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## Komiti ā Pūtea, ā Mahi Hoki / Finance and Performance Committee

### OPEN MINUTES

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Minutes of a meeting of the Finance and Performance Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Tuesday, 15 May 2018 at 9.34am.

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#### PRESENT

<b>Chairperson</b>	Cr Ross Clow	
<b>Deputy Chairperson</b>	Cr Desley Simpson, JP	
<b>Members</b>	Cr Josephine Bartley	
	Cr Dr Cathy Casey	
	Deputy Mayor Bill Cashmore	
	Cr Linda Cooper, JP	
	Cr Chris Darby	Until 4.46 pm, Item C1
	Cr Alf Filipaina	
	Cr Christine Fletcher	
	Mayor Hon Phil Goff, CNZM, JP	
	Cr Richard Hills	
	Cr Penny Hulse	From 9.52 am, Item 6.1
	Cr Mike Lee	From 10.05 am, Item 6.2
	Cr Daniel Newman, JP	
	Cr Sharon Stewart, QSM	Until 10.30 am, Item 6.3
	IMSB Chair David Taipari	From 9.53 am, Item 6.1 Until 4.50 pm, Item C1
	Cr Wayne Walker	
	Cr John Watson	Until 4.46 pm, Item C1

#### ABSENT

	Cr Fa'anana Efeso Collins	
	IMSB Member Terrence Hohneck	
	Cr Dick Quax	For leave of absence
	Cr Greg Sayers	
	Cr Sir John Walker, KNZM, CBE	

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## 1 Apologies

Resolution number FIN/2018/67

MOVED by Chairperson R Clow, seconded by Cr R Hills:

**That the Finance and Performance Committee:**

- a) **accept the apology from Cr E Collins and Cr J Walker for absence, Cr G Sayers for absence on council business, and Cr S Stewart for early departure on council business.**

**CARRIED**

Note: An apology was subsequently received from Cr P Hulse for lateness on council business.

## 2 Declaration of Interest

There were no declarations of interest.

## 3 Confirmation of Minutes

Resolution number FIN/2018/68

MOVED by Deputy Chairperson D Simpson, seconded by Cr L Cooper:

**That the Finance and Performance Committee:**

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 17 April 2018 as a true and correct record.**

**CARRIED**

## 4 Petitions

There were no petitions.

## 5 Public Input

There was no public input.

## 6 Local Board Input

### 6.1 Local Board Input - Franklin Local Board regarding the Corporate Property Portfolio Strategy

*Cr P Hulse joined the meeting at 9.52 am.*

*IMSB Member D Taipari joined the meeting at 9.53 am.*

Mr Andy Baker, Deputy Chair of the Franklin Local Board addressed the meeting in regard to the Corporate Property Portfolio Strategy.

Resolution number FIN/2018/69

MOVED by Chairperson R Clow, seconded by Cr C Fletcher:

**That the Finance and Performance Committee:**

- a) **receive and thank Franklin Local Board Deputy Chair, Andy Baker for his presentation regarding the Corporate Property Portfolio Strategy.**

**CARRIED**

## **6.2 Local Board Input - Papakura Local Board regarding the Corporate Property Portfolio Strategy**

*Cr M Lee joined the meeting at 10.05 am.*

*Cr A Filipaina left the meeting at 10.17 am.*

Mr Brent Catchpole, Chairperson of the Papakura Local Board addressed the meeting in regard to the Corporate Property Portfolio Strategy. Also present were Felicity Auva'a, Deputy Chairperson and Hon. George Hawkins. A PowerPoint presentation has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

Resolution number FIN/2018/70

MOVED by Cr D Newman, seconded by Deputy Mayor BC Cashmore:

**That the Finance and Performance Committee:**

- a) **receive and thank Papakura Local Board Chair, Brent Catchpole for his presentation regarding the Corporate Property Portfolio Strategy.**

**CARRIED**

### **Attachments**

- A 15 May 2018 - Finance and Performance Committee - Item 6.2 - Local Board Input - Papakura Local Board regarding the Corporate Property Portfolio Strategy - presentation

## **6.3 Local Board Input - Hibiscus and Bays Local Board regarding the Corporate Property Portfolio Strategy**

*Cr A Filipaina returned to the meeting at 10.20 am.*

*Cr S Stewart retired from the meeting at 10.30 am.*

Mrs Julia Parfitt, Chairperson of the Hibiscus and Bays Local Board addressed the meeting in regard to the Corporate Property Portfolio Strategy. Also present were Hibiscus and Bays Local Board Members Christina Bettany and Caitlin Watson.

Resolution number FIN/2018/71

MOVED by Cr J Watson, seconded by Cr W Walker:

**That the Finance and Performance Committee:**

- a) **receive and thank Hibiscus and Bays Local Board Chair, Julia Parfitt for her presentation regarding the Corporate Property Portfolio Strategy.**

**CARRIED**

## 7 Extraordinary Business

There was no extraordinary business.

## 8 Notices of Motion

There were no notices of motion.

The meeting adjourned at 10.55 am and reconvened at 11.05 am.

Cr M Lee and IMSB Chair D Taipari were not present.

## 9 Corporate Accommodation Disposal Recommendation, Corporate Property Portfolio Strategy

*Cr M Lee returned to the meeting at 11.08 am.*

*IMSB Chair D Taipari returned to the meeting at 11.10 am.*

*Cr A Filipaina left the meeting at 11.42 am.*

*Cr A Filipaina returned to the meeting at 11.49 am.*

*Cr P Hulse left the meeting at 11.47 am.*

*Cr P Hulse returned to the meeting at 11.52 am.*

*IMSB Chair D Taipari left the meeting at 12.39 pm.*

Note: Changes to the original recommendation were incorporated with the agreement of the meeting, with the addition of clause b).

