

8. WILMERS ROAD

Officer responsible Property Manager	Author Property Projects Officer, Steve McCarroll
Corporate Plan Output: Sale of Surplus Property	

The purpose of this report is to seek a resolution of Council to defer action on this property with regard to the Surplus Property Disposal Programme.

CURRENT STATUS

The land that is the subject of this report is that area hatched on the attached plan. This is part of an area contained within one Certificate of Title with the balance of the land on the other side of Wilmers Road having already been set aside by a May 1999 resolution of the Council for the extension to Owaka Pond. The portion fronting Springs Road is part of the City Care bitumen site.

The portion hatched on the plan therefore needs to be considered from a surplus property perspective.

This site adjoins the Council owned City Care site from which the Council's bitumen plant operates. The lease agreement to City Care states they must be consulted prior to any decision being made with regard to the subject parcel of land as they have first right of refusal, should it be declared surplus.

To this extent, the following comments have been received from the Production Manager of City Care:

"The current location of the plant in relationship to surrounding neighbours creates an ideal situation in that we do not adversely environmentally impact on them. Altering the current usage of Block C (the subject parcel of land), given its close proximity to the asphalt plant, could significantly change that balance. Therefore, our first choice would be no change to the current situation.

Our second choice would be to enter into a lease agreement on the land, effective of continuing its current use, or some occasional horse grazing to keep the grass down."

VALUATION

An independent assessment of the market worth of this site has recently been undertaken which has assessed the value of the subject site at \$145,000 plus GST (assuming clear and freehold title).

The valuer in his report made the following recommendations:

"I strongly recommend that this site be not sold at this time. My reasons for this opinion are:

The site is part of a larger block owned by the City Council and adds to the value of the total block. It holds a strategic position if the block is to be subdivided at a later time as it could well meet any park reserve contribution requirements and therefore has a value potential as good as the balance of the land.

A substantial block of land immediately to the southeast of the site is currently subject to rezoning. If this rezoning proceeds then there is considerable potential for the value of the subject block to be greatly enhanced.

The site may be included in a lease to Canroad, which could create strategic difficulties for Canroad, as there appears to be no reason to return the site for quarrying purposes.”

The valuer went on to comment and recommend that this site be retained until the impact of the adjoining land rezoning can be better understood to allow any real value gains to be had. It would be prudent to allow between three to five years for this to occur.

SUMMARY

For the reasons outlined in this report it is considered that this parcel of land should be deferred in the Surplus Property Budget, to be dealt with in the year 2003/04. The budget sum of \$100,000 had been allowed for the whole of the land in the attached Certificate of Title. This sum has been foregone with the decision to set aside the area for the Owaka Pond extension. The deferment of this land therefore has no budget implications.

Recommendation: That the Wilmers Road parcel of land be deferred in the Surplus Property Budget to the year 2003/04.

Chairman’s

Recommendation: That the above recommendation be adopted.