5.5a.0

# FACILITY ASSETS PROPERTY CONSULTANCY

RESPONSIBLE COMMITTEE:	PROPERTY & MAJOR PROJECTS COMMITTEE
BUSINESS UNIT:	FACILITY ASSET – MANAGEMENT
ACTIVITY:	BUSINESS UNIT SUMMARY

## **Overall Objectives**

### Property Management

- To provide professional property advice to elected representatives and Council Business Units.
- To ensure that Council Business Units have, at their disposal, appropriate property resources to meet their operational needs.
- To minimise the occurrence of surplus property assets and ensure their orderly disposal or alternative use.
- To maximise returns from properties retained for investment and community purposes in accordance with agreed financial and social criteria.
- To provide an asset planning service for the Council's housing stock.

#### Property Services Consultancy

- To provide a cost-effective consultancy and advisory service to the Council and its Business Units, external clients and other local authorities in the administration, conveyancing and management related to the acquisition and disposal of property assets, including leases and licences.
- To provide property related specialist advice and information and develop solutions to the Council's extraordinary property related issues and needs.

RESPONSIBLE COMMITTEE:	PROPERTY & MAJOR PROJECTS COMMITTEE
BUSINESS UNIT:	FACILITY ASSET - MANAGEMENT
ACTIVITY:	BUSINESS UNIT SUMMARY

# **Key Changes**

## Committed Costs (Operating)

• BE1096 – Lyttelton St – Revenue previously budgeted no longer expected, (Buildings demolished & site cleared leaving nothing to rent).

## **Restructuring Budgets**

FROM – Property Management TO – Property – Asset Management

	2003/04	2004/05		2003/04	2004/05
	<i>\$</i>	\$		<i>\$</i>	\$
BE1745 Ferrymead Land – Once the set up / project issues have been completed the ongoing budgeting for the commercial leases (Tamaki Bros and The Golf Driving Range) will be transferred to the Property Asset Management Budget.	-16,500		BE1745 Ferrymead Land – Transfer from project budget upon completion of the project and set up of the ongoing commercial lease arrangements - leases (Tamaki Bros and The Golf Driving Range)	0	28,750
TOTAL	\$-16,500	\$0	TOTAL	\$0	\$28,750

RESPONSIBLE COMMITTEE:	PROPERTY & MAJOR PROJECTS COMMITTEE
BUSINESS UNIT:	FACILITY ASSETS - MANAGEMENT
OUTPUT CLASS:	OUTPUT SUMMARY

NET COST SUMMARY	2003/2004 BUDGET \$	2004/2005 BUDGET \$
PROPERTY		
Property & Projects Consultancy Services	0	0
Special Projects	193,647	146,087
Information and Advice	270,648	268,277
Management of Non Operational Property	450,819	414,336
NET COST OF OUTPUTS	915,115	828,700
COST OF CAPITAL EMPLOYED	1,553,340	263,848
CAPITAL OUTPUTS		
Surplus Property Development	(284,500)	(274,000)
Fixed Assets	114,000	24,000

5.5a.2

RESPONSIBLE COMMITTEE:	PROPERTY & MAJOR PROJECTS COMMITTEE
BUSINESS UNIT:	FACILITY ASSETS - MANAGEMENT
OUTPUT CLASS:	OUTPUT SUMMARY

OUTPUT CLASS EXPENDITURE	2003/2004 BUDGET \$	2004/2005 BUDGET \$
PROPERTY		
Property & Projects Consultancy Services	1,226,237	1,247,277
Special Projects	193,647	146,087
Information and Advice	270,648	268,277
Management of Non Operational Property	762,900	482,230
	2,453,434	2,143,871
OUTPUT CLASS REVENUE & RECOVERIES		
PROPERTY		
Property Consultancy Services	1,226,237	1,247,277
Special Projects		
Information & Advice	212.001	67.004
Management of Non Operational Property	312,081	67,894
	1,538,318	1,315,171
NET COST OF FACILITY ASSETS - PROPERTY CONSULTANCY	915,115	828,700

5.5a.3

RESPONSIBLE COMMITTEE:	PROPERTY &	MAJOR PRO	JECTS COMN	MITTEE	
BUSINESS UNIT:	FACILITY AS	SETS - MANA	GEMENT		
OUTPUT CLASS:	CAPITAL OU	<b>TPUTS</b>			
RENEWALS & REPLACEMENTS Property Sales	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
Sundry	(500,000)	(500,000)	(500,000)	(500,000)	
	(500,000)	(500,000)	(500,000)	(500,000)	0
Management -Office Equipment Computer Software					
Furniture & Equipment	4,000	4,000	4,000	4,000	4,000
	4,000	4,000	4,000	4,000	4,000
Services - Office Equipment					
Computer Software	2,000	2,000	8,000	4,000	
Furniture & Equipment	8,000	5,000	2,000	2,000	7,600
• •	10,000	7,000	10,000	6,000	7,600
TOTAL RENEWALS & REPLACEMENTS	(486,000)	(489,000)	(486,000)	(490,000)	11,600

