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| <p>Officer responsible Property Manager</p> | <p>Author Property Projects Officer, Steve McCarroll</p> |
| <p>Corporate Plan Output: Surplus Property</p> | |

The purpose of this report is to update the Hagley/Ferrymead Community Board and the Projects and Property Committee on progress with regard to the various land issues involved in Council’s land holdings adjoining Ferrymead Historic Park and in particular to seek their respective recommendations to Council to transfer land to other Council Units and seek proposals for some balance land.

BACKGROUND

In May of this year the Property Unit reported to the Board and the Property and Projects Committee on the various land issues involved in the Ferrymead area and we can now update the Community Board and the Committee on the position with regard to these land issues.

The Council has owned the land shown hatched on the attached plan A for a number of years as these two areas formed the previous Heathcote County Council rubbish dump which comprise approximately 14 hectares.

In 1996 the Council purchased an additional 23ha. of land from the Ferrymead Trust with 8ha. to be transferred back to the trust with the balance remaining in Council ownership(refer plan C).

As the Property Unit has been working through the various land issues at Ferrymead the Planning Unit has been progressing a planning process to determine more appropriate zonings for the Special Purpose Ferrymead zone that was created as an interim measure in the City Plan. The Environmental Policy and Planning Unit has completed its investigations that have included significant internal and public consultation and the variation to the zone was publicly notified in July 1999.

Investigations have identified major opportunities/constraints for future development and the formulation of anticipated environmental results for various parts of the zone. The Variation will see the uplifting of the Special Purpose (Ferrymead) Zone and its replacement with various other zones currently existing within the City Plan to achieve desired environmental outcomes.

The Council owned areas are now predominantly zoned Open Space with a small portion Conservation 1. These are zones that restrict building development and promote a dominance of open space over built form. These zonings are largely a reflection of the constraints that were identified, particularly vehicle access, flooding and other natural hazards that have made these areas unsuitable for intensive building development.

CURRENT SITUATION—LAND ISSUES

Deeds Land

As reported previously there are a number of strips of deeds land present in the Council owned land (refer to the attached plan A.). We are at present preparing a case through the Council's solicitors to claim ownership by lodging an application to bring the land under the Land Transfer Act and thereby create title.

Advice from the District Land Registrar indicates that the Council must produce evidence to support a claim that they are the owners of the land. Evidence is currently being prepared where we are endeavouring to obtain at least two statutory declarations from people who have administered the land in the past which show that the Council and its predecessors have continuously occupied the land for a significant period of time.

If the District Land Registrar believes the Council's claim has merit then notices will be published in the New Zealand Gazette and The Press advertising the application. A time limit within which people can lodge caveats forbidding the bringing of the land under the Land Transfer Act will be prescribed.

If no caveats are lodged then the District Land Registrar will proceed to issue the Council with a certificate of title to the former Deeds land.

The Council's solicitors are currently preparing the statutory declaration forms for attachment to the Council's application to the District Land Registrar.

It is anticipated that with the time needed by the District Land Registrar to consider the application and publish the required notices the Council could have title to the land by November/December 1999 assuming no caveats are lodged.

SURVEY

The Council is now attending to the survey work necessary to transfer the appropriate land back to the Ferrymead Trust. We have received advice from our surveyors that the claiming of the deeds land will affect the depositing of the survey plans and will need to be completed prior to being able to facilitate title to the trust land.

The subdivision consent process has been started but the survey work cannot be completed until the deeds land is successfully claimed by the Council.

Assuming a successful claim to the deeds land, title to the Trust land, based on advice from the Council's surveyors, will follow in a 4-6 month timeframe. There are some issues associated with the creation of rights of way for the Historic Park core site which indicate the time to have the work completed will likely be closer to 6 months. Titles should be available therefore in approximately March 2000.

NEW ENTRANCE ROAD

The construction of this road is well underway with an anticipated completion date by the end of August. The location of this new entranceway is indicated on the attached plan B.

Surplus Land

The Property Unit has previously reported to the Community Board and the Property and Projects Committee the fact that the availability of potentially surplus land at Ferrymead had been circularised within internal Council Units, under the property decision making flow chart with the Parks, Leisure and Water Services Unit indicating interest.

PARKS AND LEISURE UNIT'S INTEREST

The Parks and Leisure Unit has prepared a joint submission and indicated an interest in the area of land shown hatched on plan B attached for development into a sports ground.

To substantiate their interest the Senior Sports Adviser states as follows:

Sumner and Ferrymead, when set against present and future population trends, represent areas which have the greatest shortage of sports grounds in the city.

In the Sumner area in particular, enclosed by the hills and the sea, the provision of flat land for sports grounds will be impossible in the future in spite of the fact that the increased subdivision in the district will result in markedly increased population. The nearest areas of flat land to service this need in Sumner and indeed the Ferrymead area itself is the land in question.

Population growth in the Heathcote Valley area is also significant. Since 1998, for example the Heathcote Valley School roll has increased to the extent that two new classes have been established.

