

4. BROUGHAM STREET – CONSIDERATION OF FUTURE USE

General Manager responsible:	General Manager, City Environment
Officer responsible:	Angus Smith, Acting Unit Manager
Author:	Felix Dawson, Property Projects Consultant, DDI 941-8477

PURPOSE OF REPORT

1. To consider the future use options for the Council property at Brougham Street (the property) and to seek a resolution to pursue one of the options.

EXECUTIVE SUMMARY

2. The property is currently used as a road buffer zone. It is more than is required for this purpose and could be better utilised if it was amalgamated to one of the adjacent properties and developed for medium density housing. Disposal to one of the adjacent owners is recommended.

FINANCIAL AND LEGAL CONSIDERATIONS

3. The preferred option proposes sale of the asset with a return of around \$35,000.
4. Legal Services have advised that Section 40(4) of the Public Works Act 1981 applies and that because of the size, shape and situation of the land, the Council may offer the property to the adjacent owners without offer back to the previous owner.

Schedule

All that parcel of land containing 280m² or thereabouts being part of Lot 1 DP 56555 and being part of the land contained and described in Certificate of Title 35A/453.

BACKGROUND ON BROUGHAM STREET- CONSIDERATION OF FUTURE USE OPTIONS

5. The property is 280m² located in the L-3 zone on the south side of Brougham Street one block away from Colombo Street. It was purchased in 1973 as one of a number of purchases made for the purpose of enabling creation of the Brougham Street expressway. The property was vested as road diversion following completion of survey in 1990.
6. The road design provided for a twelve metre wide berm on the south side tapering to 9 metres towards Colombo Street. There are two inconsistencies in the berm width in the stretch of road between Colombo Street and Burlington Road. In both cases small blocks protrude further than the 12 metre berm width. From looking at the survey plan it would appear that this occurred as a matter of convenience in that it avoided surveying off several longer sections and then undertaking a sale process to the neighbours. At the land prices of the time it would not have been cost effective. The berms now contain substantial plantings which provide significant protection from the road for neighbouring properties.
7. A request has been received from a neighbour at 49 Cadogan Street to purchase one of the pieces of land held by Council that is additional to the normal 12 metre berm width. They have expressed an interest in developing their site for medium density use. The property has been processed internally by the Facility Assets Unit in terms of the property decision-making flow chart. There has been no interest in retaining the property expressed by any Unit or the Community Board. The Transport & City Streets Unit has advised that the 12 metre wide berm is sufficient in terms of providing a noise and pollution buffer between the road and neighbouring houses. The Urban Design Team have considered the site and note that because there is no access to the property there is no amenity value over and above the use as a buffer zone to the road. They have advised that allowing sale to one of the adjacent sites would allow a more rational and efficient use of the land for residential purposes which will support the Council's residential consolidation policy. The aim of this policy is to concentrate residential activities in the centre of the city and limit urban sprawl and loss of agricultural soils traffic congestion etc.
8. A registered valuer has estimated the value of the property at \$35,000- \$40,000. Before transfer could be undertaken subdivision of the property would be required at cost of approximately \$5,000. The property currently incurs minimal maintenance cost.

OPTIONS

9. (a) Do nothing and retain for road berm.
- (b) Dispose of property at market value by way of sale to one of the adjacent owners.

PREFERRED OPTION

10. Option (b)

The property is smaller than the minimum lot size and so should only be disposed of if amalgamated to an adjacent property. Disposing of the property to an adjacent owner would provide a benefit to the Council in that it would enable greater utilisation of the land for housing purposes. This is supported by Council Policy and planning objectives. A 12 metre berm would still be retained between road and houses and so the cost in terms of the effects from a reduced buffer zone would be minimal. On balance this is an acceptable outcome and the preferred option therefore is to sell to an adjacent owner.

11. The property has been assessed in terms of the Public Works Act 1981. Legal Services have advised that because of the size shape and situation of the land it may be offered to the adjacent owners without being offered back to the previous owner.
12. It is proposed to offer the land to the neighbours for sale at not less than the market price as assessed by an independent registered valuer.

STAFF RECOMMENDATIONS

It is recommended the Council resolve in regard to the property described in the attached schedule that:

- (a) The property be declared surplus and offered for sale to one of the adjacent owners at not less than the current market value as determined by a valuation carried out by an independent registered valuer.
- (b) That Section 40(4) of the Public Works Act 1981 applies and the property may be offered to the adjacent owners without offer back to the previous owner.

CHAIRPERSON'S RECOMMENDATION

That the staff recommendations be supported.