

Chronological Timeline for Junction Road Lease Works Programme Community Engagement.

Year	Action	Outcomes
2009	10 March 2009 Junction Road Endowment Leases Appendix 1	<p>Report to Council This report related to the council's future ownership of the Junction Road Endowment Land and sought resolution by the council of an intention to sell its fee simple interest in the endowment property (subject to compliance with specified statutory and policy obligations) and, as a consequence, a resolution that the council's intention to sell the Junction Road Endowment Land be notified in the draft 2009-2019 LTCCP.</p> <p>The report provides detailed information on the leaseholds and also has a copy of the relevant Act being "Taranaki County Reserves Act 1966".</p> <p>The Council resolution is attached (Appendix 2).</p>
2013	21 May 2013 - Report to Monitoring Committee	<p>Report to Monitoring Committee The purpose of this report was to provide an update on the sale of the 25 Junction Road leases and recommended that a Road Engineering Report be commissioned on Junction Road maintenance and improvement/other road works requirements to enable the preparation by the Roading team for consultation with affected property owners/residents before inclusion in the LTP for Council approval.</p> <p>The Council resolution is attached (Appendix 3)</p>
2014	23 July 2014 Report to Monitoring Committee – 23 July 2014	<p>Report to Monitoring Committee This report provides an update on the progress made to develop a draft programme of works using the proceeds from the sale of the Junction Road leasehold properties.</p> <p>The Monitoring Committee resolution is attached (Appendix 4)</p>

	24 July 2014	<p>Letter sent to all ratepayers advising of community meetings, survey (reply paid enveloped provided), where to find the survey online or pick up another hard copy and where the proposed improvements programme could be found.</p> <p>Copy of letter attached (Appendix 5) Copy of survey attached (Appendix 6)</p>
2014	Public Meetings	<p>30 July – 7pm - Public meeting held at Tarata Hall 14 August – 7pm - Public meeting held at Inglewood Town Hall These meetings were attended by NPDC officers, the Mayor, Deputy Mayor, Ward Councillors and Community Board members. There was a strong push for the principle amount to be invested and only interest used for the purpose of use on projects identified in the 10 year works programme.</p> <p>20 August Survey closed.</p> <p>17 September – 7pm – Public meeting held at Kaimata Hall Results of survey were reported back to the community, meeting held at Kaimata Hall. The meeting was held in Kaimata at a request from the previous community meeting that Kaimata was deemed to be “mid-way” for attendees from both Tarata and Inglewood.</p> <p>Copy of Presentation attached (Appendix 7)</p>
2015	3 February 2015 Report to Monitoring	<p>Report to Monitoring Committee – outcomes of survey reported back.</p> <p>The Council resolved:</p> <p>a) This project is included within the Draft Long Term Plan for 2015-2025, commencing in 2015/16.</p>

		<p>b) The forward works programme outlined in this report is endorsed.</p> <p>c) That \$1 million from the Endowment Trust Account and the interest accrued over one year is used in year one to “kick start” the forward work programme to generate some impetuuous. Thereafter the interest only will be used each year to fund maintenance and improvement work in the former County of Inglewood.</p> <p>d) A further review of the project priorities is undertaken for the 2018-28 LTP and thereafter at three yearly intervals, commensurate with the development of future Long Term Plans.</p>
2017	June 2017	Carl Whittleston advised that the funds were being held in reserve and had been spent on several projects including two significant improvement son Tarata Road and Bosworth Street in Egmont Village.
	25 October 2017 – 7pm	<p>Public meeting – 7pm Public meeting held at Tarata Hall to update community on work completed and work planned.</p> <p>Copy of presentation attached (Appendix 8)</p>
2018	13 November 2018	<p>Inglewood Board meeting held at 6.30pm Public meeting held at 7.30pm</p> <p>The aim of this meeting was to discuss the possibility of undertaking work identified by the community as No. 1 in the works programme (known as “Slippery Hill”) by one of the following funding options:</p> <ol style="list-style-type: none"> 1. interest received for the year plus a one-off lump sum payment from the principle; 2. Accumulate interest over 3-4 years. <p>The discussion by those present was in favour of option 1 due to increasing costs, however it was decided that due to low turnout, the works programme be continued</p>

		<p>as normal until the next LTP. The LTP 2018-2028 shows expenditure of \$220 per year. With current interest rates being low and this amount is not expected to increase any time soon.</p> <p>To change the use of the funds from interest only to a lump sum payment from the principle investment to get this work done faster would require a Council resolution.</p> <p><i>NB: This is effectively what Matt Richardson spoke to you about following your last meeting.</i></p>
2020	19 February	<p>Public meeting at Tarata – 7.30pm</p> <p>The aim of this meeting was to discuss the increase in logging truck movements resulting from the increase in the forestry harvest and to develop a communications plan for all to use to ensure everyone’s safety. The Board and Councillors were facilitators.</p>
2020	June	<p>Survey asked specific questions, as a follow-up from the meeting held on 13 November.</p>

Snippet from Long Term Plan 2015-2025 Page 203

Statement of Reserve Funds

2. **Restricted reserves, trust and bequest funds.** These are funds subject to specific conditions accepted as binding by the Council, such as bequests or operations in trust under specific Acts, and which may not be revised by the Council without reference to the courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. These include the Waitara Harbour Trust, heritage funds, proceeds from sale of Junction Road leases, solid waste development fund, Central Landfill development fund, Ngamotu Masonic Lodge Bursary Fund, and certain bequest funds: Monica Brewster, Molly Morpeth Canaday, JT Gibson. These funds are applied to infrastructural asset activities, Puke Ariki and Govett-Brewster Art Gallery.

	A/Plan 2017/18 (\$m)	Budget 2018/19 (\$m)	Budget 2019/20 (\$m)	Budget 2020/21 (\$m)	Budget 2021/22 (\$m)	Budget 2022/23 (\$m)	Budget 2023/24 (\$m)	Budget 2024/25 (\$m)	Budget 2025/26 (\$m)	Budget 2026/27 (\$m)	Budget 2027/28 (\$m)
Opening balances	32.77	25.71	16.15	17.84	18.50	22.63	27.01	30.65	34.57	38.87	43.51
Deposits to reserves	1.17	3.49	3.71	4.25	4.36	4.61	3.88	4.16	4.55	4.89	5.44
Withdrawals from reserves	(6.56)	(13.05)	(2.02)	(3.59)	(0.23)	(0.23)	(0.24)	(0.24)	(0.25)	(0.25)	(0.26)
Closing balances	27.38	16.15	17.84	18.50	22.63	27.01	30.65	34.57	38.87	43.51	48.69

Survey responses to questions as at 4.30pm Thursday 2 July.

402 responses.

95 regular users of the Road

302 in support of the realignment project of Slippery Hill.

303 agree that accumulation of income from the Junction Road Endowment Fund to apply to major safety improvement projects in the areas covered by the Endowment Fund, is a good use of the interest from the Funds?

JUNCTION ROAD ENDOWMENT LAND LEASES

PREPARED BY: Peter Handcock (Manager Property Assets)
TEAM: Property Assets
APPROVED BY: Anthony Wilson (General Manager Community Assets)
WARD/COMMUNITY: New Plymouth
DATE: 2 March 2009
FILE REFERENCE: CM-08-09-06, DM 735844

SUMMARY/OBJECTIVE

This report relates to the council's future ownership of the Junction Road Endowment Land and seeks resolution by the council of an intention to sell its fee simple interest in the endowment property (subject to compliance with specified statutory and policy obligations) and, as a consequence, a resolution that the council's intention to sell the Junction Road Endowment Land be notified in the draft 2009-2019 LTCCP.

RECOMMENDATION

That having considered all matters raised in the report the council:

- a) **Notes that the Junction Road Endowment Land (as defined in paragraph 9(f) below), is endowment property for the purposes of section 140 and 141 of the Local Government Act 2002 and that the statutory purposes to which proceeds from the Junction Road Leases must be applied are set out in section 4 of the Taranaki County Reserves Act 1966;**
- b) **Notes the rate of return of 1.8% received by the council in respect of the Junction Road Leases;**
- c) **Notes that initial financial projections indicate that the council could receive a more favourable rate of return by selling the Junction Road Endowment Land and reinvesting the proceeds of sale; for a use consistent with the purposes of the endowment;**
- d) **Notes that there continues to be a desire amongst lessees to acquire the freehold interest in their leased properties;**
- e) **Notes that there appear to be no special considerations which would warrant continued council ownership in the fee simple interest of the Junction Road Endowment Land;**
- f) **Notes that section 140 of the Local Government Act 2002 provides that unless the council is expressly prohibited by the instrument that vested the property in the council, the council may sell the Junction Road Endowment Land and use the proceeds of the sale for a purpose identified by the council. The power of sale can only be exercised if the council complies with the requirements of section 141. Section 141 requires that:**

ITEM E**ITEM FOR**

- i) **The proposed use of the proceeds of sale of the land is consistent with the purpose of the endowment; and**
- ii) **The council has first:**
- **Included in its draft long-term council community plan a statement of its intention to sell or exchange the property; and the use to which the proceeds of the sale or exchange will be put; and**
 - **Adopted the long-term council community plan in accordance with the requirements of Part 6 of the Local Government Act 2002; and**
- iii) **Where the Crown was the donor of the property, the council has notified the Minister for Land Information and the Minister in Charge of Treaty of Waitangi Negotiations of the council's proposal to sell the endowment land;**
- g) **Notes that the Taranaki County Reserves Act 1966 does not expressly prohibit sale of the Junction Road Endowment Land;**
- h) **Notes that the council's Approval for Sale Policy (P05-019) applies to any sale of land proposed by the council;**
- i) **Resolves:**
- i) **That it intends to sell the council's fee simple interest in any part of the Junction Road Endowment Land (as defined in paragraph 9(f)), subject to:**
- **Compliance with any statutory requirements (and in particular, but not limited to, section 141 of the Local Government Act 2002 and section 40 of the Public Works Act 1981);**
 - **Compliance with the council's Approval of Properties for Sale Policy (P05-019), where applicable; and**
 - **Agreement being reached on terms acceptable to the council's Chief Executive (including an acceptable purchase price).**
- ii) **To give existing lessees the opportunity to purchase the fee simple interest in their leased property, subject to:**
- **Compliance with any statutory requirements (and in particular, but not limited to, section 141 of the Local Government Act 2002 and section 40 of the Public Works Act 1981);**
 - **Compliance with the council's Approval of Properties for Sale Policy (P05-019), where applicable; and**

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- **Agreement being reached on terms acceptable to the council's Chief Executive (including an acceptable purchase price).**
- iii) **That if any existing lessees of the Junction Road Endowment Land are unable or unwilling to purchase the fee simple interest in their leased property, the council will consider alternative divestment options in respect of those individual properties affected, which may include sale of the fee simple interest to a third party or parties other than current lessees.**
 - iv) **To apply the proceeds of any sale of any part of the Junction Road Endowment Land for the purposes specified in section 4 of the Taranaki County Reserves Act 1966;**
 - v) **To notify in the draft LTCCP, and in accordance with section 141 of the Local Government Act 2002:**
 - **The council's intention to sell its sell fee simple interest in any part of the Junction Road Endowment Land, subject to:**
 - **Compliance with any statutory requirements (and in particular, but not limited to, section 141 of the Local Government Act 2002 and section 40 of the Public Works Act 1981);**
 - **Compliance with the council's Approval of Properties for Sale Policy (P05-019), where applicable; and**
 - **Agreement being reached on terms acceptable to the council's Chief Executive (including an acceptable purchase price).**
 - **That the proceeds of any sale of any part of the Junction Road Endowment Land will be used by the council for the purposes specified in section 4 of the Taranaki County Reserves Act 1966.**
 - vi) **"Junction Road Endowment Land" for the purposes of this resolution means 544 hectares of land in the general vicinity of Egmont Village as described more particularly in Appendix B to the report and entitled "Schedule of the Lands and Leases."**

ISSUES AND OPTIONS**Background**

The council is the owner of 544 hectares of farmland in the general vicinity of Egmont Village ("Junction Road Endowment Land"). The land concerned is the subject of 25 leases.