The critical shortage of sports grounds in the Sumner and Ferrymead areas was brought to the attention of David Cox, former Hagley/Ferrymead Community Board member and City Councillor, during mid-1997 by representatives of the sports clubs of the district. From August 1997 Cr Cox facilitated a number of meetings with representatives of the Sumner/Ferrymead sports clubs and their respective sports associations together with Parks and Leisure Unit staff to find solutions to this serious problem.

This series of meetings, chaired by Cr Cox unanimously agreed that the only long term solution to the problem was to acquire land for additional sports grounds in the Ferrymead area when it becomes available.

The submission presented by the Parks and Leisure Units is comprehensive in content and has provided evidence to substantiate why this land should be set aside for a sports ground.

The submission is not specific however as to when this project will be funded nor what timeframe will be required for its development.

In addition there are budget implications in deciding to set aside this land for a sports ground which are as indicated in more detail below.

It was the Property Unit's view that this portion of land would be ideally suited to some form of residential development. To this extent a submission was forwarded to the Policy and Planning Unit requesting that this land be zoned accordingly in the proposed variation. While this was not supported by the placing of an Open Space zone on the land there was an acknowledgement that this parcel of land would suit some form of residential use. A similar parcel of land located further south on Bridle Path Road has been rezoned Living 1B.

It is considered by the Property Unit that the budget implications and timetable for development of this area for a sports ground should be further reported to the Council.

Also to be transferred to the Parks Unit is the land adjoining the existing reserve surrounding the Trambarn comprising approximately 1.2 hectares(refer plan c).

WATER SERVICES UNIT'S INTEREST

The Water Services Unit has presented to the Property Unit a detailed submission on their area of interest which is also indicated on the attached plan B.

Major studies have been done by the City Design Section of the Council for the Water Services Unit titled "*Heathcote Valley Comprehensive Flood Management Study*". It is not intended to specify in detail the contents of this comprehensive report which has essentially been completed for flood retention, wildlife marsh, land and drainage purposes. The land east of Truscotts Road has been identified as being necessary for the above purposes whereas the land west of Truscotts Road is sought for retention by the Water Services Unit as per the "Lower Avoca Valley Stream – Future Land Use Investigation" report as a flood retention area and part of a greater area wide flood mitigation system

The Team Leader, Water Environmental, comments in his submission with regard to the land east of Truscotts Road:

With the rezoning of land within the Heathcote Valley floodplain, and on neighbouring catchment hillside, there will be a need to mitigate further flooding on the valley floor. It is intended to suppress peak high tide outfall water-levels over the Council land, between the Heathcote River and north of the new road, by modification of the existing tide gate and opening up the length of Munnings Drain within this land. This will in turn mitigate increased flooding over the private land south of the new road.

Enhancement of this area for flood storage would also provide an opportunity to restore saltmarsh wetland. In Andrew Crossland's report on Rezoning and Opportunities for Wildlife in the Heathcote Valley he concludes that "although small, this site is strategically located opposite the eastern Heathcote Loop mudflats and only about 250m from Ferrymead Salt-marsh."

Andrew Crossland's report also states "A restored salt-marsh will increase remaining "core" habit of the original estuarine environment and enhance what is already an important birdlife area."

With regard to the land west of Truscotts Road the Team Leader, Water Environmental summarises as follows:

The Council's continued ownership will at the very least maintain the "status quo" in this area, thereby preventing further development which could compromise future ecological, recreational and drainage initiatives.

It is difficult for the Property Unit to comment specifically on the Water Services Unit's proposals for this land other than to point out the property implications and more particularly the financial aspects which are detailed below.

There has been no indication of the timetable for the proposed works nor any details with regard to whether the proposed works are budgeted for.

From a property perspective there are a number of improvements present on a portion of the land that the Water Services Unit has identified as being required.

Radio Ferrymead have their mast and associated equipment present on land East of Truscotts Road and if this land is to be set aside for Water Services purposes further discussions will be necessary to ascertain what the implications are of the Water Services Unit's proposals and how they will affect the mast in its present location.

Also present is a signal tower which has been placed in its current position to serve as the basis for a reconstructed historic windmill. This project is to proceed at some time in the future but it is considered essential by some members of the Ferrymead Trust that it remain in its present location. The implications of the tower remaining in its current location will also need to be discussed further with the Water Services Unit should this land be set aside for their purpose.

The full submissions presented by the Parks, Leisure and Water Services units are available by contacting the writer of this report. Copies will also be available for perusal at the Committee meeting.

FINANCIAL AND BUDGET ISSUES

In the Property Unit's budget the following sums have been allowed for sales revenue in the financial years as indicated:

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| 98/99 financial year | \$165,000 |
| 99/2000 | \$250,000 |

Based on valuation advice that was undertaken at the time of the buyout from the Ferrymead Trust the land rate per hectare is approximately \$30,000. While this valuation was undertaken in 1996 this rate per hectare is still relatively current.

Based on the above rate per hectare the following figures represent the indicated worth of the land identified as being required by the Parks and Leisure Unit and the Water Services Unit.

