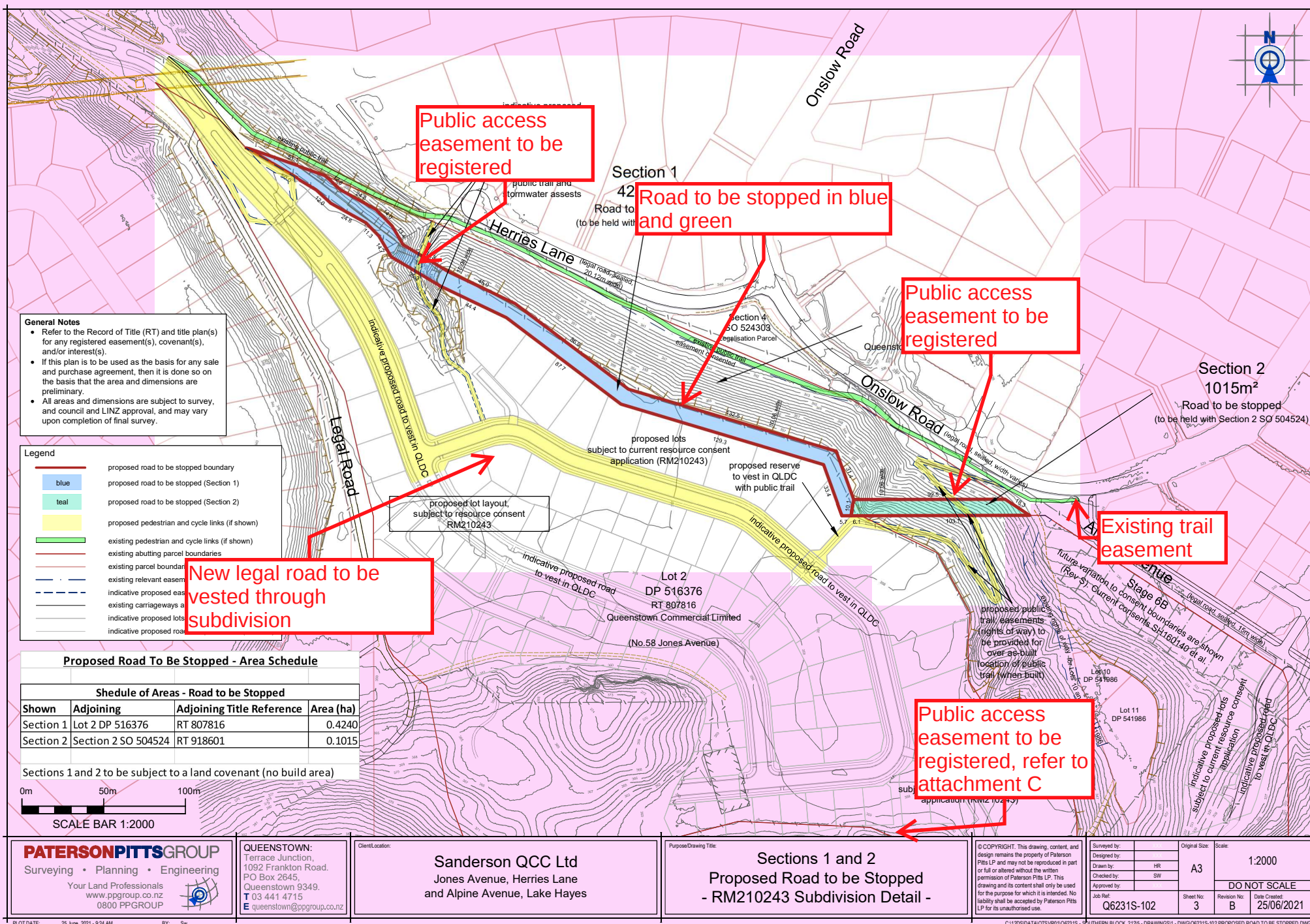
Overview Plan

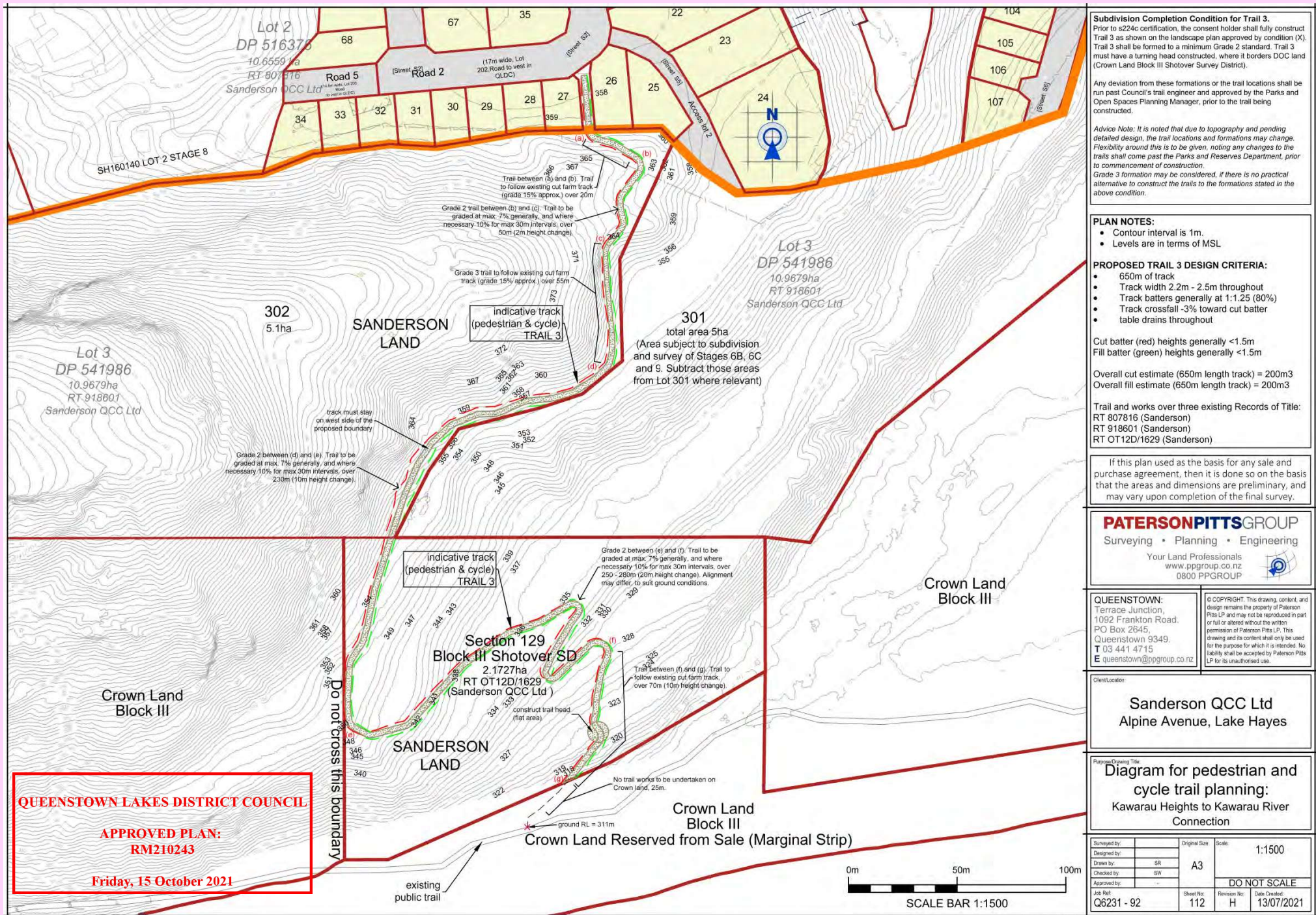


0 0.28 0.55 1.1 km
Scale: 1:9,028

Map Date:
24/02/2022









Title Plan - SO 570191

Survey Number SO 570191
Surveyor Reference Q6231S Road Legalisation
Surveyor Bridget Anne Cunningham
Survey Firm Paterson Pitts Group
Surveyor Declaration I Bridget Anne Cunningham, being a licensed cadastral surveyor, certify that--
 (a) this dataset provided by me and its related survey are accurate, correct and in accordance with the
 Cadastral Survey Act 2002 and Cadastral Survey Rules 2021; and
 (b) the survey was undertaken by me or under my personal direction.
 Declared on 23 Dec 2021 11:56 AM