Most parcels of land are between 20 to 30 hectares, with a few smaller parcels of 3.4 hectares and under. The leases are subject to the Public Bodies Leases Act 1969. Twenty four leases have a 21 year term and one lease is for a five year term, but all have perpetual rights of renewal. Rentals are reviewed at each renewal but no provision exists for a rent review during the term of the lease. The lessor's (council) interest in the Junction Road Endowment Land comprises the unimproved value, or land exclusive of improvements and this is what the rental is based upon. For the council's information, a location map and a schedule of leases have been appended to the report – see "Appendix A: Location Map of the Leases" and "Appendix B: Schedule of the Lands and Leases".

The Junction Road Endowment Land was vested in the Taranaki County Council by the Crown during the latter part of the nineteenth century, to be leased to provide funds for the maintenance and upgrading of Junction Road. The Junction Road Endowment Land is now subject to the Taranaki County Reserves Act 1966 (TCRA) which vested the land in the former Taranaki County Council (now New Plymouth District Council) as an estate in fee simple as an endowment for County purposes. The TCRA was passed for the following purposes:

1. To authorise the application of income derived from the Junction Road Endowment Land.
2. To validate the application of past income derived from the Junction Road Endowment Land.
3. To validate leases granted in respect of the Junction Road Endowment Land.
4. To prescribe the purposes for which the council holds the Junction Road Endowment Land

Under section 4 of the TCRA part of the revenue must be applied towards the cost of administration and management of the leases with the balance used for maintenance and improvement of Junction Road. Any surplus may be spent on road works in the area of the former Taranaki and Inglewood Counties. Section 4 does not extend to the funding of road works in parts of New Plymouth District that are outside the former Taranaki and Inglewood Counties. For the council's information a copy of the Taranaki County Reserves Act 1966 has been appended to this report, as "Appendix C: Taranaki County Reserves Act 1966".

The current total annual rental from the 25 leases is \$138,218 against which is off-set the costs of lease administration. The Roothing Assets Team estimate the total operation and capex cost of roading within the area occupied by the former Taranaki County Council and Inglewood County Council to be \$7.7 million per annum.

Freeholding – 1992 to 2008

There is no express provision within the TCRA to allow freeholding of leases or other disposal of the Junction Road Endowment Land by the council. Although such authority was formerly contained in section 230(3) of the Local Government Act 1974, the authority was conditional on any sale proceeds being used for reinvestment in other property to be held for the same purposes as the land to be sold. Under that former legislation, if the council did not want the statutory restrictions to continue to apply, it had to proceed with an Act of Parliament so that the Junction Road Endowment Land and applications of proceeds of sale could be freed from their statutory restrictions.

Following requests from lessees in the 1990s, the council resolved to enable leaseholders to purchase the Junction Road Endowment Land. The council at that time intended to use the proceeds for purposes other than those authorised by section 4 of the TCRA, and therefore authorised the preparation of a local Bill to free the Junction Road Endowment Land from all trusts and endowments. A draft Bill was prepared, but because the Waitara Endowment Land Freeholding Bill was delayed as a result of concerns raised by Te Atiawa and the Minister for Treaty Settlements, it was considered appropriate to also delay the Junction Road Bill.

On 30 March 2005 the council resolved, as part of a resolution addressing various council leases, and following further requests being made by Junction Road Endowment Land lessees to freehold, that the council:

- i) *For the Junction Road Reserve Farm Leases:*
 - a) *Notes that the lands are Endowment Lands.*
 - b) *Notes that if the council proposes to sell the lands in question they may be subject to a claim under the Treaty of Waitangi.*
 - c) *Resolves to include the proposal to sell these lands in the 2006-16 LTCCP Special Consultative Procedure.*
 - d) *Instructs the Manager Property Assets to notify the Minister of Treaty Settlements and Land Information New Zealand (as the original donor of the land) of its intention to include a proposal to sell in the 2006 Draft LTCCP.*
 - e) *Instructs the Manager Property Assets to write to the lessees advising them of this resolution detailing the process and programme for this consultation.*

However, following valuation, financial and legal considerations it was decided **not** to include the proposal to sell the lands within the draft 2006-16 LTCCP. The main reasons for not proceeding with the proposal to sell were:

1. Valuation and Financial Considerations

The council's interest in the Junction Road Endowment Land was valued at \$2.9 million for the 30 June 2005 asset revaluation. The total annual rental was \$123,000, which equated to a return on capital of 4.2%. Whilst such a return was still relatively

low compared to other forms of investment at the time, the financial case was not overly strong to support commencing a sale process.

2. Legal Considerations

Legal advice received in 2005 was to the effect that in light of similarities between the terms of the TCRA and both the Waitara Harbour Act 1940 (WHA) and the Waitara Borough Reserves Vesting Act 1909 (WBRVA), it would be preferable for the council to await the outcome of the Waitara lands litigation before notifying of its intention to sell the Junction Road Endowment Land.

Freeholding Review - January 2009

The matter has now been reviewed again in preparation for the draft 2009-19 LTCCP. In accordance with Section 141 Local Government Act 2002 (LGA), the sale of endowment land needs to be notified in a draft LTCCP. Therefore, unless the sale is promoted now, it will have to be deferred again until the next LTCCP in 2012. An updated review of the valuation, financial, legal and other considerations are set out below:

Valuation and Financial Considerations

The council's interest in the Junction Road Endowment Land was valued at \$7.57 million for the 30 June 2008 asset revaluation. The asset revaluation was undertaken by the council's valuers, Telfer Young. Telfer Young advised that there were at that time a number of rural freeholdings around the country of similar land; the valuation exercise therefore comprised a market based assessment of lessor interests.

The total annual rental has risen slightly over the past three years from lease renewals and currently stands at \$138,218. This equates to a return on capital of 1.8%. Twenty four of the 25 leases have their 21 year renewals at varying dates and it should be noted that rental growth is not expected to rise significantly for many years. This is further evidenced by the fact that the latest lease renewal valuations have been assessed at a 3% rental rate on the unimproved value (fixed for the next 21 years).

It is recognised that the council's power of sale is conditional upon the council using the proceeds of sale of endowment property in a manner consistent with the purposes of the endowment. Given the rapid escalation in rural land values over recent years, there is now a much stronger financial case for the council to consider divesting its interest in the Junction Road Endowment Land to enable reinvestment that would achieve a higher rate of return. Initial financial projections indicate that the council could receive a more favourable rate of return by selling the Junction Road Endowment Land and reinvesting the proceeds. Such investment could take a number of forms.

Should final approval be obtained to offer the council's fee simple interest to lessees then special freeholding valuations would be undertaken to determine the offer price to each lessee. The time involved in divesting the portfolio and reinvesting the funds is dependent upon the individual lessee's desire and/or ability to afford to purchase at valuation. Due to the valuation and financial considerations outlined above, if some of the lessees are unable or unwilling to purchase the freehold, the council should ensure that it is in a position to effect alternative divestment options, which may include sale of the fee simple interest to a third party or parties other than current lessees.

While the council's current Investment Policy refers to miscellaneous properties as either pure or semi-commercial investments and may enable their sale without further consultation, it does not explicitly indicate the status of these particular properties, nor take account of the more particular legal requirements surrounding any intention to sell. It is therefore considered prudent to expressly state in the council's resolution that individual properties could be sold to other than current leaseholders in the event that individual leaseholders reject the freehold purchase option presented to them by the council. It will therefore be clear to the Junction Road leaseholders and others what the council's intention is.

Legal Considerations

The 2007 Court of Appeal judgment in relation to the Waitara Leaseholders Association litigation has significantly changed the legal position that applied at the time the draft 2006-2016 LTCCP was drafted. The legal position is now settled, and in dealing with the Junction Road Endowment Land the council must comply with the terms of the TCRA, which effectively creates a "statutory trust". This means that the situation is governed by the requirements of the statute rather than general trust law. In particular, the council must apply any money received from the Junction Road Leases in accordance with the requirements of the TCRA. If the council wishes to apply the money in a different way, then a local Bill will be necessary.

In light of the outcome of the Waitara lands court decisions, it is considered that there is no legal reason to prevent the council from selling the Junction Road Endowment Land, to lessees (as a first option), and reinvesting the funds in a manner which would provide a more favourable rate of return than that able to be achieved from rental payments.

Section 140(4)(b) of the LGA provides a local authority a power of sale of endowment property (being property vested in the council in trust or as an endowment) using the procedure set out in section 141 "unless expressly prohibited by the instrument that vested the property in the local authority." There is no express prohibition on sale in the TCRA, and therefore, the council is entitled to implement its intention to sell the Junction Road Endowment Land by following the section 141 LGA processes, without introducing a local Bill to authorise the sale.

Any exercise by the council of the power of sale, is both restricted by and subject to:

- Where applicable, compliance with the council's own policy on the approval of properties for sale, which was adopted on 2 August 2005. In this regard it is noted that s140 and 141 provide a statutory procedure which must be followed. This procedure includes the requirement that the council use a special consultative procedure by including a statement of its intentions in the draft LTCCP and subsequently adopting the LTCCP in accordance with Part 6 of the LGA. A thorough consultation process will therefore be undertaken. Please also see those sections of this report entitled "Views of Those Affected", "Tangata Whenua Considerations" and "Policy Considerations".

- Compliance with section 140 and 141 of the LGA – including resolving to exercise the power of sale, notifying the intention to sell and that the proposed use of the proceeds is consistent with the purpose of the endowment; and notifying the Minister for Land Information and the Minister in Charge of Treaty of Waitangi Negotiations.
- A detailed investigation being undertaken into how the Junction Road Endowment Land was acquired by the council to ensure there are no offer back obligations in terms of section 40 of the Public Works Act 1981.

