

SOUTH WAIRARAPA DISTRICT COUNCIL

3 APRIL 2019

AGENDA ITEM C1

FEATHERSTON VACANT LOT.

Purpose of Report

To present for discussion the Featherston Community Board resolution in relation to the Featherston vacant lot.

Recommendations

Officers recommend that the Council:

1. *Receive the Featherston Vacant Lot Report.*
2. *Note FCB resolution FCB2019/18.*
3. *Resolve to either:*
 - a. *Accept the Featherston Community Board recommendations as they stand and set a process to define "what is best for Featherston",*
or
 - b. *Endorse resolution DC2015/90 and sell the Featherston vacant land (Lot 2 DP 471153) for the purpose of commercial development, and*
 - c. *Resolve that funds from the sale of the Featherston vacant land be held in the District Property Reserve, and*
 - d. *Resolve to invite the Featherston Community Board to consider initiatives that could be funded from this source.*

1. Executive Summary

Council considered the usage of the Featherston vacant lot following finalisation of the status and encumbrances on the vacant lot.

Council resolved, at the November 2018 Council meeting to:

COUNCIL RESOLVED (DC2018/165)

1. To receive the Featherston Town Centre Report.
(Moved Cr Craig/Seconded Cr Carter) Carried
2. To defer taking action on resolution DC2015/90 in the meantime.
3. To organise a workshop as soon as possible between the Featherston Community Board and Council to discuss the Featherston vacant land (Lot 2 DP471153).
(Moved Cr Wright/Seconded Cr Carter) Carried

Following various engagements and consultation, Featherston Community Board resolved at their 12 March meeting:

Featherston Vacant Lot

FCB RESOLVED (FCB 2019/18):

1. To receive the Featherston Vacant Lot Notice of Motion.
(Moved Ramsden/Seconded Bleakley) Carried
2. To support the Project Team's recommendation that the councillors endorse resolution DC2015/90 and sell the Featherston vacant land (Lot 2 DP 471153) for the purpose of commercial development.
3. To recommend that the decision made in item 2 be put to the SWDC at the Council meeting scheduled for 3 April 2019.
4. To recommend that SWDC use an 'Expressions of Interest' process to ensure the right decision is made for the Featherston community.
5. To recommend that the profit/proceeds of Lot 2 DP471153 be returned to the Featherston community via the Featherston Community Board.
6. To recommend that if any purchaser of Lot 2 DP 471153 sells the land that the SWDC have first right of refusal.
7. To thank the project team for their dedication to the Featherston community.

(Moved Bleakley/Seconded Cr Olds)

Carried

2. Discussion

2.1 Consultation

Featherston Community Board led public consultation and feedback initiatives. The outcome of the public consultation was that the Featherston Vacant Lot Project Team agreed that the land should be sold for Commercial use and that this is the best outcome for the Featherston Community.

The result of this consultation is included as Appendix 1, along with the FCB Notice of Motion dated 12 March 2019, agenda item 7.2. Featherston Community Board Resolution.

While the resolution appears relatively straight forward, there are some matters that require consideration.

2.1.1. Expressions of Interest

An "expressions of interest process" may or may not be the best way of marketing this land, particularly when it is tied to the phrase "to ensure the right decision is made for the Featherston community".

Prospective purchasers may be put off expending the time and effort to construct an offer or expression.

In addition, not knowing what "the right decision" is likely to be, what are the considerations in considering what is right?

2.1.2. Right Decision For Featherston

Prior to the property being marketed, the definition or criteria for "right" needs to be decided.

In addition, it is recommended a group of elected members carry out the considerations; Council officers are not in a position to decide this on behalf of the community.

2.1.3. Funds returned to Featherston Community Board

Proceeds from the sale of land are credited to the District Property Reserve.

Council manages receipts to, and distributions from, the District Property Reserve.

District Property Reserve funds are used for "Town Centre Development", or other uses as decided by Council.

These funds should be handled in the standard manner; the Featherston Community Board should then apply to this fund for relevant project or projects to ensure the usage meets the criteria (noted above).

The Community Boards delegations do not extend to holding funds of this nature.

2.1.4. First Right Of Refusal

This clause could suppress the price achieved from the initial sale. If prospective purchasers knew they had to offer the property to Council first, this could put some purchasers off.

In addition, if the property was heavily developed, it would not just be the land cost that Council would need to consider purchasing; it would be the improvements as well.

It has been assumed this recommendation links to recommendation 4 of FCB 2019/18, in which case if there is a wish to control activity on this site, and the property is developed, then it is even more imperative that "what is right for Featherston" is clearly articulated.

3. Appendices

Appendix 1 – Featherston Community Board Notice of Motion

Prepared By: Paul Crimp, Chief Executive Officer

Appendix 1 – Featherston Community Board Notice of Motion