

Property Report, 50 Centreway Road, Orewa

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 which includes the council-owned property at 50 Centreway Road, Orewa (known as Orewa Pacific and Tasman buildings).
2. Consultation with impacted council departments, Hibiscus and Bays Local Board, Panuku Development Auckland and iwi authorities has now taken place. The Hibiscus and Bays Local Board oppose 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 the Corporate Property team's consideration of these points.

Pārongo mō ngā rawa / Property Information

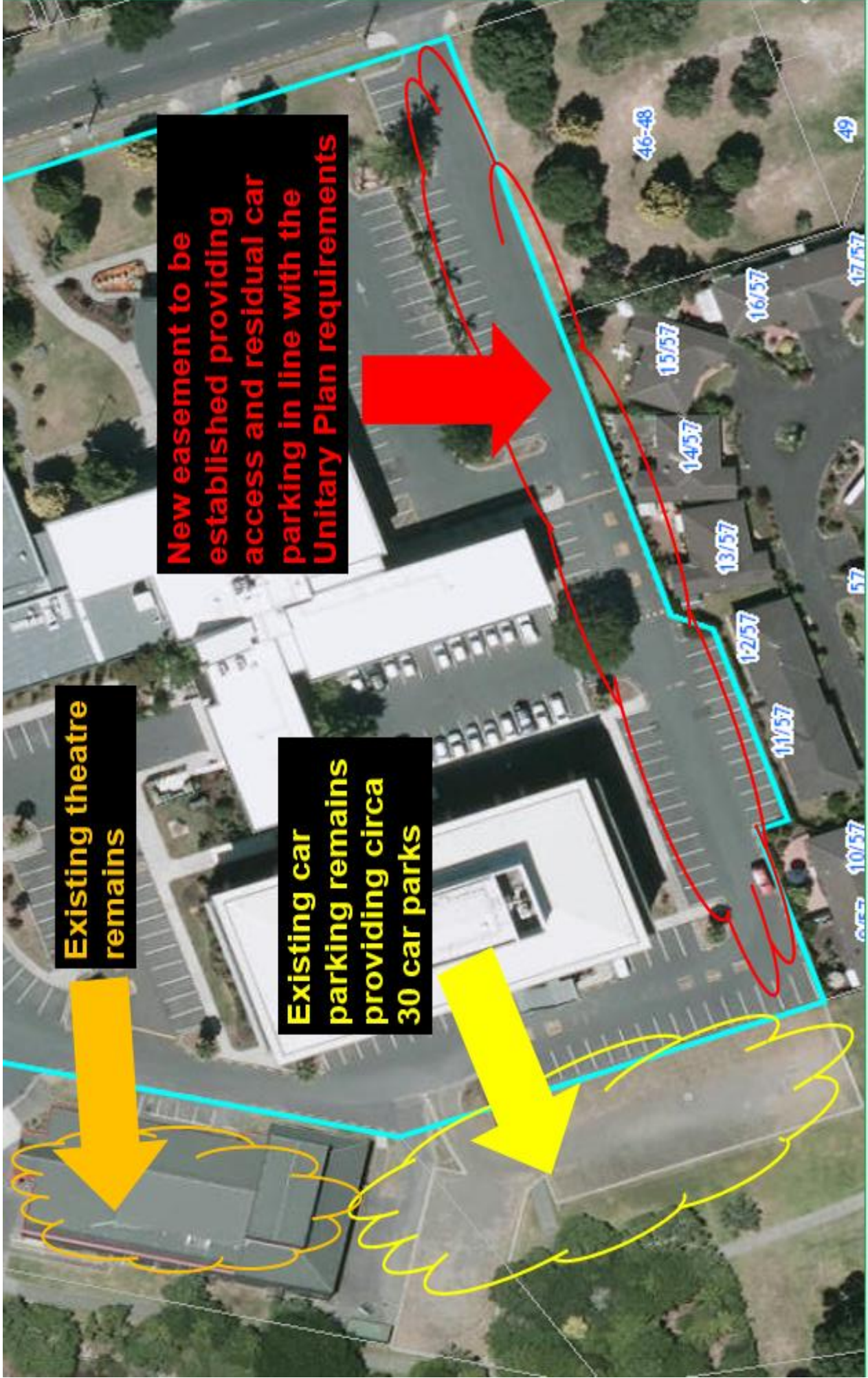
3. 50 Centreway Road, Orewa comprises two buildings known as Pacific and Tasman buildings. The property provides 7,876m² of office accommodation, local board offices and customer service centre on a 19,305m² site.
4. The legal description of 50 Centreway Road, Orewa, comprises an estate in fee simple more or less being Lot 1 DP 147350, contained in computer freehold register NA87D/294.
5. The property was purchased by Rodney County Council in 1974 from the Crown.
6. A portion of the property is subject to section 27B of the State-Owned Enterprises Act 1986 which provides for the resumption of land on the recommendation of the Waitangi Tribunal. Legal advice received is that the risk of the land being acquired and transferred to Maori is likely to be low.
7. The council-owned site at 50 Centreway Road, Orewa is not subject to offer back obligations under section 40 of the Public Works Act 1981.
8. The Auckland Unitary Plan zoning is Mixed Use Zone. It has a 2017 capital valuation of \$28,800,000.

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

9. The Hibiscus and Bays Local Board have been consulted regarding the Corporate Property Portfolio Strategy and the proposed sale of 50 Centreway Road, Orewa at two workshops and a formal report was subsequently prepared for the local board business meeting so that their views could be formalised. Following the business meeting and the local board's feedback, the Corporate Property team attended a local board meeting dated 26 April 2018 to provide further details of the overall Corporate Property Portfolio Strategy as requested by the local board.
10. The Hibiscus and Bays Local Board opposed the proposed disposal of 50 Centreway Road, Orewa at its 21 March 2018 business meeting and noted the following points. The Corporate Property team's response to these points and any proposed actions are noted alongside.