One of the key issues is whether or not the council is willing and able to apply the proceeds of sale in accordance with the limitations as to purpose that apply under the TCRA. If the council does wish to apply the funds to wider purposes than those set out in section 4 of the TCRA, then a local Bill would be necessary, as that would fall outside the terms of the statutory trust created by the TCRA. It is considered that passage of a local Bill is not considered necessary because it is intended that the proceeds of sale will be applied in a manner consistent with the endowment. Section 141(1)(a) of the LGA will therefore be complied with. For the council's information, a summary of the local Bill process and related issues is appended to this report at "Appendix D: Local Bill Process".

Comparison of the Junction Road Endowment Land Leases with the Waitara Leases

As advised earlier in the report, the council initially delayed promotion of the Junction Road Endowments Land Bill in the 1990s due to concerns raised by Te Atiawa and the Minister of Treaty Settlements in respect of the Waitara Endowment Lands. The council resolved in 1989 to take steps to facilitate the freeholding of the Waitara land to leaseholders and a Local Bill was promoted in 1992. As a consequence of the concerns expressed and of the continued desire by some Waitara leaseholders to be able to freehold their leasehold land the council decided to undertake a full review of the position. The review was completed in 2004 and after extensive consideration the council resolved on 30 March 2004 to offer the land to the Crown, subject to certain conditions. Some of those conditions are:

- That the land be included in the Crown's offer to settle the historical Treaty claims;
- That the council receive fair market value for the land;
- That settlement legislation be passed freeing the land from its statutory trusts and restrictions, and
- That the sale not take place until such legislation had passed.

The Chief Executive is authorised to negotiate any terms of sale, subject to approval by the council. As stated in the *council resolution in 2004*, the main concerns of the council, in reaching the decision it did was to achieve a comprehensive solution to an issue that had caused a long standing social disharmony within the community. Since the decision was made the council has been involved in protracted litigation, by leaseholders who argue that the council did not have the power to make the decision it did. As advised above, following the Court of Appeal decision in the Waitara lands proceedings, it is clear that in dealing with the Junction Road Endowment Land the council must comply with the requirements of the statute rather than general trust law.

Between August and October 2006, Waitara leaseholders commenced 155 separate proceedings in the District Court at New Plymouth against the council. Although the claims differ slightly between cases, they all concern alleged acts, errors or omissions by the council in relation to policy decisions affecting land at Waitara and generally allege breach of the Fair Trading Act, promissory estoppel and negligent misstatement.

The council applied successfully for orders transferring all cases to the High Court at New Plymouth and for six of the claims to proceed as test cases in applications by the council to strike out the claims, or for summary judgment on the defence of those claims.

Justice Cooper heard the council's applications for strike out/summary judgment on the six test cases in March 2007 with a further day of hearing in June 2007. Cooper J determined that he could award summary judgement for the council on the merits of the case. The leaseholders have now appealed to the Court of Appeal. At present the parties are waiting for the Court to set a date for the hearing. It is unlikely that the hearing will take place before mid 2009.

Although it is recognised that the above claims are still outstanding, it is clear from the Waitara Leaseholders Association litigation that the council has a statutory power of sale (subject to the restrictions and obligations prescribed in sections 140 and 141 of the LGA). For the council's information, sections 140 and 141 of the LGA have been appended to this report as "Appendix E: Sections 140 and 141 of the LGA".

The main similarities between the two leasehold portfolios are:

1. Both lease portfolios are subject to the Public Bodies Leases Act 1969, and are perpetually renewable. Most of the leases have 21 year terms, although some Waitara leases provide for more frequent rent reviews or renewals such as five, seven or ten years. One of the Junction Road leases has a five year term.
2. Both have lessees that have advocated over many years to freehold.
3. The legislation that applies to the Waitara Land and Junction Road Endowment Land is similar, in that they create statutory trusts or endowments, authorise leasing of the land and specify how any revenue must be applied.

The main points of difference between the two leasehold portfolios are:

1. The Waitara leases portfolio comprises some 780 leases located at Waitara largely on confiscated land known as the Pekapeka block. This land is of special historical significance to tangata whenua, who have continually expressed a strong desire to have it returned to them.
2. The Junction Road portfolio comprises 25 leases, which are mainly non-contiguous and scattered on various roads in the general vicinity of Egmont Village. (See Appendix A).

ITEM E**ITEM FOR**

3. The Junction Road Endowment Land comprises a relatively small portfolio investment package, while the Waitara lease portfolio, by virtue of its sheer size is a far more sizeable portfolio investment and future income stream.
4. The prospect of future rental growth for the Junction Road leases is low, as on average only one or two leases come up for renewal each year. With the escalation in rural land values over recent years, rental rates upon lease renewal are now tracking downwards and this further erodes the return on capital (unimproved land value) to the council.

Because of the differences between the two leasehold portfolios it is considered appropriate to firstly offer the council's fee simple interest to the lessees. In the event that any lessees are unwilling or unable to purchase the council's fee simple interest it also considered appropriate for the council then to proceed with alternative divestment options.

SIGNIFICANCE ASSESSMENT

Provided the sale proceeds are reinvested and income applied as recommended in this report, any final decision to allow freeholding will have a minimal effect on the day to day business of the council. However as this decision involves the sale of endowment land, it requires a thorough consultation process to comply with both the LGA and the council's own policy on the sale of land.

VIEWES OF THOSE AFFECTED

Junction Road lessees have on numerous occasions over the years expressed a desire to be given the opportunity to freehold. Recent enquiries have been made by lessees on whether freeholding was now possible and supporting an opportunity to freehold.

TANGATA WHENUA CONSIDERATIONS

Initial discussions have been held with a spokesperson for the relevant hapū. Should the council approve the recommendation at its meeting on 10 March 2009, further consultation with iwi/hapu will be undertaken and their views reported back to the council in a report seeking final approval to proceed with any sale.

As required by section 141 of the LGA, the Minister for Land Information and the Minister in Charge of Treaty of Waitangi Negotiations will be notified and their views sought. We understand that neither Minister is obliged under section 141(1)(c) to take any action in relation to the proposal to sell the land, nor are they given any power under this section to stop the sale or to direct the council to apply the proceeds in a particular way.

POLICY CONSIDERATIONS

The relevant policy is the council's Approval of Properties For Sale Policy (P05-019). This sets the minimum requirements for the sale of council properties, which in all cases requires an initial report seeking approval from the council to commence the consultation process to

sell surplus property and then a second report back to the council with the outcome of consultation for a final decision to approve a sale.

In light of the time constraints imposed on the council by the draft LTCCP statutory requirements, it is considered necessary for the council to resolve now that it has an intention to sell the land. Such intention can then be notified in the draft LTCCP. This issue has been considered by the council on many occasions. The council has resolved twice over the past twenty years to sell the land to the leaseholders (first on 4 June 1992 and most recently in 2005). The council's policy does not fit neatly with the LGA requirements for the sale of endowment property. It is therefore considered appropriate to follow the policy where applicable, whilst ensuring strict compliance with the council's statutory obligations (which take precedence).

BUDGET CONSIDERATIONS

The asset valuation of the council's interest in the 25 leases as at 30 June 2008 is \$7.57 million. If the council approves the sale to lessees, a special freeholding valuation will be undertaken on a lease by lease basis. This will be dependent upon the ruling market values at the time and individual lease terms. The number of lessees able to afford the freeholding valuation will be the key to how quickly divestment and reinvestment can occur. The current total annual rental is \$138,218. The current costs of lease administration are offset against the rental received.

The Roading Assets Team estimate that the total cost of roading within the area occupied by the former Taranaki County Council and Inglewood County Council to be \$7.7 million.

LEGAL CONSIDERATIONS

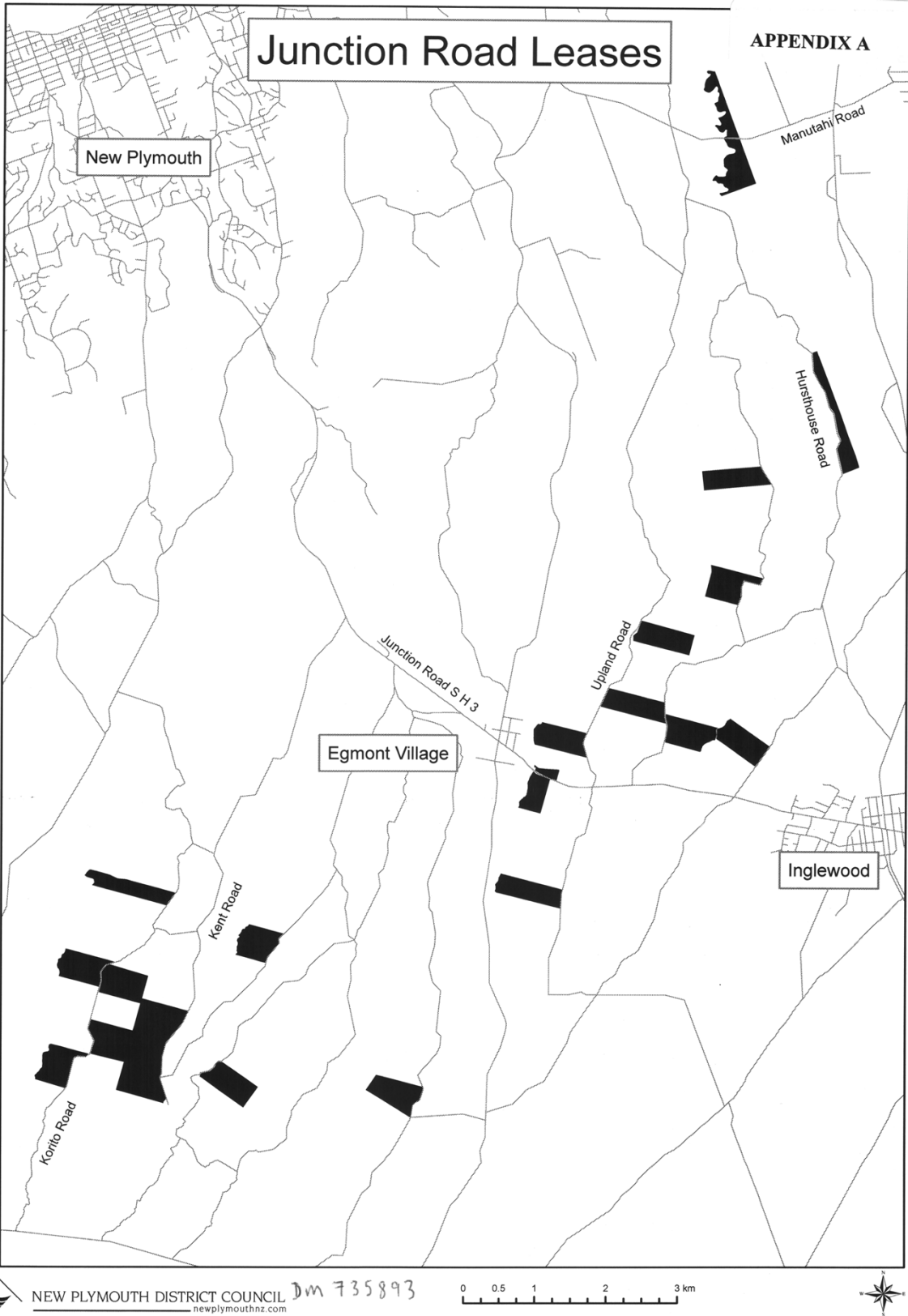
This report recommendation involves complex legal issues which need to be addressed as part of the process. Relevant legal issues and the council's legal obligations have been addressed elsewhere in the report. Legal advice has been sought and will continue to be sought throughout the process.

