

**QLDC Council  
24 September 2015**

**Report for Agenda Item: 5**

**Department: Operations**

**Proposal to Vest Reserve Land – Contact Energy Ltd**

**Purpose**

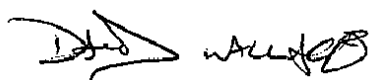
The purpose of this report is to consider the accepting and vesting of land as Local Purpose (Gravel) Reserve as a gift from Contact Energy Ltd as part of the consented subdivision located between the Clutha River, Kane Road and the Luggate-Tarras Road, Luggate.

**Recommendation**

That Council:

1. **Note** the contents of this report;
2. **Approve** that the land described as Section 50 Block VII Lower Hawea Survey District, being that land comprised and described in Computer Freehold Register OT12C/594, be acquired for no charge from Contact Energy Limited, authorise the transaction and vest the land as local purpose (gravel) reserve.

Prepared by:



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7/09/2015

Reviewed and Authorised by:



Stephen Quin, Parks Planning  
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7/09/2015

## Background

- 1 Contact Energy recently applied for, and was granted resource consent (RM140566), to subdivide two existing certificates of title located between the Clutha River, Kane Road and the Luggate-Tarras Road, Luggate.
- 2 The subdivision allows Contact Energy to subdivide land for disposal previously held for intended hydro generation activities that are no longer a viable option. The surrounding land use is rural, designated and owned by Council as a local purpose (gravel) reserve for gravel extraction and processing or Crown owned esplanade reserve.
- 3 Contact Energy is seeking Council approval to accept Lot 5 free of charge and to vest as local purpose (gravel) reserve. A condition of consent of RM140566 is that the Contact Energy must vest this land for the outlined purpose and provide Full Council resolution that this is acceptable.
- 4 Attachment A identifies the land proposed to be vested as local purpose reserve under this agenda item.

## Comment

- 5 The area proposed to be vested is a small narrow strip of land (0.2079ha) bound by three existing land parcels that are local purpose (gravel) reserve owned and managed by QLDC, and road reserve. All four parcels (excluding the road reserve) are designated under the District Plan as #148 Local Purpose (Gravel) Reserve. The land is dominated by weed species and has remnant gravel stockpiles.
- 6 It is not anticipated that the land use will change nor will there be any additional maintenance or management required by QLDC as the surrounding land was historically managed as a gravel reserve that does not have any current use.

## Options

- 7 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:
- 8 Option 1 Accept the proposal for accepting and vesting of the land.

### Advantages:

- 9 Vesting of the proposed reserve will allow the entire land parcel to be managed as a Local Purpose (Gravel) Reserve by Council.
- 10 The land is proposed to be vested in Council at no cost.
- 11 It is not anticipated that there will be an increased cost to the ratepayer for Council to maintain or manage the reserve.
- 12 Contact Energy will be able to give effect to the approved resource consent.

### **Disadvantages**

- 13 The opposite of the advantages identified above will apply.
- 14 Option 2 Reject or modify the proposal for the vesting of the reserves.

### **Advantages:**

- 15 Council will not have to maintain/manage the reserve.

### **Disadvantages:**

- 16 Contact Energy will not be able to give effect to the approved resource consent
- 17 Council will refuse an area of land being offered at no cost.
- 18 This report recommends Option 1 for addressing the matter.

### ***Significance and Engagement***

- 19 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because there is very little or no risk to Council given the recommendation is to acquire an asset.

### ***Risk***

- 20 This matter related to the operational risk OR002 which relates to an Increase in expenditure, as documented in the Council's risk register. The risk is classed as low. This matter relates to this risk because accepting the land may increase Council's expenditure on maintenance.
- 21 This risk will be mitigated as given the small area of land and the surrounding land use it isn't anticipated there will be an increase in maintenance or Council expenditure.
- 22 This matter also relates to risk OR11 as documented in the Council's risk register. The risk is classed as moderate. This matter relates to this risk because it is purely a commercial decision.

### **Financial Implications**

- 23 Council will maintain the reserve however it is not anticipated that this will be at any additional cost to the ratepayer as the surrounding land is already managed as a Local Purpose Reserve.
- 24 Council receives an asset for free.

### **Council Policies, Strategies and Bylaws**

- 25 The following Council policies, strategies and bylaws were considered:
- Property Sale and Acquisition Policy 2014 (Policy).

26 The recommended option is consistent with the principles set out in the policy. The property acquisition is commercially sensible and is a prudent strategic acquisition for Council.