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| Parks and Leisure Unit | 2.34 hectares | \$ 70,000 |
| Water Services Unit | 19 hectares | \$570,000 |
| Balance surplus land | 6.5 hectares | \$195,000 |
| Land adjoining Trambarn | 1.2 hectares | \$36,000 |

The financial implications of setting aside the land for both the Parks and Leisure Unit and the Water Services Unit are clearly evident above.

The buyout of the Ferrymead land by Council was at a cost in excess of \$450,000 and it has always been the intention of the Property Unit to either recover as much of this sum as possible through the sale of surplus Ferrymead land or obtain a market return from leasing.

As the above figures indicate, based on the estimated worth of the balance land, the budgeted figures for the 98/99 and 99/2000 financial years will not be realised.

There is some possibility that the Water Services use of the land may be compatible with some other use e.g. a joint venture development and if this was the case it may be possible to realise greater dollar values than has been indicated.

Further discussion will be necessary to establish this fact if this land is to be set aside for Water Services use.

BALANCE LAND

If an assumption is made at this point that the land identified as being required by the Parks and Leisure Units and the Water Services Unit is set aside for their purposes this leaves a balance area of land containing approximately 6.5 hectares (refer attached plan B).

It is the Property Unit's intention therefore to determine an appropriate use for this land and as the Committee will be aware there has in the past been a number of expressions of interest received from private individuals to develop areas of Ferrymead land.

Expressions of interest for the balance area of land not required by internal Council Units should now be called for. This will be done on the basis of any proposed use being in accordance with the proposed open space zoning for the land and ensuring that the proposed use is compatible with the objectives of the Water Services Unit.

SUMMARY—POTENTIAL SURPLUS LAND

The attached plans show the areas that have been identified as being required by internal units of Council. The reasons to substantiate their interest have been well detailed in earlier portions of this report.

The Property Unit considers that the uses as proposed for the land by the Parks, Leisure and Water Services Unit are appropriate and in accordance with the proposed zonings for the land. The development of the areas as proposed are for the wider benefit of the community and are in keeping with the planning objectives for the area.

In endorsing the proposals however, in particular the land west of Truscotts Road, detailed discussion should be held with the Water Services Unit to establish how their proposals may be compatible with some form of alternative use.

Preliminary discussions in regard to this fact have been favourable but more detailed discussion and information is necessary to confirm that this is possible.

FERRYMEAD TRUST

A copy of this report is to be forwarded to the Ferrymead Trust for their information and comment as an undertaking was given by the Council in the mid-1990's that the Ferrymead Trust would be consulted with regard to the future use of the land in the Ferrymead area particularly that land which was purchased from the Trust in the Council buy-out.

A comprehensive submission was prepared by The Tramway Historical Society Inc. where the Society stated that they wished the Council owned land to be set aside for Open Space purposes. The Variation to the zoning of this land has effectively achieved this outcome and is further supported with the recommendations contained in this report to set aside land for Parks and Water Services purposes.

SUMMARY

A number of the processes under the Property decision making flow chart have now been followed which has identified areas of land that can appropriately be set aside for Council use along with also identifying a balance of surplus property that the community can have some say in the proposed use of by the calling of registrations of interest in its use/development.

There has been a clear and concise case put forward by the Parks and Leisure Units for the land adjoining Bridle Path Road to be set aside for development of a sports ground and further details as to its development should be reported to the Council.

The land identified by Water Services as being needed for flood protection, wildlife marshland and drainage purposes is also substantiated by the comprehensive studies that have been done. Further discussion is needed to ascertain however the possibility of an alternative use co-existing with their proposals for the land.

The Property Unit should proceed to prepare request for proposal documents for the balance land bearing in mind the possibility of the adjoining land also being available subject to confirmation in time from the Water Services Unit.

- Recommendation:**
1. (a) That the land adjoining Bridle Path Road identified by the Parks and Leisure unit for development of a sports ground be set aside for this purpose and budget provision made in the Parks draft 2000/2001 budget for its development.
 - (b) That the land adjoining the tram barn be set aside for the Parks Unit.
 - (c) That the land identified by the Water Services Unit be set aside for the flood retention, wildlife marshland and drainage purposes subject to further discussions with the Property Unit as to the possibility of an alternative use co-existing with the Water Services Unit's proposals for this land and that budget provision be made in the Water Services draft 2000/2001 budget for its development.
2. That the Property Unit be given authority to seek an appropriate use for the balance land and report in time as to the merits of sale or lease based on proposals received.
 3. That the loss of budgeted revenue from the Property Unit property disposal programme be noted and reported to the Strategy and Resources Committee.

The foregoing report was considered by the Hagley/Ferrymead Community Board at its meeting on 1 September 1999, when the Board resolved:

1. *To receive the information.*
2. *To advise the Projects and Property Committee of its support for the action proposed.*
3. *To recommend to the Projects and Property Committee that, in seeking an appropriate use for the balance land, it hold discussions with the Ferrymead Trust and also with the member Ferrymead Societies.*

Chairman's

Recommendation: That the recommendations of the Property Manager and the associated recommendations made by the Hagley/Ferrymead Community Board be adopted.