

Property Report, 4-10 Mayoral Drive, Auckland

Whakarāpopototanga o ngā kōrero ā-rawa / Property Summary

1. Auckland Council's Corporate Property team has developed a Corporate Property Portfolio Strategy which seeks to contribute to a more efficient and operationally effective Corporate Property network. This is a self-funding programme of works, which utilises the capital receipts from the divestment of properties that are no longer required for the Corporate Property network. The council-owned property at 4-10 Mayoral Drive (Bledisloe Carpark), Auckland has been identified as no longer required for council's requirements as part of the review undertaken during the Corporate Property Portfolio Strategy.
2. Consultation with impacted council departments, Panuku Development Auckland, iwi authorities and the Waitemātā Local board has now taken place. The Waitemātā Local Board acknowledged the proposed disposal of the site and have raised some points that are noted in the "*Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local Impacts and local board views*" section of this report along with Corporate Property's consideration of these points.

Pārongo mō ngā rawa / Property Information

3. 4-10 Mayoral Drive comprises 4,238m² of on grade car parking.
4. The legal description of 4-10 Mayoral Drive, Auckland, comprises an estate in fee simple more or less being the following:
 - 4-8 Mayoral Drive: Lot 15, Lot 18 and Lots 23025 DP 21520 and Part Lot 21 DP 212520, contained in computer freehold register NA1589/36
 - 10 Mayoral Drive: Section 1 Survey Office Plan 54203, contained in computer freehold register NA75B/323.
 - 10A Mayoral Drive: Allotment 26-27 Section 31 City of Auckland, contained in computer freehold register NA1193/78.
5. The property was purchased by Auckland City Council in 1993 from entities that appear to have been related to the Crown.
6. The Auckland Unitary Plan zoning is Business – City Centre Zone. It has a 2017 capital valuation of \$28,000,000.
7. We have received legal advice from external advisors that the site is, "*subject to Section 27B of the State-Owned Enterprises Act 1986...This gives the Crown the right to take back the Property for the purpose of settling a Treaty of Waitangi claim.*"
8. Further advice in mitigation of this from our legal advisors was that, "*We consider this is a very low risk as it can only occur where the Crown and the claimant groups are unable to reach a settlement. Also, it is the Crown's preference to seek negotiated settlements with claimants and to use its formal land banking mechanism rather than resume properties owned by third parties.*"
9. The legal advice from our external advisors was that they, "*cannot state with any certainty whether the 1993 agreement was a PWA [Public Works Act] agreement or just a commercial agreement dealing with the acquisition back of the building. However, it does appear that it was a commercial arrangement.*"
10. They go on to state that, "*If we reached the view that there was a potential offer back under section 40 it appears that Council would not be required to make that offer as*

both of the Crown companies have apparently been removed from the Companies Office.”

11. As such, we believe that the council-owned site at 4-10 Mayoral Drive, Auckland (Bledisloe Car Park) is *not* likely to be subject to offer back obligations to the former owner under section 40 of the Public Works Act 1981.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

12. The Waitematā Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 4-10 Mayoral Drive, Auckland at 2 workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised.
13. The Waitematā Local Board acknowledged the proposed disposal of 4-10 Mayoral Drive, Auckland at its 20 March 2018 business meeting and noted the following points:
 - Corporate Property should develop an appropriate development framework for the site
 - The development framework should ensure the laneway beside Bledisloe House (between Wellesley Street and Aotea Square) is of sufficient width and is retained
 - Corporate Property should confirm that no part of the site is needed for the City Rail Link or high quality public realm outcomes and amenities
 - Corporate Property should investigate the long-term benefits and costs of leasing land and the net present value of selling the land now or after the City Rail Link is completed.
14. Corporate Property has considered these points and have addressed these as follows:
 - Corporate Property will work with Panuku to develop an appropriate development framework for the site
 - There is a resource consent for a development on the site obtained by Auckland Transport to future proof the foundations of Aotea station for future development. This resource consent includes public thoroughfares that align with the Aotea Quarter Framework recommendations. Corporate Property will work with Panuku, the local board and the Auckland Design Office to ensure that the development framework has appropriate consideration for the laneway beside Bledisloe House (between Wellesley Street and Aotea Square) is of sufficient width and retains public access.
 - We understand that there is a process agreed with CRLI for the Stratum Title required for Aotea Station which in part covers the site. There is also a license agreement for CRLI to use the site for a construction lay down area. We are not aware of any other requirements of the site for CRLI but will engage with CRLI when developing the development framework.
 - Corporate Property will investigate as part of the development strategy the long-term benefits and costs of leasing land and the net present value of selling the land now or after the City Rail Link is completed.

Tauākī whakaaweawe Māori / Māori impact statement

15. 15 mana whenua iwi authorities were contacted regarding the potential sale of the Bledisloe site, Auckland Central on 4 December 2017. The following feedback was received. However, the contact did not specifically state the address of Bledisloe Car Park and we are currently re-engaging to ensure this clarification is clear. The feedback received on this matter will be presented at the Finance & Performance meeting.

- a) **Te Runanga o Ngāti Whatua**
No feedback received for this site.
- b) **Ngāti Whatua o Kaipara**
No feedback received for this site.
- c) **Ngāti Whatua Ōrākei**
Ngāti Whatua Ōrākei has expressed potential commercial interest in this property.
- d) **Te Kawerau a Maki**
No feedback received for this site.
- e) **Ngāi Tai ki Tāmaki**
No feedback received for this site.
- f) **Ngāti Tamaoho**
No feedback received for this site.
- g) **Te Ākitai - Waiohua**
No feedback received for this site.
- h) **Ngāti Te Ata - Waiohua**
Ngāti Te Ata has expressed a potential commercial interest and a desire to develop the property noting its close proximity to the city centre and future Aotea train station.
- i) **Te Ahiwaru**
No feedback received for this site.
- j) **Ngāti Paoa**
No feedback received for this site.
- k) **Ngaati Whanaunga**
No feedback received for this site.
- l) **Ngāti Maru**
No feedback received for this site.
- m) **Ngāti Tamatera**
No feedback received for this site.
- n) **Patukirikiri**
No feedback received for this site.
- o) **Waikato-Tainui**
No feedback received for this site.