PUBLICITY AND TRAINING CONSIDERATIONS

It is anticipated that this report will attract publicity. An appropriate press release should be prepared.

APPENDICES

- Appendix A Location Map of the Leases.
- Appendix B Schedule of the Lands and Leases.
- Appendix C Taranaki County Reserves Act 1966.
- Appendix D Local Bill Process.
- Appendix E Sections 140 and 141 of the LGA.



APPENDIX B

Junction Rd Endowment Land Leases

SCHEDULE OF THE LANDS AND LEASES

PROP ID	ADDRESS	LEGAL DESCRIPTION	CURRENT TITLE	LEASE	TCRA TITLES	AREA (HA)
006448	389 Hursthouse Road Tarurutangi	Sec 81 Tarurutangi Dist	B1/264	353089	All 93/62	23.2618
027189	245 Upland Road Tarurutangi	Sec 69 Tarurutangi Dist	Pt 133/254	344341	Pt 133/254	23.6615
005395	416 Albert Road Egmont Village	Sec 94 Hua & Waiwakaiho Hundred	B1/261	399091.1	92/229	23.5729
006458	330 Awai Road Tarurutangi	Pt Sec 38 Tarurutangi Dist	B1/258	416027	Pt 92/228	23.8486
029706	382 Upland Road Tarurutangi	Lot 4 DP 19651	K4/429	447028.12	Pt 133/254	11.6320
027439	49 Lepper Road Inglewood	Sec 103 Tarurutangi Dist	B1/257	341277	Pt 92/228	24.2811
027340	279 Upland Road Tarurutangi	Sec 75 Tarurutangi Dist	B1/254	359821	All 87/65	24.1547
029705	1184 Upland Road Tarurutangi	Lot 1 DP 14597	Pt 133/254	6691554.1	Pt 133/254	2.3909
093229	Upland Road Tarurutangi	Lot 3 DP 19691	K4/428	447028.11	Pt 133/254	10.7500
027431	68 King Road Tarurutangi	Sec 96 & 153 Tarurutangi Dist	B1/255 + B1/256	342736 342736	All 87/65 All 87/65	24.9400
005399	44 Korito Road Mangorei	Sec 100 & 217 Hua & Waiwakaiho Dist	Pt F4/1379/40779	6085985.1	All 93/155	23.9144
005513	92 Korito Road Mangorei	Sec 156 Hua & Waiwakaiho Hundred	156/92	459165.1	All 156/92	23.8765
027347	380 Junction Road Egmont Village	Pt Sec 110 Tarurutangi Dist	Pt 133/254	6204806.1	Pt 133/254	15.0745
005404	28 Korito Road Mangorei	Sec 152 Hua & Waiwakaiho Hundred	B1/263	6454417.1	All 93/62	23.7753
027196	170 King Road Tarurutangi	Lot 71 DP 4557	133/152	356459	All 133/152	24.1175
006437	282 Manutahi Road Lepperton	Sec 24 & 176 Tarurutangi Dist	Pt 133/254 +	353202	Pt 133/254	37.9610
005400	45 Korito Road Mangorei	Pt Sec 102 Hua & Waiwakaiho Dist	Pt F4/1379	6564347.1	All 93/155	25.4371
005502	203 Kent Road Mangorei	Sec 106 Hua & Waiwakaiho Hundred	154/185	6560714.1	All 154/185	24.2811
027348	379 Junction Rd Egmont Village	Pt Sec 110 Tarurutangi Dist	Pt 133/254	6661122.1	Pt 133/254	3.4907
027336	304 Upland Road Tarurutangi	Sec 65 Tarurutangi Dist	B1/253	6456526.1	All 87/65	23.6994
005504	60 Kent Road Mangorei	Sec 126 Hua & Waiwakaiho Hundred	B1/259	416870	Bal 92/170	26.0592
005505	240 Kent Road Mangorei	Sec 127 Hua & Waiwakaiho Hundred	B1/260	440809	Bal 92/170	25.0526
005507	149 Maude Road Mangorei	Sec 130 Hua & Waiwakaiho Hundred	F1/814	479860.1	All 90/292	24.6479
005509	73 Korito Road Mangorei	Sec 148 Hua & Waiwakaiho Hundred	B1/1237	454986.2	All 151/254	25.0652
005523	194 Alfred Road Egmont Village	Sec 138 Hua & Waiwakaiho Hundred	B1/262	458093.1	Bal 92/229	25.3874
Total Area (HA)						544.3333

Note : Individual title details are :

Subject to the provisions of Section 3 and 4 of the Taranaki County Reserves Act 1966

Purpose : An endowment for county purposes

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Local and Private Legislation

APPENDIX C

Taranaki County Reserves Act 1966

1966 No 2 (Local)

An Act to make provision for the application of money and rents arising from certain lands vested in the Taranaki County Council, and to validate the application of past money and rents therefrom and to prescribe the purposes for which the Corporation shall hold the lands described in the Schedule hereto as an endowment and to repeal the Taranaki County Reserves Act 1877 and section 41 of the Reserves and other Lands Disposal and Public Bodies Empowering Act 1921-22

[9 August 1966]

WHEREAS under the Taranaki County Reserves Act 1877 (in this Act referred to as the Act of 1877) the land described in the Schedule thereto was vested in the Taranaki County Council in trust for the improvement of the Junction Road in the said county: And whereas, consequent upon the implementation of clause 15 of the Schedule to the Special Powers and Contracts Act 1884 and under and by virtue of the provisions of section 41 of the Reserves and Other Lands Disposal and Public Bodies Empowering Act 1921-22 and due to exchanges upon the taking and closing of roads, the land now vested in the Chairman, Councillors, and Inhabitants of the County of Taranaki (in this Act referred to as the Corporation) subject to the provisions of the Act of 1877 is that defined in the Schedule to this Act (such land being also hereinafter referred to as the Junction Road Reserves): And whereas section 3 of the Act of 1877 provided that the Corporation may lease the lands subject to the provisions of that Act by auction or tender for such period and on such conditions as it shall think fit not exceeding forty-two years and apply the rents or profits arising therefrom to the improvements of the said road: And whereas in the year nineteen hundred and twenty a part of the area under the former jurisdiction of the Corporation was severed and as from the first day of April, nineteen hundred and twenty, constituted a new county under the name of the Inglewood County, and under an award subsequently made by the Controller and Auditor-General under section 15 of the Counties Act 1908 on the twenty-third day of December, nineteen hundred and twenty-one, the Corporation was directed to pay to the Inglewood County Council annually 591/1,253 of the net revenue received from the Junction Road Reserves the Corporation being entitled to charge five percent for collection and administration, the said Reserves being still vested in the Corporation: And whereas up till the thirty-first day of March, nineteen hundred and thirty-four, the rents accruing on the Junction Road Reserves were apportioned in accordance with the above-mentioned direction, the balance showing in the Corporation's Junction Road Reserve account having been shown as having been expended on the Junction Road: And whereas from the first day of April, nineteen hundred and thirty-four, any balance in the Corporation's Junction Road Reserve account (after providing for the proportion payable to the Inglewood County Council and costs of collection as aforesaid and carrying forward in each year balances arising from late payments of rent) was transferred to the Mangorei Riding account to offset the Corporation's share of expenditure on the said Junction Road which had been designated a main highway under the control and management of the Corporation: And whereas on or about the first day of December, nineteen hundred and thirty-six, the Junction Road between New Plymouth and Inglewood was designated a State highway under the control and management of the Main Highways Board and any balance (after making the apportionment and provision above referred to) in the Corporation's Junction Road Reserve account was transferred to its Mangorei Riding account and used for expenditure on roads within the Mangorei Riding: And whereas on the thirty-first day of March, nineteen hundred and fifty-three, riding accounts having been abolished, the balance in the Mangorei Riding account was transferred to the Corporation's general account, and since that date balances in the Corporation's Junction Road Reserve account (after making the apportionment and provisions above referred to) have been transferred to the general account: And whereas income from the Junction Road Reserves has from time to time been derived from leases of the said reserves under the provisions of the Public Bodies Leases Act 1908 containing provisions enabling the leases to be renewed for successive periods which, if considered part of the original terms of the leases would exceed the maximum period of forty-two years prescribed for leases by section 3 of the Act of 1877: And whereas doubts have arisen as to the validity of the aforesaid leases and also as to the validity of the appropriation by the Corporation as hereinbefore set forth of the income from the Junction Road Reserves and it is desirable to remove those doubts and validate the same and to repeal the Act of 1877, and section 41 of the Reserves and Other Lands Disposal and Public Bodies Empowering Act 1921-22, and to prescribe the purposes for which the Corporation shall hold the lands described in the Schedule hereto and the application of the income therefrom:

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:



1 Short Title

This Act may be cited as the Taranaki County Reserves Act 1966.

2 Vesting

The land described in the Schedule hereto is hereby declared to be vested in the Corporation for an estate in fee simple as an endowment for county purposes subject to existing leases and subject to the provisions of sections 3 and 4 hereof. The District Land Registrar for the Land Registration District of Taranaki is hereby authorised and directed to make such entries in the register book and to do all such other things as may be necessary to give effect to the provisions of this Act.

3 Power to lease

The Corporation may lease the land described in the Schedule hereto or any part thereof under the provisions of the Public Bodies Leases Act 1908.

4 Application of revenue from endowment

All money received by the Corporation in respect of the land described in the Schedule hereto shall be placed to the credit of a separate account and, after payment thereof of the costs of promoting this Act and of investigating all matters preparatory and incidental thereto, including all disbursements and legal expenses whether incurred by the Corporation or the Inglewood County Council, shall be applied annually towards the following purposes:

- (a) In payment of five percent of the annual income to the Corporation to cover costs of collection and administration:
- (b) In payment of any costs and expenses incurred by the Corporation in the exercise of its powers as lessor for the protection of the said endowments other than in the normal course of administration:
- (c) The division of the balance into one thousand two hundred and fifty-three parts and the payment to the Inglewood County Council of five hundred and ninety-one such parts and the retention by the Corporation of six hundred and sixty-two such parts; and
 - (i) The use by the Corporation and the Inglewood County Council of their respective proportions of the net income in satisfaction of their respective liability (if any) in connection with the maintenance and improvement of part of the Junction Road which may still be within the respective County boundaries:
 - (ii) The appropriation by the Corporation and Inglewood County Council of their respective surpluses in any year towards their share of any other road works in the respective counties.