Survey Details

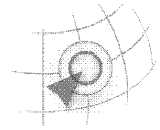
Dataset Description	Section 1		
Status	Approved as to Survey		
Land District	Otago	Survey Class	Class A
Submitted Date	23/12/2021	Survey Approval Date	16/02/2022
		Deposit Date	

Territorial Authorities

Queenstown-Lakes District

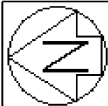
Created Parcels

Parcels	Parcel Intent	Area	RT Reference
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Total Area		0.5257 Ha	

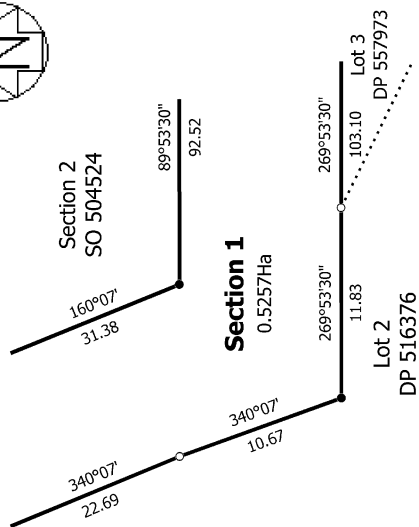


SO 570191

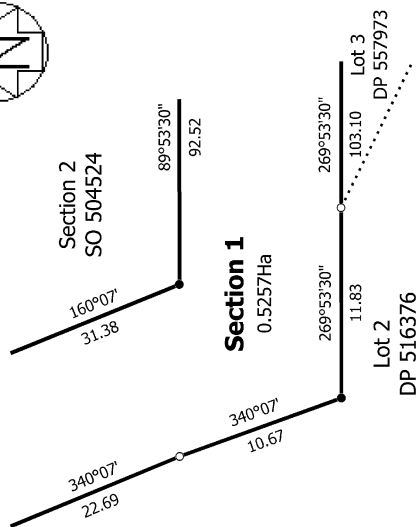
SCHEDULE OF AREAS			
ROAD TO BE STOPPED			
<u>Shown</u>	<u>Adjoining</u>	<u>Estate Record</u>	<u>Area (ha)</u>
Section 1	Section 2 SO 504524	RT 1036972	0.5257



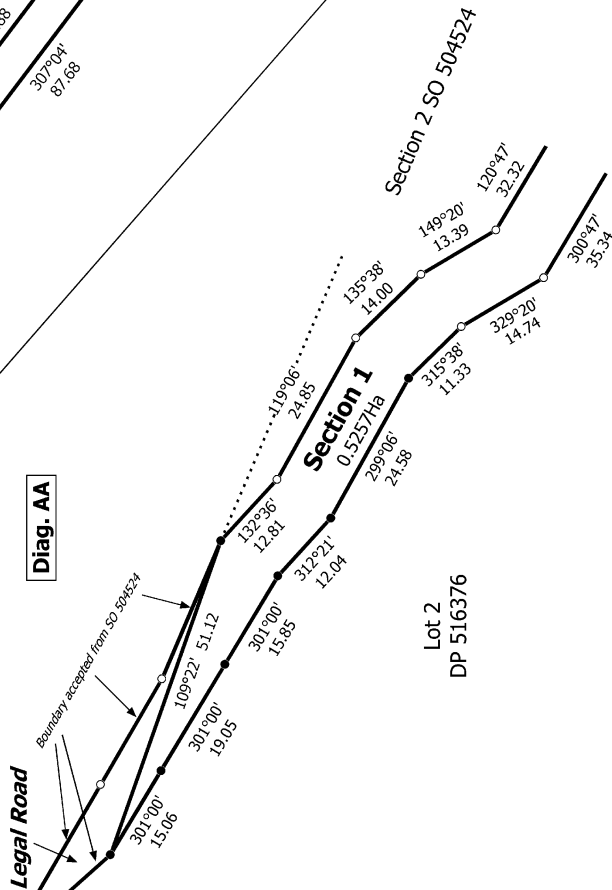
Diag. AB



Diag. A



Diag. AA



T 1/1

Land District: Otago

Digitally Generated Plan

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Section 1

Surveyor: Bridget Anne Cunningham
Firm: Paterson Pitts Group

Title Plan
SO 570191
Approved on: 16/02/2022