

2. TRANSFER OF ELDERLY PERSONS OWNER-OCCUPIER UNITS



Officer responsible Property Manager	Author Pam Ellis, Property Services Manager
Corporate Plan Output: Housing: Asset Management: Owner-Occupier Housing	

The purpose of this report is (a) to obtain Council approval to the sale and transfer of vacant owner-occupier units at 7/55 and 15/55 Aldwins Road and 32 and 35 Maurice Carter Courts 16 Dundee Place; and (b) to seek a delegation from the Council to approve the future sale and transfer of similar owner-occupier units.

BACKGROUND

Since 1976 the Council has undertaken construction of housing units which are available for elderly persons to purchase outright and occupy. Currently there are 20 units at No. 15 Aldwins Road, two units at Perth Street and six units at 16 Dundee Place (Maurice Carter Courts).

The conditions applying to ownership of these units require the purchaser to enter into a Maintenance Agreement and Option to Purchase. This provides for the Council to undertake exterior and common area maintenance, arrange insurance and pay rates, all of which are recoverable from the owner/occupier in the form of a periodic service charge. The Option to Purchase provides the Council with the first option to repurchase the units at an agreed valuation when the owner decides to sell. A period of three months is provided in which the Council must exercise its option. The option to repurchase, whether exercised or not, ensures some control by the Council in arranging transfers to suitable and compatible purchasers.

Most often, there is a waiting list of suitable persons wishing to acquire owner-occupier units and it is possible for the Council to arrange transfers of ownership directly between the vendor and the purchaser without the Council exercising its option. Recently, however, four units have become available for sale where no immediately suitable transfer has been able to be effected within the three-month option period. These are Nos. 7/55 and 15/55 Aldwins Road, and 32 and 35 Maurice Carter Courts, located at 16 Dundee Place. The Council's option has therefore been exercised and the units purchased by the Council in terms of the Property Manager's delegated authority.

Once the units come back into the ownership of the Council, any subsequent sale must then comply with the disposal provisions of Section 230 of the Local Government Act 1974 requiring an authorising resolution of the Council. Further, the provisions of Section 40 of the Public Works Act 1981 apply, requiring offer-back of the property to the former owner.

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CURRENT DISPOSALS

The offer-back requirements of Section 40 of the Public Works Act are currently being undertaken for the four units. On the basis that it is extremely unlikely the former owner-occupiers will want to reacquire the units, a waiver of the right will be suggested to their legal representatives. If agreed, this will simplify what otherwise could be a process of several months.

Agreement has been reached with a new owner-occupier for purchase of 15/55 Aldwins Road, but allocations have yet to be made for the other three units. In order that sales and transfers can be effected for the four units when required, the Council is requested to adopt the necessary resolution pursuant to Section 230 of the Local Government Act as set out in the recommendation below.

DELEGATION FOR FUTURE DISPOSALS

Currently there is no officer delegation for the disposal of Council property, including those owner-occupier units, which have been repurchased by the Council. To expedite the future transfer of these units it is recommended that authority be delegated to the Property Manager to approve transfers to suitable purchasers.

It is necessary to give prior public notice of the Council's intention to consider a disposal resolution pursuant to Section 230 of the Local Government, except where the property is to be personally occupied by the purchaser for residential purposes. Accordingly, public notice is not required in respect of disposal of owner-occupier units. It is also intended to incorporate a waiver of the Public Works Act offer-back requirements in future Sale and Purchase and Maintenance/Option Agreements. On the basis that both these statutory requirements have been met, it follows that the Council can delegate its power in respect to the Section 230 resolution to dispose of the owner-occupier units.

- Recommendation:**
1. That subject to compliance with Section 40 of the Public Works Act 1981, the Council approve the disposal of the owner-occupier units at 7/55 and 15/55 Aldwins Road and 32 and 35 Maurice Carter Courts, 16 Dundee Place, in accordance with the Council's housing policy for the occupation of such units and subject to the terms and conditions of the Council's standard agreements for Sale and Purchase, Maintenance, Option to Repurchase and Offer-Back Waiver.

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2. That subject to the adoption of 1 above, the Council resolve pursuant to Section 230 of the Local Government Act 1974, to dispose of the land described in the following Schedules:

Schedule One:

An undivided one-twentieth share in Lot 1 DP 38888 together with leasehold estate created by Lease 201370/15 being Flat 15 and Carport 15 on DP 40879 and contained in Certificate of Title 19A/445.

Schedule Two:

An undivided one-twentieth share in Lot 1 DP 38888 together with leasehold estate created by Lease 201370/7 being Flat 7 and Carport 6 on DP 40879 and contained in Certificate of Title 19A/437.

Schedule Three:

An undivided one-thirteenth share in Lot 4 DP 57216 together with leasehold estate created by Lease 926060/7 being Flat 4 on DP 58169 and contained in Certificate of Title 34A/1283.

Schedule Four:

An undivided one-thirteenth share in Lot 4 DP 57216 together with leasehold estate created by Lease 926060/1 being Flat 1 on DP 58169 and contained in Certificate of Title 34A/1280.

3. That the Council resolve to delegate to the Property Manager the authority to approve the disposal of elderly persons' owner-occupier units in accordance with the Council's housing policy for the occupation of such units and subject to the terms and conditions of the Council's standard agreements for Sale and Purchase, Maintenance, Option to Repurchase and Offer-Back Waiver.