

7. 156 VAGUES ROAD DISPOSAL

General Manager responsible:	General Manager City Environment, DDI 941 8607
Officer responsible:	Transport and Greenspace Manager
Author:	Stuart McLeod, Property Consultant

PURPOSE OF REPORT

1. The purpose of this report is to seek the Board's recommendation to the Council to dispose of the property situated at 156 Vagues Road.

EXECUTIVE SUMMARY

2. This property was acquired for road widening in 1985. The portion required for road has been legalised leaving a balance of area of 491 square metres being part Lot 1 DP 16902 contained in **attachment 1** and **attachment 2** CB585/46.
3. The Transport and Greenspace Unit have advised the property is operationally redundant and has instructed the Property Consultancy Team to dispose of it.
4. The Executive Team, Unit Managers and the Shirley/Papanui Community Board have all received a "Changes to Property Use" memorandum enquiring if other Council Units have any use for the property. No responses were received. Therefore it is reasonable to assume there is no identified alternative use for the property and it can be declared surplus. The property is shown in **attachment 3**.

FINANCIAL IMPLICATIONS

5. An independent valuation has been obtained from Simes Limited on a current market valuation basis. The property will be tendered on the open market and will have a minimum price that is yet to be determined. Should this not be achievable then the property will be sold at a negotiated price acceptable to the Manager Corporate Support.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

6. Yes. Assets sales – surplus property sales page 40 of the LTCCP.

LEGAL CONSIDERATIONS

7. This property was acquired in January 1985 for road diversion, and was tenanted until November 2009. The portion required for road was legalised as such in December 2008.
8. The disposal of this property will be subject to Section 40 of the Public Works Act 1981. This will involve offering the property to the former owner or their successor at market value and will be completed once the Council declare the property surplus.

Have you considered the legal implications of the issue under consideration?

9. Yes – as above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

10. Yes. The sale of surplus property forms part of the Property Consultancy Activity Management Plans, it is considered that this transaction will fall outside of the LTCCP Policy on Determining Significance at page 207 – 208.

ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council's strategies?

11. Yes. Retention of the balance of this property no longer meets with Council roading strategies, or any LTCCP initiatives.

CONSULTATION FULFILMENT

12. Not applicable. However in accordance with Council's practices around declaring operationally redundant property surplus a Change to Property Use memorandum has been circulated to the Executive Team, Unit Managers and the Shirley/Papanui Community Board, no registrations of interest or business case has been received.

STAFF RECOMMENDATION

It is recommended that the Board recommend that the Council:

- (a) Declare the balance of the property situated at 156 Vagues Road described as part Lot 1 Deposited Plan 16902 to be surplus;
- (b) Authorise staff to commence offer back obligations under Section 40 of the Public Works Act 1981;
- (c) Approve the property be offered for sale by way of public tender with a minimum tender amount to be set by an independent valuer and;
- (d) Approve that the Corporate Support Unit Manager is given delegated authority to conclude the sale of the property, as supported by valuation advice and consideration of other factors including marketing and market dynamics, including if the minimum price is not achievable by tender the property may be sold by private treaty.

CHAIRPERSON'S RECOMMENDATION

That the staff recommendation be adopted.