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Public Excluded

Report PE-01.460

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Report to the Landcare Committee from Graeme Campbell, Flood Protection Group and Peter O'Brien, O'Brien Property Consultancy Ltd

Purchase of Land, Waikanae River

1. Purpose

To ask the Landcare Committee to recommend to the Policy and Finance Committee that the Council purchase land at Greenaway Road, Waikanae.

2. Exclusion of the Public

Grounds for the exclusion of the public under Section 48(1) of the Local Government Official Information and Meetings Act of 1987 are:

That the public conduct of the whole or relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists, (i.e., to preserve commercial confidentiality and to enable the Council to carry on negotiations, including commercial negotiations, without prejudice or disadvantage).

Interests protected:

Wellington Regional Council

Landowners who are parties to any sale

3. **Background**

The property in question at 47 Greenaway Road, Waikanae was created by subdivision in 1970 by the then owner, the Manawatu Catchment Board. The subdivision created four lots. Lot 1-47 Greenaway Road, Lot 2-45 Greenaway Road and Lots 3 & 4 – land vested in the Kapiti Coast District Council (KCDC) as Local Purpose (Esplanade) Reserve. Lot 2-45 Greenaway Road was sold on the open market and subsequently developed with the construction of a residence.

Lot 1-47 Greenaway Road was transferred to the Wellington Regional Water Board in 1976 for soil conservation and river control purposes. In 1988, by gazette notice 959024.1, the land was vested in the joint ownership of the Manawatu Catchment Board and the Wellington Regional Water Board.

In 1989 Lot 1-47 Greenaway Road was declared surplus to requirements and was sold on the open market for \$55,000 by the Manawatu Catchment Board. The purchaser, and still the current owner, was Jennifer Gibbons. No development has ever taken place on the land. The property has been for sale on the open market for some time and no purchaser has emerged. In that time we have received a number of enquiries requesting flood advice at the site.

The land at 47 Greenaway Road is, with the exception of a small bench at the north east corner, subject to flooding in anything greater than an annual flood event. The bench is not large enough for a building site. The remainder of the site is an inappropriate and potentially dangerous location for residential development. The photograph (**Attachment 1**) shows the property covered in water during the October 1998 floods.

As this site is within the stopbanks and the Waikanae River Corridor (defined in the Waikanae Floodplain Management Plan and zoned in the Kapiti Coast District Council's District Plan) it would be prudent to re-secure the land into public ownership to ensure long-term control and management. The land will be maintained and administered in conjunction with the adjoining Pukekawa Reserve, comprising Council land and KCDC reserves.

4. The Land

Lot 1 – 47 Greenaway Road is contained in freehold certificate of title 10C/1481 and is legally described as Lot 1 DP 32036, containing 3,015 square metres. **Attachment 2** contains a plan of the property and the surrounding area.

5. The Proposal

Jennifer Gibbons was approached on a "without prejudice" basis to see if she would be prepared to sell the land to the Council. A positive response was received with confirmation of an asking price of \$75,000 (inclusive of GST). Each party obtained an independent valuation. For the Council the assessment was \$68,000. For the owner the assessment was \$70,000. The owner has agreed to offer the property for sale to the Council for the consideration of \$65,332.50 (inclusive of GST).

The proposed consideration represents the base value of \$69,000 less allowance for the full real estate agency fees saved of \$3,667.50 (4% of price plus \$500 plus GST). The Council is able to claim the GST content of the purchase as a refund, so the net cost to Council is approximately \$57,200.

KCDC has undertaken to maintain the land in conjunction with its adjoining reserve land at no cost to the Council.

6. **Budget**

The budget available for the property purchase is \$53,330. This sum had been budgeted as the contribution to purchase of the Blake property in partnership with KCDC. KCDC failed to conclude the Blake purchase and that property has now been sold to another party. The Gibbons property is the next section downstream in the River Corridor. The agreed sale value, exclusive of GST, of \$57,200 is approximately \$3,800 over the budget. We propose to make up the shortfall from savings in other areas of the Flood Protection Group budget.

7. **Recommendations**

That the Committee:

- (1) Receive the report and note the contents.
- (2) Recommend to the Policy and Finance Committee:
 - (a) that it resolve to purchase the land contained in CT 10C/1481 from Jennifer Leeanne Gibbons for the consideration of \$65,332.50 inclusive of GST.
 - (b) that the Council Common Seal be affixed to the necessary documents to achieve the purchase.

Report prepared by: Approved for submission:

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Attachment 1 : Property in Flood (October 1998)

Attachment 2: Property Plan