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QLDC Council 10 October 2019

Report for Agenda Item | Rīpoata moto e Rāraki take : 10

Department: Property & Infrastructure

Title | Taitara Littles Road Stopping and Sale

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to consider a road stopping and disposal at Littles Road, Queenstown.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

- 1. Note the contents of this report;
- 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 the attached Clark Fortune McDonald & Associates plan Job No. 12628 dated 07/02/17 Revision G with approximate area of 3800m2; 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 Computer Freehold Register 812461; and
- 4. Approve the conditional sale of the legal road to be stopped, to the proprietor of CFR 812461 for a purchase price of \$85,000 (plus GST if any), with settlement to occur before the 30th June 2020. 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 process, including executing any sale and purchase agreements relating to it, shall be limited to a period of 3 years from the date of this resolution; and
- 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.



Council Report | Te Rīpoata Kaunihera ā-rohe

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Prepared by:

Daniel Cruickshank Property Advisor

26/09/2019

Reviewed and Authorised by:

Name Title

26/09/2019

CONTEXT | HORPOAKI

- 1 The Council has a number of 'paper' legal roads throughout the district which were placed over the land some decades ago. The roads are often re-located when large scale development of adjoining land takes place, to better position the roads through the development.
- 2 Council has received a road stopping and sale request from the owners of the adjoining development block with legal description Lot 10 DP 518523 at Littles Road, owned by Wakatipu Investments Ltd.
- 3 The road was vested to Council as part of a prior subdivision application that is no longer required. Wakatipu Investments now plan to subdivide the land into 6 individual lots and wish to acquire the legal road to better develop the land.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 4 The legal road requested to be stopped, runs from Littles Road up through a rural paddock and, following a site inspection, is considered of little benefit to the Council or the Community to retain. This is because the road terminates at a mid-point on the hill, which is neither a viewing point or an area of public interest.
- 5 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.
- 6 The road has been valued at \$85,000 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, with these costs being deducted from the sale price at settlement.
- 7 QLDC Roading and Transport Engineers have been consulted on the request and have confirmed their support for progressing the road stopping and disposal.
- 8 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:
- 9 Option 1 Agree to initiate the proposed road stopping and sale, as described in this report.

Advantages:

- 10 It provides a pragmatic and beneficial realignment of legal roads within the subdivision to make best use of the land available.
- 11 Provides the public consultation on the proposal to stop a legal road.
- 12 Council and ratepayers will benefit from the sale of land by receiving income of \$85,000 plus GST (if any) less costs.

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Disadvantages:

- 13 Stops an existing paper road and therefore removes the public's ability to traverse upon it.
- 14 Option 2 Decline the request.

Advantages:

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

Disadvantages:

- 16 It would make best use of the land available under the proposed subdivision.
- 17 Council and ratepayers would not benefit from the sale of land by receiving income of \$85,000 plus GST (if any) less costs.
- 18 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

- 19 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.
- 20 The persons who are affected by or interested in this matter are the residents and ratepayers of the Queenstown Lakes District.
- 21 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

22 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

- 23 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 a perpetual property right through the disposal of legal road, and this risk needs to be highlighted when considering approving any roading action.
- 24 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.

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FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

25 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 \$85,000 plus GST (if any) less costs.

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

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

- Property Sale and Acquisition Policy 2014
- Significance and Engagement Policy 2014
- 27 The recommended option is consistent with the principles set out in the named policy/policies.
- 28 This matter is not included in the Ten Year Plan/Annual Plan, but has no effect on it.

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

29 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 0 TE KĀWANATAKA Ā-KĀIKA

30 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 roading assets in locations most beneficial to the community and rate payers;
- 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 Road Stopping Plan
- B Location Plan