



ACQUISITION OF SHARES

General Manager responsible:	General Manager, City Environment Group, DDI 941-8608
Officer responsible:	Unit Manager, Transport and Greenspace
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PURPOSE OF REPORT

1. The purpose of this report is to seek the Boards support and recommendation to the Council to acquire shares currently owned by the Selwyn Plantation Board, in Te Oka Airstrip Company Limited.

EXECUTIVE SUMMARY

2. At the time the Council acquired Te Oka Farm from the Selwyn Plantation Board (SPBL) in August 2009, it was not aware that the SPBL held 200 shares in the Te Oka Airstrip Company Limited (TOACL). The company (TOACL) was incorporated in August 2001 and is a limited liability company with 1000 shares held equally by five individual shareholders. The company holds an easement in gross firstly, to use the airstrip marked "A" on DP303105 to allow aircraft to land and take off from the air strip, and secondly a vehicular right-of-way over the area marked "B" on DP303105 to access the strip from Bossu Road (refer **attachment 1**). The easement is registered against the property contained in Certificate of Title CB47/7. The airstrip may be used for the purpose of aerial topdressing, manuring, spraying, grass seeding and incidental, upon land owned or leased by the shareholders.
3. Given SPBL has sold its farm at Te Oka Bay to the Council and divested its interest in any other property within the vicinity, it has approached the Council to take transfer of its shares in TOACL at no cost.
4. Te Oka Farm is operated as a farm under a licence agreement with specific areas of native vegetation being retired from grazing. The licence agreement provides for the soil fertility to be maintained and for noxious weeds to be eradicated. Because of the steep nature of the country this can only be achieved by aircraft and as such the acquisition of the shares is recommended given the close proximity of the airstrip to the property.

FINANCIAL IMPLICATIONS

5. There is no cost to the Council in acquiring the shares which it has been advised are fully paid up. There are also no liabilities attached to the shares. Any, costs will arise on a user pays basis and will not arise automatically as an incident of ownership of the shares in TOACL.

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

6. Any costs, incidental to the Council use of the strip, will be limited and met from existing approved funds.

LEGAL CONSIDERATIONS

7. There are no legal impediments preventing the Council from taking transfer of or holding shares in the Company.

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

8. Yes, as above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

9. The proposal meets with the Regional Parks Activity Management Plans of the Council.

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

10. Yes as per page 117 and pages 126-129 of the 2009-19 LTCCP.

ALIGNMENT WITH STRATEGIES

11. It will enable objectives in the Open Space and Biodiversity Strategies to be met.

Do the recommendations align with the Council's strategies?

12. Yes.

CONSULTATION FULFILMENT

13. Not required.

STAFF RECOMMENDATION

It is recommended that the Council takes transfer of the shares at present held by the Selwyn Plantation Board in Te Oka Airstrip Company Limited.