

17 January 2017

Memorandum

To: Chair and Members of the Finance and Performance Committee

Subject: Information regarding acquisition of land at Crater Hill

From: Kataraina Maki, General Manager, Community and Social Policy

Purpose

1. To respond to requests by Councillors for information about the possible acquisition of land at Crater Hill (286 Portage Road, Mangere) for open space.

Key messages

- The current owner of Crater Hill has appealed council's rural production zoning under the Unitary Plan
- The Volcanic Cones Society suggested that council acquire land at Crater Hill for open space during a mediation process and to some Councillors outside of the process
- In 2013, acquisition of land at Crater Hill for Regional Park was approved, subject to zoning confirmation
- The 2015 Long-term Plan does not include budget provision for Regional Park acquisition
- The open space acquisition budget cannot be used in-full to acquire Crater Hill due to restrictions on the use of development contributions
- Acquisition of Crater Hill would require new budget and cannot be committed through the appeal process
- Council can allocate budget through the Annual Plan, Long-term Plan or through unbudgeted expenditure by the Finance and Performance Committee
- The Committee can resolve that staff provide advice on the acquisition options, costs and implications.

Background

Unitary Plan decisions on Crater Hill zoning appealed by owner and currently being mediated

2. Crater Hill is located at 286 Portage Road, Mangere, on the eastern edge of the Manukau Harbour.
3. The land is currently farmed, with a small area of historic quarrying.
4. The site has significant geological, cultural heritage and landscape features and values.
5. The Independent Hearing Panel recommended a mix of zoning around Crater Hill that would enable residential development on the outer flanks of the volcanic tuff ring. Council rejected the Panel's recommendation and approved a rural production zoning for the land.
6. The land owner has appealed council's decision and the matter is currently in mediation.
7. In the course of the mediation, the Volcanic Cones Society has suggested that council acquire the land for open space, which may resolve the owner's appeal. The Society recently made this suggestion to several councillors outside of the mediation process.
8. Staff received requests for information from Councillors about the possible acquisition of Crater Hill.
9. A report on the appeal is scheduled at the February 2017 meeting of the Planning Committee.

Open space acquisition and budget constraints

Crater Hill acquisition approved but could not be concluded due to unresolved zoning

11. In August 2013, acquisition of land at Crater Hill as a Regional Park was approved (RDO/2013/147) subject to confirmation of the future zoning for the land as essential to reaching agreement on price. Zoning was determined in the Unitary Plan, but is now subject to appeal.
12. When the acquisition was approved, the budget allowed for a range of land outcomes to be achieved as the budget split was 80% rates funding and 20% development contributions
13. The 2014 valuation range was \$14.5 million (rural zoning) to \$30 million (part mixed housing suburban and part large lot residential)
14. The current owner has indicated a willingness to sell. Their price expectations are unknown, but likely toward the higher end of 2014 valuation range.

No budget for regional parks, current open space budget constrained

15. Council does not have budget available to implement the 2013 acquisition resolution for Crater Hill.
16. The 2015 Long-term Plan does not include any specific budget for Regional Park acquisition and the current open space acquisition budget is constrained:
 - legal restriction on the use of development contributions for growth and benefit accrues to new communities arising from growth
 - open space acquisition in the 2015 Long-term Plan is 94% funded by development contributions to 2020 and 70% from 2021
 - Crater Hill acquisition appears to be driven by a desire to protect geological, cultural heritage and landscape features and values
 - acquisition is not necessarily required due to a gap in open space provision caused by growth
 - benefits are likely to accrue to both the existing community and the growth community.

Next steps

Budget allocation decision required through Annual Plan, Long-term Plan or through this Committee

17. New budget is required for the acquisition of Crater Hill.
18. New budget cannot be committed through the appeal process.
19. Council could consider the creation of additional budget through the Annual Plan, Long-term Plan or through a resolution for unbudgeted expenditure by the Finance and Performance Committee.
20. The Committee can resolve that staff provide advice on the acquisition options, costs and implications.