5.5a.4

DEGRONALE GOLD COMPETE		J.Ja.¬				
RESPONSIBLE COMMITTEE:		PROPERTY &			MITTEE	
BUSINESS UNIT:		FACILITY AS		GEMENT		
OUTPUT CLASS:		CAPITAL OUT	TPUTS			
		2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
ASSET IMPROVEMENTS		200 1/2000	2000/2000	2000/200/	2007/2000	2000/2009
Surplus Property Development						
Development Costs		226,000	56,000	56,000	56,000	
TOTAL ASSET IMPROVEMENTS		226,000	56,000	56,000	56,000	0
NEW ASSETS						
Management						
Furniture & Fittings		1,000		1,000		1,000
Services						
Carpark Development - Turners & Grower	s Site					
Capital Contribution (Tamaki Developmen	nt)					
Unspecified		9,000	5,000	9,000	5,000	6,600
Furniture & Fittings						
TOTAL NEW ASSETS		10,000	5,000	10,000	5,000	7,600
TOTAL NET SURPLUS		(250,000)	(428,000)	(420,000)	(429,000)	19,200
TOTAL NET SURFLUS		(230,000)	(420,000)	(420,000)	(429,000)	19,200
Annual Plan 2003/2004	(170,500)	(420,000)	(428,000)	(420,000)	(429,000)	19,200

5.5a.5

RESPONSIBLE COMMITTEE:	PROPERTY &			<b>IITTEE</b>	
BUSINESS UNIT:	FACILITY AS	SETS - MANA	GEMENT		
OUTPUT CLASS:	CAPITAL OU	TPUTS			
	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
RENEWALS & REPLACEMENTS PROPERTY DEVELOPMENT					
	0	0	0	0	0
MANAGEMENT	4,000	4,000	4,000	4,000	4,000
SERVICES	7,600	7,600	7,600	7,600	7,600
	11,600	11,600	11,600	11,600	11,600
TOTAL RENEWAL & REPLACEMENTS	11,600	11,600	11,600	11,600	11,600
ASSET IMPROVEMENTS					
PROPERTY DEVELOPMENT	0	0	0	0	0
	0	0	0	0	0
MANAGEMENT SERVICES					
	0	0	0	0	0
TOTAL ASSET IMPROVEMENTS	0	0	0	0	0
NEW ASSETS					
MANAGEMENT	1,000	1,000	1,000	1,000	1,000
SERVICES	6,600	6,600	6,600	6,600	6,600
TOTAL NEW ASSETS	7,600	7,600	7,600	7,600	7,600

5.5a.6

RESPONSIBLE COMMITTEE:	PROPERTY & MAJOR PROJECTS COMMITTEE
BUSINESS UNIT:	FACILITY ASSETS - MANAGEMENT
OUTPUT CLASS:	CAPITAL OUTPUTS

	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
SUMMARY RENEWALS & REPLACEMENTS ASSET IMPROVEMENTS NEW ASSETS	11,600 0 7,600	11,600 0 7,600	11,600 0 7,600	11,600 0 7,600	11,600 0
NEW ASSETS	19,200	19,200	19,200	19,200	7,600
Annual Plan 2003/2004	19,200	19,200	19,200	19,200	17,200

RESPONSIBLE COMMITTEE: BUSINESS UNIT ACTIVITY		PROPERTY & MAJOR PROJECTS COMMITTEE					
		FACILITY ASSETS - MANAGEMENT FEES SCHEDULE					
	Present	Revenue from	Proposed	Projected Revenue			
	Charge	Present Charge	Charge	From Proposed			
				Charge			
Philosophy:							
To recover the cost of all professional							
fees, consents and disbursements costs,							
unless the relevant documentation							
provides otherwise.							
GENERAL CHARGES;							
Consents:							
Mortgages, caveats, lease conditions,	\$60.00		\$60.00				
partial release of compensation							
certificates, neighbour consents							
Document sealing fee	\$60.00		\$60.00				
Title production fee	\$25.00		\$25.00				
CONVEYANCING FEES							
Where work is carried out by Council's	Solicitors \$100/hour		Solicitors \$100/hour				
in-house solicitors and/or property consultants	Property consultants \$55-\$80		Property consultants \$55-\$80				
(All costs are inclusive of GST, and							
exclude disbursements and external							
consent costs, but <b>include</b> one sealing							
fee)							
Agreement to lease	\$337.50 plus time over 1.5 hrs		\$337.50 plus time over 1.5 hrs				
	@ scheduled hourly rate		(a) scheduled hourly rate				