5 Validation of application of income from reserves and validation of leases

- (1) The application by the Corporation of the income derived from the lands described in the Schedule hereto as heretofore made is hereby validated and declared to have been lawfully made.
- (2) All deeds of lease, memoranda of lease and agreements to lease hitherto granted by the Corporation of any portion of the land described in the Schedule hereto are hereby validated and are hereby declared to be and always to have been effective, valid, and binding in all respects between the Corporation and the respective lessees.

6 Repeals

The following enactments are hereby repealed:

- (a) The Taranaki County Reserves Act 1877:
- (b) Section 41 of the Reserves and Other Lands Disposal and Public Bodies Empowering Act 1921-22.

7 Commencement

This Act shall be deemed to have come into force on the first day of April, nineteen hundred and sixty-six.

Schedule Taranaki Land District—Inglewood County

SECTIONS 65, 75, 96, and 153, Tarurutangi District situated in Blocks III and IV, Egmont Survey District: Area, 179 acres 3 roods 20·5 perches, more or less. All certificate of title, Volume 87, folio 65.

Section 103, Tarurutangi District situated in Block IV, Egmont Survey District: Area, 60 acres, more or less. Part certificate of title, Volume 92, folio 228.

Part Section 71 (DP 4557), Tarurutangi District situated in Block XI, Paritutu Survey District: Area, 59 acres 2 roods 15·3 perches, more or less. Balance of certificate of title, Volume 133, folio 152.

Sections 69 and 115 and part Section 110, Tarurutangi District situated in Block XI, Paritutu Survey District, and Block III, Egmont Survey District, and Section 1, Block XI, Paritutu Survey District: Area, 166 acres 2 roods 26·8 perches, more or less. Part certificate of title, Volume 133, folio 254.

Taranaki County

SECTION 130, Hua and Waiwakaiho Hundred situated in Block VI, Egmont Survey District: Area, 60 acres 3 roods 25 perches, more or less. All certificate of title, Volume 90, folio 292.

Part Section 38, Tarurutangi District situated in Block XI, Paritutu Survey District: Area, 58 acres 3 roods 29 perches. Part certificate of title, Volume 92, folio 228.

Sections 126 and 127, Hua and Waiwakaiho Hundred situated in Block VI, Egmont Survey District: Area, 126 acres 1 rood 8 perches, more or less. Balance certificate of title, Volume 92, folio 170.

Section 94 and part Section 138, Hua and Waiwakaiho Hundred situated in Blocks II and VII, Egmont Survey District: Area, 120 acres 3 roods 37·4 perches, more or less. Balance certificate of title, Volume 92, folio 229.

Section 152, Hua and Waiwakaiho Hundred situated in Block II, Egmont Survey District, and Section 81, Tarurutangi District situated in Block XI, Paritutu Survey District: Area, 116 acres and 37 perches, more or less. All certificate of title, Volume 93, folio 62.

Sections 100, 217, and 218, and part Section 102, Hua and Waiwakaiho Hundred situated in Block II, Egmont Survey District: Area, 121 acres 3 roods 32·03 perches, more or less. All certificate of title, Volume 93, folio 155.

Section 24, Tarurutangi District situated in Block VII, Paritutu Survey District: Area, 93 acres 3 roods 32 perches, more or less. Part certificate of title, Volume 133, folio 254.

Section 148, Hua and Waiwakaiho Hundred situated in Block VI, Egmont Survey District: Area, 61 acres 3 roods 30 perches, more or less. All certificate of title, Volume 151, folio 254.

Section 106, Hua and Waiwakaiho Hundred situated in Block VI, Egmont Survey District: Area, 60 acres, more or less. All certificate of title, Volume 154, folio 185.

Section 156, Hua and Waiwakaiho Hundred situated in Block VI, Egmont Survey District: Area, 59 acres, more or less. All certificate of title, Volume 156, folio 92.

All Taranaki Registry.

APPENDIX D**LOCAL BILL PROCESS**

A local Bill is a public Bill promoted by a local authority which affects a particular locality. The support of a Member of Parliament is necessary to introduce a local Bill to the House of Representatives. It is a current convention that the local Member of Parliament is in charge of the local Bill. As Central Government support for local legislation cannot be taken for granted, if it is decided to promote a local Bill in relation to the Junction Road Endowment Land, it will be important to gauge the current attitude of the Government to the Bill.

If the council decides to promote a local Bill in relation to the Junction Road Endowment Land, it will be responsible for drawing up the Bill. All Bills must follow a prescribed format and generally the actual drafting would need to be carried out by the council's legal advisors, who have experience in the drafting of local Bills. The Parliamentary Council Office scrutinise the Bill for conformity to the parliamentary drafting style and to ensure that matters of form and substance are addressed at the earliest stage.

Once the initial drafting is completed, the council would give written notice of the intention to introduce the Bill, by publication in a newspaper circulating in the area and separately to each person who has a direct interest in the subject matter of the Bill, and to any Member of Parliament whose constituents may be affected by the Bill.

Once a local Bill is introduced to Parliament, it is set down for its first reading and debate. It is then referred to the Local Government and Environment Select Committee for consideration (unless accorded urgency). The Select Committee considers the Bill and may recommend amendments. The Select Committee must report to the House on a Bill (generally within six months of the Bill being referred to it). Following debate on the Select committee report the Bill is read a second time and the house votes on any amendments recommended by the Select Committee. Following the second reading the Committee of the Whole House considers the Bill and amendments may be made by way of Supplementary Order Paper. When a Bill has been read a third time, it has been passed by the House and officially comes into being once it has received royal assent.

The procedure to promote, draft, introduce and ultimately enact a local Bill is protracted and could cost in excess of \$20,000. There is also no guarantee that a Bill will ultimately be enacted (or necessarily in the form originally submitted by the Council). A simple local Bill could take between 6 to 12 months to enact - if it has Government support.

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APPENDIX E



Statutes of New Zealand

Local Government Act 2002

140 Restrictions on disposal of endowment property

- (1) In this section and section 141, property—
 - (a) means real property of every type; and
 - (b) includes every type of estate and interest in property.
- (2) This section and section 141 apply to property or part of a property vested in a local authority in trust or as an endowment.
- (3) The property must be retained by the local authority for the purpose for which the property was vested in the local authority.
- (4) However,—
 - (a) the Minister may approve in writing additional or different purposes—
 - (i) for which the property may be used; or
 - (ii) for which income derived from the property may be used; or
 - (b) unless expressly prohibited by the instrument that vested the property in the local authority, the local authority may sell or exchange the property and use the proceeds of the sale or exchange for a purpose identified by the local authority in accordance with section 141.

Local Government Act 2002

141 Conditions applying to sale or exchange of endowment property

- (1) A local authority must not exercise the power in section 140(4)(b) unless—
 - (a) the proposed use of the proceeds of sale of the property, or of the property received in exchange, is consistent with the purpose of the endowment; and
 - (b) the local authority has first—
 - (i) included in its draft long-term council community plan a statement of—
 - (A) its intention to sell or exchange the property; and
 - (B) the use to which the proceeds of the sale or exchange will be put; and
 - (ii) adopted the long-term council community plan in accordance with the requirements of Part 6; and
 - (c) in a case where the Crown was the donor of the property, the local authority has notified the Minister for Land Information and the Minister in Charge of Treaty of Waitangi Negotiations of the local authority's proposal to sell or exchange the endowment land; and
 - (d) in other cases, the local authority has—

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- (i) made a reasonable attempt to notify the donor of the property, or his or her successor, as the case may be, that the local authority intends to sell or exchange the property; and
 - (ii) provided the donor with a reasonable opportunity to comment on the intended sale or exchange.
- (2) To avoid doubt, notification of a proposal to sell or exchange a property under subsection (1)(c) does not oblige a Minister to take any action in relation to the proposal to sell or exchange the property.
- (3) If the local authority is subject to reorganisation, the proceeds of a sale or exchange of property must be applied to the district or districts of the new local authority or authorities arising from the reorganisation of which the local authority formed part.

Compare: 1974 No 66 s 230

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RESOLUTION FOR ACTION

17 March 2009

TO: **GENERAL MANAGER COMMUNITY ASSETS**
Manager Property Assets

Council Meeting 10 March 2009

The following resolution passed by the council is referred for your **action**.

JUNCTION ROAD ENDOWMENT LAND LEASES

File Reference: CM-08-09-06, DM 735844

This report relates to the council's future ownership of the Junction Road Endowment Land and seeks resolution by the council of an intention to sell its fee simple interest in the endowment property (subject to compliance with specified statutory and policy obligations) and, as a consequence, a resolution that the council's intention to sell the Junction Road Endowment Land be notified in the draft 2009-2019 LTCCP.

Resolved:

Cr Dodunski)

Cr Matheson)

That having considered all matters raised in the report the council:

- a) Notes that the Junction Road Endowment Land (as defined in paragraph i (vi) below), is endowment property for the purposes of section 140 and 141 of the Local Government Act 2002 and that the statutory purposes to which proceeds from the Junction Road Leases must be applied are set out in section 4 of the Taranaki County Reserves Act 1966;
- b) Notes the rate of return of 1.8% received by the council in respect of the Junction Road Leases;
- c) Notes that initial financial projections indicate that the council could receive a more favourable rate of return by selling the Junction Road Endowment Land and reinvesting the proceeds of sale; for a use consistent with the purposes of the endowment;
- d) Notes that there continues to be a desire amongst lessees to acquire the freehold interest in their leased properties;
- e) Notes that there appear to be no special considerations which would warrant continued council ownership in the fee simple interest of the Junction Road Endowment Land;

- f) Notes that section 140 of the Local Government Act 2002 provides that unless the council is expressly prohibited by the instrument that vested the property in the council, the council may sell the Junction Road Endowment Land and use the proceeds of the sale for a purpose identified by the council. The power of sale can only be exercised if the council complies with the requirements of section 141. Section 141 requires that:
- i) The proposed use of the proceeds of sale of the land is consistent with the purpose of the endowment; and
 - ii) The council has first:
 - Included in its draft long-term council community plan a statement of its intention to sell or exchange the property; and the use to which the proceeds of the sale or exchange will be put; and
 - Adopted the long-term council community plan in accordance with the requirements of Part 6 of the Local Government Act 2002; and
 - iii) Where the Crown was the donor of the property, the council has notified the Minister for Land Information and the Minister in Charge of Treaty of Waitangi Negotiations of the council's proposal to sell the endowment land;
- g) Notes that the Taranaki County Reserves Act 1966 does not expressly prohibit sale of the Junction Road Endowment Land;
- h) Notes that the council's Approval for Sale Policy (P05-019) applies to any sale of land proposed by the council;
- i) Resolves:
- i) That it intends to sell the council's fee simple interest in any part of the Junction Road Endowment Land (as defined in paragraph i (vi)), subject to:
 - Compliance with any statutory requirements (and in particular, but not limited to, section 141 of the Local Government Act 2002 and section 40 of the Public Works Act 1981);
 - Compliance with the council's Approval of Properties for Sale Policy (P05-019), where applicable; and
 - Agreement being reached on terms acceptable to the council's Chief Executive (including an acceptable purchase price).
 - ii) To give existing lessees the opportunity to purchase the fee simple interest in their leased property, subject to:
 - Compliance with any statutory requirements (and in particular, but not limited to, section 141 of the Local Government Act 2002 and section 40 of the Public Works Act 1981);

