

## **POLICY**

S-CP 3805 Issue: 1

07/08/2012 Date:

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# PROPERTY (COUNCIL)

#### SALE OF COUNCIL-OWNED LAND IN TOWN CENTRE DEVELOPMENT AREAS

### 1 Introduction

The Council has considered its approach to managing Council-owned land that is either necessary for development or integral to the overall development of the District's town centres.

Town Centre Plans for Kaiapoi and Rangiora anticipate and provide for future development to cater for growth. The main development area identified in Kaiapoi is the western precinct bounded by Raven Quay, Williams Street, the railway line and Black Street, and in Rangiora between High and Blake Streets. In these areas Council owns car parks and property that is leased.

Town Centres, because of their long history, have a number of underlying land owners in the identified development areas. It means for any large scale development to occur it requires a number of property owners to either work together or have the properties sold/amalgamated into one title to enable development to proceed with the minimum of disruption and cost.

## 2 Policy Context

A key challenge for the Council is the role it should take in such developments and where a development proposal identifies that Council land is essential to achieving the best outcome for the community. The Council needs to reach a settlement that is in the best interests of the ratepayers and the towns/community, without jeopardising its need to be transparent in its dealings.

Developers need confidence that underlying land-owners will collaborate to enable a development to proceed. Without certainty of land tenure, developers tend to target easier single site developments.

Where the Council holds land that may be required for development purposes, it is possible that the Council will be approached by land owners and/or developers wanting to utilise Council land as part of a proposed development.

Council, especially when selling its land, needs to be transparent. While in some circumstances it does sell land to an adjacent landowner at valuation without going through a tender process (such as sale of stopped roads to adjacent property owners), it almost always uses public tender as the means of selling other properties.

In town centre developments it may be necessary to swap land, sell parts, or all, of site to ensure the site's development potential is achieved.

## 3 Policy Objective

The objective of this policy is to allow the Council to deviate away from its normal practice of selling land by tender where Council-owned land in a town centre is identified as part of a strategy for the town's redevelopment and the development needs to occur in a co-ordinated manner with other land owners.



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## 4 Policy Statement

- 4.1 The Council may sell land by private treaty (including land swap, amalgamation or transfer) where the following pre-conditions exist:

  Where:
  - Council-owned land is within a Town Centre and is identified as part of a Town Centre Strategy and is subject to a development concept; and
  - the Town Centre Strategy or development concept envisages a different use for part, or all, of the Council-land than it is currently used for. For example, a car park that the Strategy proposes a building to be located on it, or a small building(s) needs to be replaced with a large building that covers the entire site and/or other land-owner's sites; and
  - multiple land owners are required to work together to give effect to the development proposition; and
  - when open tender of the sale of Council land is likely to be counter-productive in respect of to the Town Centre Strategy and the objectives of other parties.
- 4.2 Where the above pre-conditions are met, the Council may enter confidential negotiations to achieve a settlement that it believes is in the best interests of the ratepayer and the community, provided:
  - any sale and purchase agreement, or other agreement to swap, transfer or amalgamate land parcels is supported by an independent valuation to demonstrate that fair value has been received;
  - the Council has received assurance, which is publicly available, that the Council has complied with its policy;
  - once the transaction has been completed, the Council will disclose to the community the relevant details of transaction and the associated benefits.

## 5 Links to legislation, other policies and community outcomes

Community Outcomes:

Businesses in the District are diverse, adaptable and growing

- There are growing numbers of business and employment opportunities in the District
- There are sufficient and appropriate places where new businesses are able to set up in our District

There are wide-ranging opportunities for people to contribute to the decision-making by public organisations that affects our District

• Public organisations make information about their plans and activities readily available

### 6 Adopted by and date

Adopted by Council on 7 August 2012.

## 7 Review

Review every six years or sooner on request.