RESPONSIBLE COMMITTEE: BUSINESS UNIT ACTIVITY		PROPERTY & MAJOR PROJECTS COMMITTEE  FACILITY ASSETS - MANAGEMENT  FEES SCHEDULE											
								Fees Description	2003/2004	2003/2004	2004/2005	2004/2005	Note
									Present	Revenue from	Proposed	Projected Revenue	
	Charge	Present Charge	Charge	From Proposed									
				Charge									
Deed of lease	\$227.50 mls.s 4ims 1.5 lms		\$227.50 mlss 4ims soon 1.5 hms										
Deed of lease	\$337.50 plus time over 1.5 hrs @ scheduled hourly rate		\$337.50 plus time over 1.5 hrs @ scheduled hourly rate										
	(6) 5011044114 110 6111 / 1410		(ty seniodened neutry rate										
Deed of assignment of lease	\$225 plus time over 1.5 hrs @		\$225 plus time over 1.5 hrs @										
	scheduled hourly rate		scheduled hourly rate										
Landlord's consent to an assignment	\$168.75 plus time over 1.5 hrs		\$168.75 plus time over 1.5 hrs										
Zanatora o consont to an assignment	(a) scheduled hourly rate		(a) scheduled hourly rate										
Deed recording a review of rent	\$168.75 plus time over 1.5 hrs @ scheduled hourly rate		\$168.75 plus time over 1.5 hrs @ scheduled hourly rate										
	(a) scheduled flourly rate		(a) scheduled flourly rate										
Deed of renewal of lease	\$168.75 plus time over 1.5 hrs		\$168.75 plus time over 1.5 hrs										
	@ scheduled hourly rate		@ scheduled hourly rate										
Deed of variation of lease	\$168.75 plus time over 1.5 hrs		\$168.75 plus time over 1.5 hrs										
Deed of variation of lease	(a) scheduled hourly rate		(a) scheduled hourly rate										
Deed of sublease	\$393.75 plus time over 1.5 hrs		\$393.75 plus time over 1.5 hrs										
	@ scheduled hourly rate		@ scheduled hourly rate										
Easements in gross	\$393.75 for the first easement		\$393.75 for the first easement										
	on each plan and \$168.75 for		on each plan and \$168.75 for										
	each subsequent easement on		each subsequent easement on										
	that plan		that plan										
Surrenders and variations of easements	\$225 plus time over 1.5 hrs @		\$225 plus time over 1.5 hrs @										
Surrenders and variations of easements	scheduled hourly rate		scheduled hourly rate										
			<del>.</del> <del>.</del> <del>.</del>										

RESPONSIBLE COMMITTEE: BUSINESS UNIT ACTIVITY		PROPERTY & MAJOR PROJECTS COMMITTEE  FACILITY ASSETS - MANAGEMENT  FEES SCHEDULE												
								Fees Description	2003/2004	2003/2004	2004/2005	2004/2005		Note
									Present	Revenue from	Proposed	Projected Revenue		
	Charge	Present Charge	Charge	From Proposed										
				Charge		╄								
Deeds of licence	\$168.75 plus time over 1.5 hrs @ scheduled hourly rate		\$168.75 plus time over 1.5 hrs (a) scheduled hourly rate											
All other legal work	Based on time @ scheduled hourly rate.		Based on time @ scheduled hourly rate.											
Fees as Accredited Agent of Land Information NZ: Proclamations & Gazettes	\$225 plus disbursements, with provision to increase fees in accordance with Public Works (Fees for Documents) Regulations 1989		\$225 plus disbursements, with provision to increase fees in accordance with Public Works (Fees for Documents) Regulations 1989											
		} \$30,000.00		} \$25,000.00	4%									
Cell Phone Site Investigation Cell Phone Tower Investigation (On Council Land)	\$2,250 per application + Cost	\$10,000	\$2,250 per application + Cost	\$10,000										
Rents														
Miscellaneous property rentals and hire	Various	\$296,085	Various	\$51,898	5%									
Cell Phone Site Revenue														
Grand Total		\$336,085	-	\$86,898	-									