### **Local Government Act 2002 Purpose Provisions**

27 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure in a way that is most cost-effective for households and businesses.
- Is consistent with the Council's plans and policies; and

### **Consultation: Community Views and Preferences**

28 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes District community.

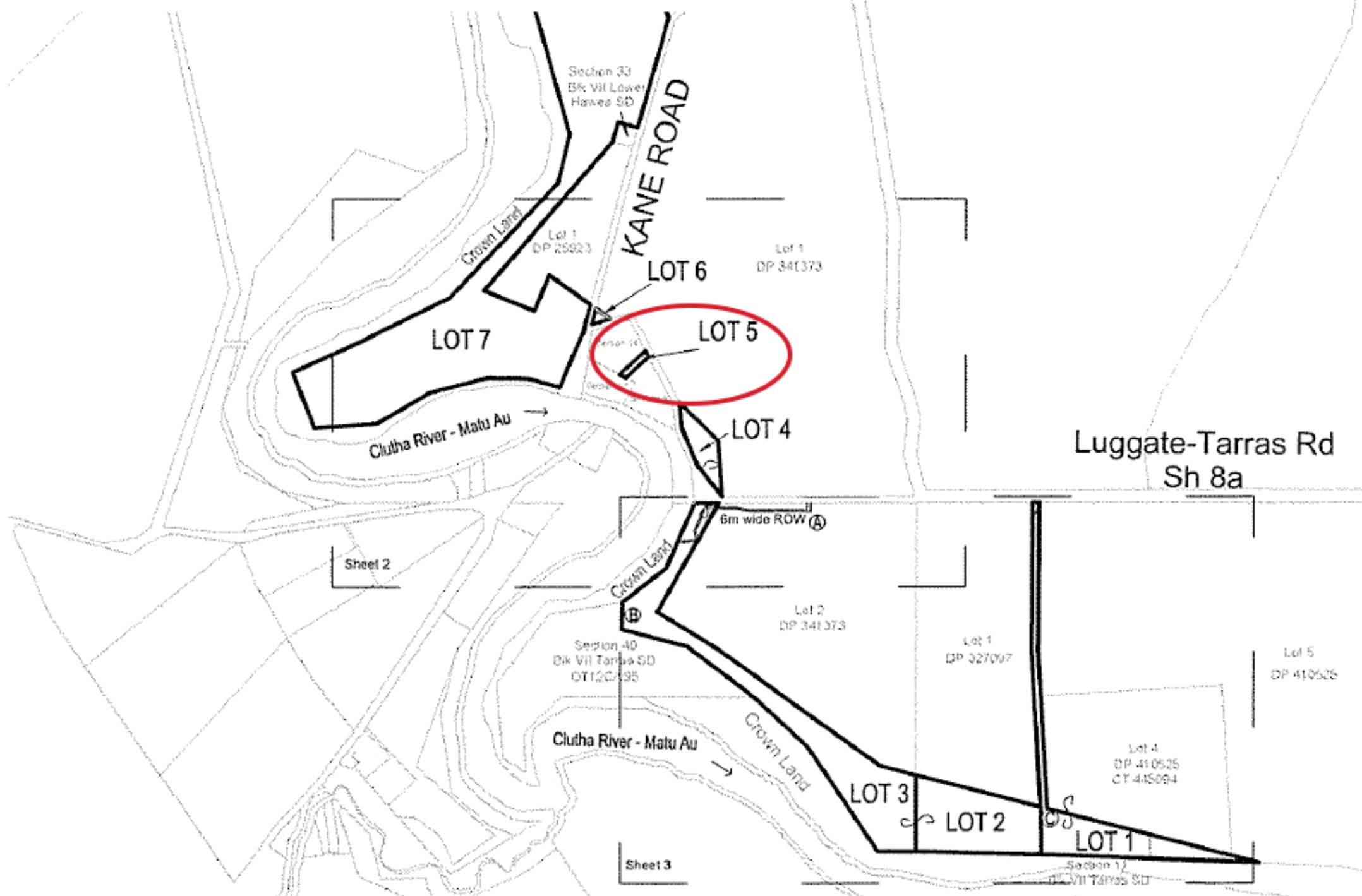
29 No specific consultation has been undertaken or is considered necessary.

30 No specific media statement or public communication is considered necessary

### **Attachments**

- A Plans showing proposed subdivision and land to be vested
- B Indication of Land and Designation

**Attachment A - Subdivision Plan showing Lot 5 to be Vested**





## ATTACHMENT B - Indication of Land and Designation