	Local Board Feedback	Corporate Property and Panuku Response / Action
1	The Hibiscus and Bays Local Board requested further information on the full financial implications of the strategy	<p>The full financial implications contained in the business case is commercially sensitive and confidential, including information on net disposal proceeds.</p> <p>However, the Corporate Property team provided significant additional detailed information at the Hibiscus and Bays Local Board meeting dated 26 April 2018 including the following:</p> <ul style="list-style-type: none"> • Further detail on the challenges we are facing across the portfolio in regards to building quality, locations and funding. • Further detail on our solution across the region and in the North and West regarding office, local boards, customer service centres and spoke locations. • Further detail on the benefits and outcome across the region including financial benefit and NPV analysis.
2	The Hibiscus and Bays Local Board wanted confirmation that a purpose built local board office/service centre in the Hibiscus and Bays Local Board area will be operational prior to any sale	<p>The Corporate Property team has been discussing location opportunities with the Community Facilitiesteam for the inclusion of the service centre in a co-located community hub. A 2015 report commissioned by the local board indicated the potential for a re-development of the existing Orewa library site and initial contact with Panuku indicates their willingness to investigate this option under the Optimisation policy to understand the feasibility of the Moana Avenue location for redevelopment. Regardless, the new service centre will be operational prior to any sale and is intended to be closer to the centre of Orewa town.</p>

3	Any location options will be fully discussed with the local board and will meet the local board's operational requirements and needs of servicing the local community prior to any final decision	All location options will be fully discussed with the Hibiscus and Bays Local Board and we will consulting further with the local board on the following matters: <ul style="list-style-type: none"> • The refresh of the current local board office space at Browns Bay • An appropriate location for the new customer service centre in Orewa closer to the town centre • An appropriate location for the new spoke so that operational staff can engage with customers locally and enable meeting space for localboard & council use.
4	Contact should be made with the Waitemata District Health Board regarding the sale	Panuku will make contact with the Waitemata District Health Board should the property be approved for sale to ascertain if it is interested in purchasing the property.
5	Funds received from this disposal will be spent in the local board area	The Corporate Property Portfolio is a regional asset. Sales proceeds from the disposal of 50 Centreway Road, Orewa will be used to implement the wider Corporate Property Portfolio Strategy. However, there will be significant investment locally in the Hibiscus and Bays Local Board and former Rodney Council areas including the following: <ul style="list-style-type: none"> • re-fresh of the Hibiscus and Bays Local Board office space, • new customer service centre in Orewa • new Rodney Local Board office space, • several new Spoke drop in spaces including one in Orewa with public meeting capability • re-fresh of the many currently neglected library and leisure centre back of house staff office spaces.
6	Disposal timing is for a five to six year time period and the disposal strategy is being unduly rushed without all the information being available	Whilst the programme has a six-year time frame, it is imperative that council progresses the strategy due to the financial, programme and operational factors set out in the Corporate Accommodation Disposal Recommendation report.
7	The Hibiscus & Bays Local Board wanted confirmation of the access provisions and car parking facilities to be provided for the Centrestage facility at 60 Centreway Road, Orewa.	The Corporate Property team has provided the attached mark up indicating how the access and parking to Centrestage can be provided for. However, engagement with Centrestage and the Hibiscus & Bays Local Board will be required before confirming the final access and car parking locations



Tauākī whakaaweawe Māori / Māori impact statement

11. Fourteen mana whenua iwi authorities were contacted regarding the potential sale of 50 Centreway Road, Orewa on 4 December 2017. The following feedback was received.
- a) **Ngāti Wai**
No feedback received for this site.
 - b) **Ngāti Manuhiri**
No feedback received for this site.
 - c) **Te Runanga o Ngāti Whatua**
No feedback received for this site.
 - d) **Ngāti Whatua o Kaipara**
No feedback received for this site.
 - e) **Ngāti Whatua Ōrākei**
 - f) Ngāti Whatua Ōrākei has expressed potential commercial interest in this property. Should the property be approved for sale. Panuku will contact Ngāti Whatua Ōrākei regarding any commercial development opportunities
 - g) **Te Kawerau a Maki**
No feedback received for this site.
 - h) **Ngāi Tai ki Tāmaki**
No feedback received for this site.
 - i) **Te Ākitai - Waiohua**
No feedback received for this site.
 - j) **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 beach, park, supermarkets and other amenities. Should the property be approved for sale. Panuku will contact Ngāti Te Ata - Waiohua regarding any commercial development opportunities
 - k) **Ngāti Paoa**
No feedback received for this site.
 - l) **Ngaati Whanaunga**
No feedback received for this site.
 - m) **Ngāti Maru**
No feedback received for this site.
 - n) **Ngāti Tamatera**
No feedback received for this site.
 - o) **Te Patukirikiri**
No feedback received for this site.

Ngā raru tūpono / Risks

12. The property has been assessed against council's Significance and Engagement policy and it was determined that a decision on the proposed disposal is not "significant" as referenced

in the policy. The operational impacts are below the quantitative thresholds for significance. The disposal enables the council to continue to deliver on the well-being of the local area and region and does not negatively impact service levels.

Ngā koringa ā-muri / Next steps

13. If this site is approved for sale, Panuku will negotiate the disposal of the property on behalf of the Corporate Property team. The final terms and conditions would be approved under the appropriate delegations.