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## **Public Excluded**

## **Report PE-02.297**

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Report to the Landcare Committee  
from Peter O'Brien, O'Brien Property Consultancy Ltd and  
Daya Atapattu, Project Leader

## **Hutt River : Ava to Ewen Reach Improvements Strand Park Land Purchase**

### **1. Purpose**

To obtain Council approval for a business plan change to the budget for purchase of Strand Park.

### **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, 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

Ministry of Education

Hutt Valley High School

### 3. **Background**

The Ava to Ewen project requires the acquisition of only one property. The area required is known as Strand Park and is located totally within the corridor of the Hutt River. It comprises the east river berm sitting between the Hutt River and the stopbank, immediately to the west of the Hutt Valley High School (the School). The Ministry of Education (the Ministry) purchased the land in June 1998 for use by the School as sports fields.

The Council latterly became involved with the land in 1998 when the then owner, the Wellington Rugby Football Union, announced its intention to sell the land to the Ministry. The Council endeavoured to negotiate with the Ministry for the Council to be the purchaser, in light of the pending river realignment and stopbank upgrade work. The Council failed in its attempts and the Ministry prevailed with the support of the then Minister of Education (The Hon Wyatt Creech).

Through the 1998 negotiations with the Ministry, it was clear that the Ministry wished to be the owner of the land and to dispose of the bare minimum to the Council, if any land at all. The original budget provision for the Ava to Ewen project was therefore based on the Council acquiring only the land it needed to retire to the realigned riverbed, and for the stopbank upgrade.

As negotiations progressed, particularly through the 2001 and 2002 period, a parallel consultation process was underway (with the community and the School) regarding the preferred design for the improvements. The School asked for a number of alternatives to be considered. These were investigated, but by the end of the process the School accepted that the Council's proposal was the only viable design. This process resulted in the Ministry and the School re-appraising the strategy of only selling the bare minimum of land required by the Council. The Ministry now proposes that the Council purchase the whole property and lease back to the Ministry, for school sports field use, agreed areas that are surplus to the project.

### 4. **Discussion**

We consider the proposal to increase the budget provision (by \$102,800) to be both prudent and beneficial. During 1998, the Council was forced to compete for the acquisition of the land. While the Ministry is the titled owner of the land, in reality it allows the School, through its Board of Trustees, to retain the ultimate control and management. Having to negotiate with both the School and the Ministry has been an extended and tortuous process.

By owning the land, Council will retain control over its use through lease arrangements with the Ministry and the School. Ownership will also provide the Council flexibility to manage its flood protection assets, including modifications and extensions as and when they are necessary. The latter includes the ability to manage priorities for flood damage repairs without excessive school pressure – clean up of this land may well be a lower priority after significant flood events. Hutt River Floodplain Management Plan policy supports Council's ownership of land within the river corridor.

## 5. Budget

The original budget programmed in the current 2001/02 financial year is \$135,200. The proposed 2002/03 budget is \$235,000. The table below shows forecast expenditure and the unfavourable land purchase variance, in context with other project variances. The additional requested budget can be managed without seeking additional funds for the project.

	2001/02		2002/03		Variance
	Budget	Forecast	Budget (Draft Annual Plan)	Forecast (Recommended)	
Consents	117,500	129,500	0	0	12,000U
Design	276,400	127,000	92,000	92,000	149,400F
Land Purchase	135,200	3,000	0	235,000	102,800U
					<b>34,600F</b>

The transaction for purchase of the land is likely to take place early in the 2002/03 financial year. The contract for construction of the realignment is due to be let in late 2002 or early 2003.

## 6. Recommendations

*That the Landcare Committee:*

- (1) **Receive** the report.
- (2) **Note** the contents of the report.
- (3) **Recommend** to Council a business plan change to the budget for the Hutt River, Ava to Ewen land purchase (Strand Park. The budget to be increased from \$135,200 to \$238,000.
- (4) **Recommend** to Council that it grant the General Manager delegated authority to approve the Strand Park purchase within the newly approved budget.

Report prepared by:

Approved for submission:

PETER O'BRIEN  
O'Brien Property Consultancy Limited

BRENDAN PAUL  
Manager, Flood Protection (Strategy and Assets)

DAYA ATAPATTU  
Project Leader

ROB FORLONG  
Divisional Manager, Landcare