- Compliance with the council's Approval of Properties for Sale Policy (P05-019), where applicable; and
 - Agreement being reached on terms acceptable to the council's Chief Executive (including an acceptable purchase price).
- iii) That if any existing lessees of the Junction Road Endowment Land are unable or unwilling to purchase the fee simple interest in their leased property, the council will consider alternative divestment options in respect of those individual properties affected, which may include sale of the fee simple interest to a third party or parties other than current lessees.
- iv) To apply the proceeds of any sale of any part of the Junction Road Endowment Land for the purposes specified in section 4 of the Taranaki County Reserves Act 1966;
- v) To notify in the draft LTCCP, and in accordance with section 141 of the Local Government Act 2002:
 - The council's intention to sell its sell fee simple interest in any part of the Junction Road Endowment Land, subject to:
 - Compliance with any statutory requirements (and in particular, but not limited to, section 141 of the Local Government Act 2002 and section 40 of the Public Works Act 1981);
 - Compliance with the council's Approval of Properties for Sale Policy (P05-019), where applicable; and
 - Agreement being reached on terms acceptable to the council's Chief Executive (including an acceptable purchase price).
 - That the proceeds of any sale of any part of the Junction Road Endowment Land will be used by the council for the purposes specified in section 4 of the Taranaki County Reserves Act 1966.
- vi) "Junction Road Endowment Land" for the purposes of this resolution means 544 hectares of land in the general vicinity of Egmont Village as described more particularly in Appendix B to the report and entitled "Schedule of the Lands and Leases."

Barry Rollo
MANAGER SECRETARIAT

DM753358

RESOLUTION FOR ACTION

22 May 2013

TO: **GENERAL MANAGER INFRASTRUCTURE**
Manager Property Assets

Monitoring Committee **Tuesday 21 May 2013**

The following resolution passed by the committee is referred for your **action**.

7. **Application of the Proceeds from the Sale of Junction Road Endowment Land Leasehold Properties - Junction Road Maintenance and Improvements**

File Reference: CM 08 09 06, DM 1415692

The purpose of this report is to:

1. Provide a progress update on the sale to date of the Council's estate in fee simple interest in the 25 Junction Road leases.
2. Note that the Council resolved on 1 June 2010, to the application of both the capital and income, accrued net proceeds being applied toward the *maintenance and improvement* work on Junction Road (renamed Tarata Road) and *surpluses to other works* both within the district of the former Taranaki and Inglewood county councils' geographical area in accord with the statutory purposes of the endowment under the Taranaki County Reserves Act 1966 and Local Government Act 2002.
3. Recommend that a Road Engineering Report be commissioned on the Junction Road maintenance and improvement/other road works requirements, to enable the preparation by the Manager Roding Assets of a draft 10 year Road Maintenance and Improvement Plan for consultation with affected property owners/residents before inclusion in the draft LTP for Council approval.

Resolved:

That having considered all matters raised in the report, it is noted that:

- a) The Council conditionally resolved on 1 June 2010, to instruct the Chief Executive to offer all of the individual 25 lessees the right to purchase the Council owned estate in fee simple in their lease, subject to a 24 month accept or decline offer period and for the Chief Executive to subsequently sell by way of auction, tender or private treaty any unsold fee simple interest.
- b) The date for acceptance of the offer made to the 25 lessees expired on 24 September 2012, and that to date the freehold of 23 leasehold interests has been sold and settled, with two leasehold freehold interests unsold. The

programme for the sale of the remaining two properties will be continued noting that optimum financial return will be best achieved through a sale to existing leaseholders at current market value.

- c) The capital sale revenue proceeds from the sale of the 23 Council freehold endowment leasehold interests has grossed \$7.42m with the two remaining leases having a current market value of \$600,000.
- d) The Council resolution of 1 June 2010, instructed that the Chief Executive apply the capital proceeds of sale of any part of the Junction Road Endowment land for the purposes specified in Section 4 of the Taranaki County Reserves Act 1966 and in terms of the Local Government Act 2002.
- e) The statutory purpose of the endowment provides that proceeds must first be expended to satisfy the “*maintenance and improvement*” of that part of former Junction Road, (now renamed Tarata Road) within the district comprising the former geographical area of the former (now abolished) Taranaki and Inglewood Counties. Proceeds are not limited to the maintenance and improvement of Junction Road (Tarata Road) but *surpluses* maybe then applied to “*other road works*” once the works on Junction Road (Tarata Road) are first satisfied.

And reaffirmed that:

- f) Both the capital sale proceeds, net income and accrued interest from the separate Junction Road Endowment Trust Account, be applied for expenditure in terms of the purpose of the endowment; and
- g) The commissioning of an independent Engineers Report to identify the required “*maintenance and improvement*” to former Junction Road (now Tarata Road) and on satisfaction of those works to any *surpluses* to “Other Road Works”; and
- h) The Manager Roding Assets will prepare a draft 10 year Road Maintenance and Improvement Work Programme and undertake consultation with affected land owners/residents to seek and consider their views and preferences. The work programme is estimated to be completed by March 2014 and consultation undertaken by August 2014; and
- i) The final Road Works Programme of expenditure will be included in the draft LTP 2015-25 LTP for Council approval.

Julie Straka
COMMITTEE ADVISER

1429361

Appendix 4

RESOLUTION FOR ACTION

24 July 2014

TO: **GENERAL MANAGER INFRASTRUCTURE**
Manager Roading Assets

Monitoring Committee **23 July 2014**

The following resolution passed by the Monitoring Committee is referred for your **action**.

7. **Progress Report of the Proceeds from the Sale of Junction Road Leasehold Properties**

File Reference: RT-12-01-05; DM 1561838

This report provides an update on the progress made to develop a draft programme of works using the proceeds from the sale of the Junction Road leasehold properties.

Monitoring Committee Resolution:

Cr Pearce)

Cr Johnston)

That having considered all matters raised in the report:

- a) It be noted that consultation will be undertaken with residents of the former Taranaki and Inglewood county areas for the purposes of setting the priorities for the road works that have been identified in the Detailed Forward Works Programme for expending the proceeds from the sale of Junction Road Leasehold properties.
- b) This project is included within the Draft Long Term Plan 2015-25, commencing in 2015/16 at a rate of \$800,000 per annum.
- c) The General Manager Infrastructure be instructed to report back to the 14 October 2014 Monitoring Committee meeting on the outcome of the consultation and the finalised priorities.

Carried

An Amendment was moved at the Monitoring Committee:

Cr Jordan)

Cr Allum)

That b) be amended to read:

- b) This project is included within the Draft Long Term Plan 2015-25, commencing in 2015/16 at a rate of \$800,000 per annum or a lesser amount.

The amendment was carried

The substantive motion was put and carried

Background Information

The sale of the Junction Road leasehold land has provided a source of funds which, according to the purpose of the endowment conditions, has to be expended on the following in priority order:

1. Maintenance and improvements on Tarata Road (previously known as Junction Road) formerly situated within Taranaki and Inglewood counties;
2. Other road works including new roads in the district formerly situated within Taranaki and Inglewood counties; with exclusions being:
 - a. Part of SH3 which is vested in the Crown;
 - b. That part of the unsealed Junction Road from Purangi to SH40 vested within the jurisdiction of Stratford District Council; and
 - c. Those parts of the district which are outside the geographical area of the former Taranaki/Inglewood counties, including the former Inglewood Borough.

We have identified 216 potential locations where improvements could be undertaken, with an approximate cost in the order of \$15m. Details of the individual sites, including a photograph, are available on the Council website or can be viewed in hardcopy at the Inglewood Library and Service Centre.

In order to develop a draft 10 year road improvement programme, the following principals have been applied to the development of a programme:

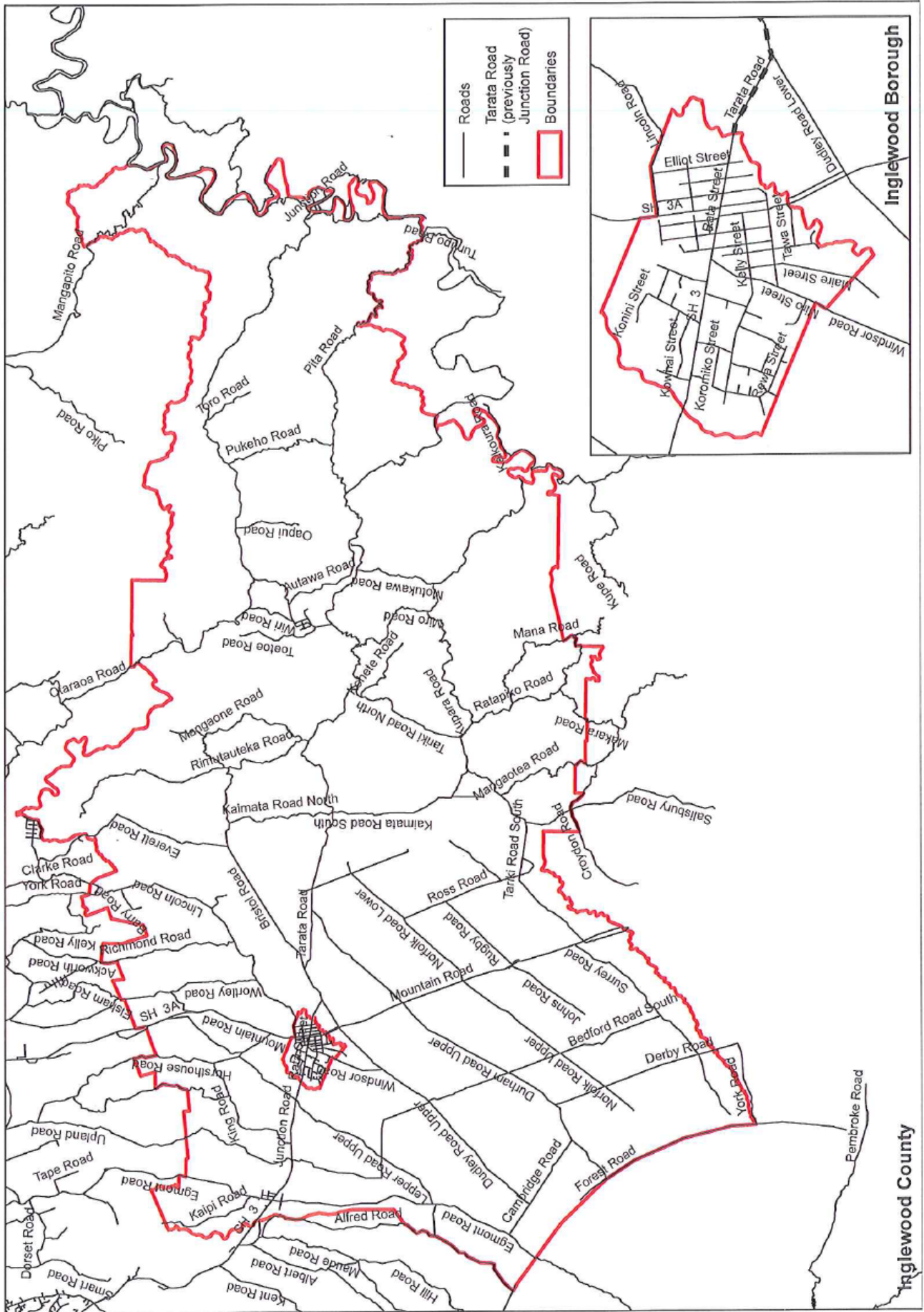
1. No operational maintenance activities are to be considered where this is a “business as usual” activity co-funded by the NZTA.
2. Use practical engineering judgement on the standards to be applied. The prudent application of the funds available to the needs of the network are required, rather than “gold plating” by over engineered designs and improvements for roads which carry low volumes of traffic.
3. Do not progress work which, in the opinion of the Council, will qualify for co-funding from NZTA in the reasonable foreseeable future.
4. The work categories to be considered are, seal widening, seal extensions, safety related projects, pavement strengthening, bridge widening and amenity projects.
5. Include consideration of any unsealed roads within the catchment area.
6. Include consideration of specific projects involving the upgrade of Bosworth Street, Egmont Village and the Windsor Walkway.

Costs associated with work required on single lane bridges are for “extra over” work required to extend the bridges to two-lanes when the bridges are replaced. The costs shown in the “Junction Road Lease Hold Funds Forward Work Programme” does not include bridge replacement.

A list of all the work identified, throughout the area defined, is listed in the attached survey. This list is not exhaustive and it may not contain potential sites that may be of particular interest to residents of the catchment area, which the Council are not aware of.

Yours faithfully

Stephen Bowden
Roading Programming Engineer





SURVEY

APPLICATION OF PROCEEDS FROM THE SALE OF JUNCTION ROAD LEASEHOLD PROPERTIES

Please complete this survey and return to NPDC by **20 August 2014** by:

- Mailing the form ⇨ Using the enclosed reply-paid envelope
- Faxing the form ⇨ Fax to 06-759 6072
- Delivering the form ⇨ Civil Centre, Liardet Street, New Plymouth
- Scan and email ⇨ beerj@npdc.govt.nz

Thank you for your feedback

Name:

Postal Address:.....

Email Address:.....@.....

Copies of the Junction Road Works Programme can be found:

1. At Inglewood Library and Service Centre; and
2. On the Council website at www.newplymouthnz.com/Have Your Say

For further information, please contact:

Mr Stephen Bowden
 Roding Programme Engineer
 New Plymouth District Council
 Ph: 06-759 6060; or
 Email: bowdens@npdc.govt.nz

For office use only:
 Doc No:
 File No: RT-12-01-04
 Date Stamp:

1. Tarata Road

Detailed information of the proposed road works for the area can be found at the Inglewood Library and Service Centre, or on the Council website at www.newplymouthnz.com.

Please indicate your suggested priority below, where:

1 = No work required

3 = Not a priority;

5 = Priority;

From Rapid No.	To Rapid No.	Work Identified:	1	2	3	4	5
0.58	0.73	Lower Dudley intersection upgrade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.95	1.1	Bristol Road intersection. RHS seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.28		Single lane bridge "extra over" to two lane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.3	3.45	LHS ease curve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.84	3.89	Lower Durham Intersection upgrade for visibility/safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.15		Single lane bridge - "extra over" to two lane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.86	6.13	LHS ease curve and seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.3	6.75	Realignment through 55kph curves	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.9	7	LHS bank trim and seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.82		Single lane bridge "extra over" to two lane. Improve approaches.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.25	8.35	LHS ease curve and seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.98	10	Realignment through 45kph curves	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.3	10.42	RHS bank trim for improved visibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.85	11.55	Ease 45kph and 35kph curves right and left hand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.9	12.1	LHS ease curve and seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.36	12.46	RHS bank trim and seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.06	13.61	RHS minor bank trims and seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.32	13.35	LHS tie back wall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.8	15.97	RHS bank trim for improved visibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16	16.32	Widen RHS and AWPT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.51	16.64	Widen left and right over blind brow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.4	17.51	Seal widen at Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.68	17.82	RHS bank trim and seal widen before Munga Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.4	19.5	Minor bank trims and seal widening. Left and right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.63	19.72	RHS bank trim and seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.21	20.29	Otaraoa intersection minor improvements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.53	20.57	RHS site rail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.62	20.85	Ease curves, widen LHS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

From Rapid No.	To Rapid No.	Work Identified:	1	2	3	4	5
20.8	22	Seal widening left or right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	22.08	Seal widen L and R over blind brow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.6	22.7	LHS seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.8	22.9	Seal widening over blind brow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.11	23.33	Seal widening over blind brow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.6	23.65	RHS vegetation trim for improved visibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.7	24.49	LHS seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24.5	25.05	Seal widening left or right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25.05	25.2	RHS ease 35kph comer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25.2	26.1	Widen seal left or right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.63	26.67	RHS minor seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.7	26.9	RHS seal widen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.9	27.16	Seal widening left or right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27.1	27.85	LHS seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27.9	28.34	Seal widen either side of 3 blind brows	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29.83	29.87	Seal widen turnaround at dog trial grounds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29.93	30.01	RHS bank trim and seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31.05	31.11	RHS bank trim and seal widen for Improved visibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31.5	31.55	Culv 149 - site bench and seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31.55	31.6	RHS bank trim and seal widening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
32.4	32.45	Pine trees removal for safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33.4	33.45	LHS bank trim at 30kph corner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34.06	35.92	Minor bank trims and seal extension	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34.4		RHS retaining wall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Other road works identified, including new roads in the district formerly situated within the Taranaki/Inglewood Counties

Please indicate your suggested priority below, where:

1 = No work required

3 = Not a priority;

5 = Priority;

Road	1	2	3	4	5
Autawa Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bedford Rd North	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bedford Road South	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bosworth Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bristol Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Davis Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Derby Road (North)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Derby Road (South)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dudley Road Upper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Durham Rd Lower	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Durham Rd Upper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Everett Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hursthouse Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johns Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kaimata Rd North	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kaimata Rd South	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lepper Road Upper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lincoln Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mangaone Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motukawa Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ngaro Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Norfolk Rd Lower	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Norfolk Rd Upper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Oapuhi Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ratapiko Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Richmond Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rugby Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Junction Rd Lease Sales Proceeds Works Prioritisation Survey RESULTS

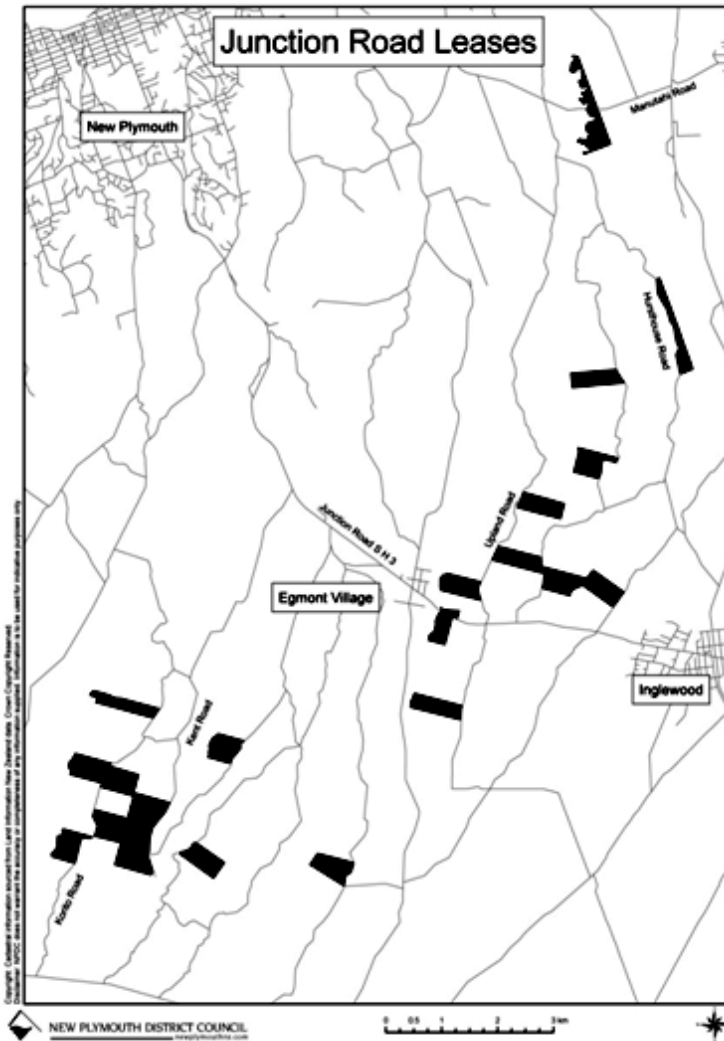


Te Kaunihera-ā-Rohe o Ngāmotu

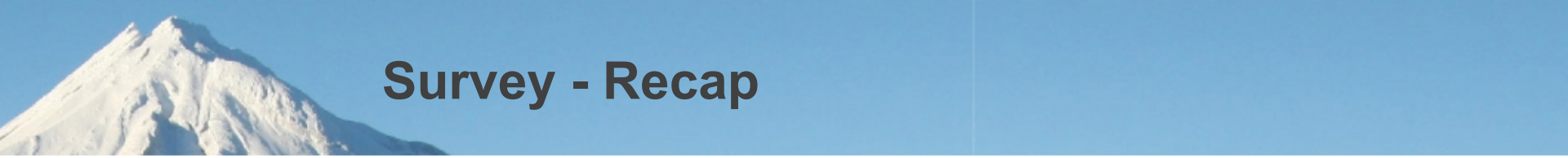
NEW PLYMOUTH DISTRICT COUNCIL

newplymouthnz.com

Junction Road Endowment Leases



- Decision was made by Council to sell in June 2010.
- To date 24 leasehold land farm properties have been sold and settled totalling \$7.68m.
- Conditions of Endowment state funds are to be used for the purpose of maintenance and improvement works on Junction Road (now Tarata Rd) and thereafter “other roads” located within the former Taranaki and Inglewood County, excluding Inglewood itself.



Survey - Recap

- A survey was undertaken with residents of the former Taranaki and Inglewood county areas, and users of the roads within this area.
- The projects, in prioritised order, will be included in the draft Long Term Plan 2015-2025, commencing in 2015/16.
- The results of the survey show the community's preferred prioritisation of projects.
- Some projects have been removed as they will be provided for under general maintenance budgets.
- A decision is still to be made by Council on how the money is to be spent.



Proposed works

It is important to note that these projects are still only proposals.

No projects will be programmed without further discussions with any affected landowners.



Things to note

- Originally 51 projects identified in Tarata Rd.
- 20 of these have been identified and removed as they will be completed under existing maintenance budgets in the LTP 2015-2025 at a value of \$1,118,000, which includes Upland Road.
- Value of remaining projects for Tarata Rd is \$2,954,200 (not including widening and replacement single lane bridges).
- Bosworth St was also highly prioritised.
- Time taken to complete these projects will depend on decision made by Council as to how the money is to be spent.



Statistics

118 surveys submitted.

Tarata Road Only

- 50 respondents completed all or part of this section.
- 14 respondents completed the full section.

Other Roads

- 73 respondents completed all or part of this section
- 49 respondents ticked Bosworth Street only and did not complete any other part of the survey.



There are 3 bridges.....



Cost to widen single lane bridges

Cost to widen only	\$
Single lane bridge "extra over" to two lane (rapid 2.28)	149,000
Single lane bridge - "extra over" to two lane (rapid 4.15)	220,000
Single lane bridge "extra over" to two lane. Improve approaches. (rapid 7.82)	99,000

- The costs shown above is for “extra over” work to increase the bridges to two lanes. It is not replacement cost of bridge.
- The cost to replace the bridges to a two lane bridge is approximately \$1m per bridge.
- Replacement cost will be met by LTNZ when the bridges are due, but if they are replaced beforehand, then the cost must come out of the lease sales funds.
- The bridges are not due for replacement for 30 years.

Top Ten projects - \$1,361,300

Responses in ranked order - Tarata Road (not including Bridges)	Score*	Rank	Approx. Cost \$
Realignment through 45kph curves (rapid 8.98-10)	106	1	654,000.00
Seal widening over blind brow (rapid 23.11-23.33)	101	2	6,800.00
Seal widen L and R over blind brow (rapid 22-22.08)	92	3	5,500.00
RHS bank trim and seal widen before Munga Street (rapid 17.68-17.82)	86	4	30,000.00
Seal widening left or right (rapid 20.8-22)	81	5	66,000.00
LHS ease curve (rapid 3.3-3.45)	76	6	33,500.00
Widen left and right over blind brow (rapid 16.51-16.64)	74	7	34,500.00
LHS tie back wall (rapid 13.32-13.35)	68	8	166,000.00
Ease 45kph and 35kph curves right and left hand (rapid 10.85-11.55)	64	9	288,000.00
RHS retaining wall (rapid 34.4)	63	10	77,000.00



Programming of Prioritised Projects

Programming of prioritised projects for the LTP 2015-2025 will depend on how the funds are to be used, ie

- i) use all the funds over the next 10 years;
- ii) invest in perpetual fund and use the interest only; or
- iii) a workable combination of both i) and ii) above.

This is still be considered by Council.



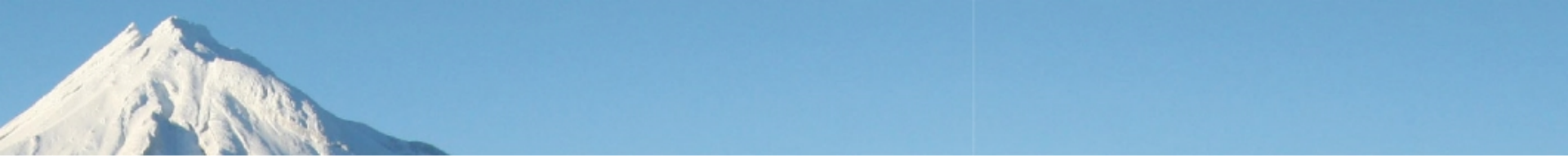
“Other Roads”

- Part 2 of the survey sought prioritisation of “other roads” that are located in the old Taranaki and Inglewood County area.
- Bosworth St and Upland Rd scored very highly and will be considered in the mix of identified projects for the LTP 2015-2025.
- Further input will be required from the community once the Tarata Road projects are nearing completion.



Report to Monitoring

If you would like a copy of the report to go to Monitoring Committee, please leave your details with us tonight



**THANK YOU
FOR
YOUR
ATTENTION!
ANY QUESTIONS?**





Junction Road Works Prioritisation Programme

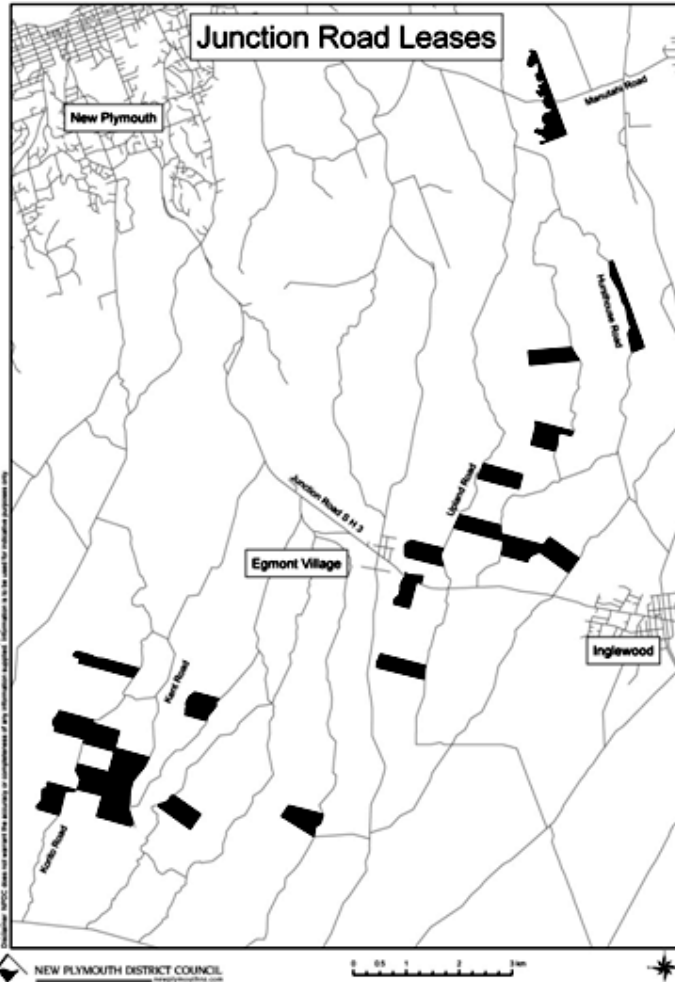


Te Kaunihera-ā-Rohe o Ngāmotu

NEW PLYMOUTH DISTRICT COUNCIL

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Story so far...



June 2010

The Council approved the sale of the estate in fee simple interest in 25 Junction Road Leasehold Endowment properties. By February 2015, 24 Junction Road Lease Endowment properties were sold and settled totalling \$7.68m in sales. Proceeds of the sales were placed in the Endowment Trust Fund.

May 2013

The Council resolved that consultation be undertaken with the affected landowners/residents of the former Taranaki and Inglewood Counties to consider their view and preferences on a draft 10 year Road Maintenance and Improvement Works Programme.

July/August 2014

Community meetings and a survey were undertaken to gain community feedback.

Inglewood County





Council Resolution 4 February 2015

- a) This project is included in the Draft Long Term Plan for 2015/25, commencing 2015/16
- b) The forward works programme be endorsed
- c) That \$1 million from the Endowment Trust Account and the interest accrued over one year is used in year one to “kick start” the forward work programme to generate some impetus. Thereafter the interest only will be used each year to fund maintenance and improvement work in the former County of Inglewood.
- d) A further review of the project priorities is undertaken for the 2018-28 LTP and thereafter at three yearly intervals, commensurate with the development of future Long Term Plans



Junction Road Funds Overview

Fund commenced

\$8.35m

Year One

\$1m + interest

Council resolution

Year Two onwards

Interest only

Interest accrual per year (approx.)

\$300k/year

Projects Completed 2015/2016

Estimated Cost \$352,500
Actual Spend \$700k

Project	Estimated Cost	Actual Spend
RHS Bank Trim and seal widen before Mungu St	\$30,000	\$135,000
Widen left and right over blind brow (RP 16.51-16.64)	\$34,500	\$5,000 (removed vegetation only)
Ease 45kph and 35kph curves right and left hand (RP10.85 – 11.55) - Wickhams	\$288,000	\$500,000

Projects 2016/2017

Estimated Cost \$239,000

Project	Estimated Cost	Actual Spend
Bosworth Street Upgrade	\$71,000	\$135,000

Projects remaining from 2015/2016

Project	Estimated Cost	Notes
1. Realignment through 45kph curves (RP 8.98-10) – Slippery Corner)		
Option 1	\$1.2m- \$1.4m at present (look to reduce value)	<ul style="list-style-type: none">• Project delivered across 2 Financial Years• Finalise design and tender January 2018• Earthworks 2017/2018, Pavement 2018/2019• Land purchase completed
Option 2	\$600k	Reduce scope to approximately \$600k project with same timetable for delivery.

Projects remaining from 2015/2016

Project	Estimated Cost	Notes
2. Seal Widening over blind brow (rapid 23.11-23.33) – Eggers (Also includes Priority# 15 (Roberts))	\$150k	<ul style="list-style-type: none">• Design nearly complete• Physical Works in early 2018.
3. Seal widening – Left and Right sides over blind brow – Otaraoa to Oapui (Rapid 20.8 to 22.08)	\$350K	<ul style="list-style-type: none">• Survey/Design to commence; project split over 2 financial years.• Earthworks in 2018/2018 then reassess risks.

Preferred options for 2017/2018

Project	Estimated Cost	Notes
Slippery Corner Option 2	\$350k	Earthworks, then reassess risks
Seal widening (Roberts/Eggers)	\$150k	
Seal Widening (Otaraoa to Oapui)	\$175k	Earthworks only
Minor Improvement sites	\$120k	

Total Estimated cost: \$795k

Option 2 for 2017/2018

Project	Estimated Cost	Notes
Seal widening (Roberts/Eggers)	\$150k	
Seal Widening (Otaraoa to Oapui)	\$175k	Earthworks only

Total Estimated cost: \$325k



Preferred options for 2018/2019

- Reassess risks at Slippery Corner
- Reassess risks at Seal Widening Site (Otaraoa to Oapui)
- Budget Dependent