A PowerPoint presentation has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

An email dated 11 May 2018 from Mr Shane Henderson, Chair of the Henderson-Massey Local Board was tabled. The email has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

MOVED by Chairperson R Clow, seconded by Cr A Filipaina:

That the Finance and Performance Committee:

- a) approve the disposal of the following sites identified in Option 2 – Optimise (as referenced later in this report and the info-graphic attached) that forms the Corporate Property Portfolio Strategy, subject to the satisfactory conclusion of any required statutory processes:
  - i) approximately 4,238m<sup>2</sup> (subject to survey) of land at 4-10 Mayoral Drive, Auckland comprised of an estate in fee simple more or less being the following:
    - 4-8 Mayoral Drive: Lot 15, Lot 18 and Lots 23-25 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.

- ii) approximately 4,841m<sup>2</sup> (subject to survey) of land and associated buildings at 35 Graham Street, Auckland, comprised of an estate in fee simple more or less being Lot 1 DP 47079 and Lot 1 DP 68194 and Part Allotment 9-10 Section 20 Suburbs of Auckland, contained in computer freehold register NA97B/101; and
  - iii) an approximate 7,200m<sup>2</sup> (subject to survey) portion of the overall 16,164m<sup>2</sup> (subject to survey) of land and the associated "Admin" building at 6 Henderson Valley Road, Henderson, comprised of an estate in fee simple more or less being Lot 2 DP 370255, contained in computer freehold register 284768. Note that the residual land area is intended to be sub-divided for the purposes of CRL (approximately 2,100m<sup>2</sup>), retained ownership of the "Civic" building by council (approximately 1,100m<sup>2</sup>), roading and Japanese Gardens to be vested (approximately 5,764m<sup>2</sup>); and
  - iv) approximately 910m<sup>2</sup> (subject to survey) of land and associated buildings at 4 Osterley Way, Manukau, comprised of an estate in fee simple more or less being Part Lot 47 DP 69242, contained in computer freehold register NA67C/986; and
  - v) approximately 19,305m<sup>2</sup> (subject to survey) of land and associated buildings at 50 Centreway Road, Orewa, comprised of an estate in fee simple more or less being Lot 1 DP 147350, contained in computer freehold register NA87D/294; and
  - vi) an approximate 2,550m<sup>2</sup> (subject to survey) portion of the overall approximately 5,059m<sup>2</sup> (subject to survey) of land and associated buildings at 35 Coles Crescent, Papakura, comprised of an estate in fee simple more or less being Allotment 3-4 and Allotment 4A Section 2 Village of Papakura, contained in computer freehold register NA521/186. Note that the residual land area is intended to be sub-divided for the purposes of a reserve containing the historic Centennial House, the time capsule and the playground; and
  - vii) approximately 13,090m<sup>2</sup> (subject to survey) of land and associated buildings at 82 Manukau Road, Pukekohe, comprised of an estate in fee simple more or less being Lot 1 DP 99706, contained in computer freehold register NA54B/1241; and
- b) agree that for each property to be disposed a development framework, outlining future strategic outcomes, be discussed with the respective local board for their feedback and input.
  - c) agree that final terms and conditions be approved under the appropriate delegations.
  - d) approve the ring-fencing of the capital receipts from the divestment of properties to reinvest in a programme of works to create a fit for purpose corporate property network.

*IMSB Chair D Taipari returned to the meeting at 12.48 pm.*

MOVED by Cr D Newman, seconded by Cr C Fletcher an amendment to clause a) vi) by way of replacement:

- iv) that a decision on the Council's ownership of 35 Coles Crescent, Papakura be deferred until November 2018 to enable the Papakura Local Board's commercial development group to complete its masterplan of the Papakura Metropolitan Centre.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr C Fletcher	Cr J Bartley	
Cr M Lee	Cr C Casey	
Cr D Newman	Deputy Mayor BC Cashmore	
Cr W Walker	Chairperson R Clow	
Cr J Watson	Cr L Cooper	
	Cr C Darby	
	Cr A Filipaina	
	Mayor P Goff	
	Cr R Hills	
	Cr P Hulse	
	Deputy Chairperson D Simpson	
	IMSB Member D Taipari	

The amendment was declared LOST by 5 votes to 12.

MOVED by Cr J Watson, seconded by Cr W Walker an amendment to clause a) v) by way of replacement:

- v) that Auckland Council consult with the community to explore all the options that exist for both the disposal and retention of land and buildings at 50 Centreway Road, Orewa.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr C Casey	Deputy Mayor BC Cashmore	Cr J Bartley
Cr C Fletcher	Chairperson R Clow	
Cr M Lee	Cr L Cooper	
Cr D Newman	Cr C Darby	
Cr W Walker	Cr A Filipaina	
Cr J Watson	Mayor P Goff	
	Cr R Hills	
	Cr P Hulse	
	Deputy Chairperson D Simpson	
	IMSB Member D Taipari	

The amendment was declared LOST by 6 votes to 10.

Resolution number FIN/2018/72

MOVED by Chairperson R Clow, seconded by Deputy Mayor BC Cashmore:

**That the Finance and Performance Committee:**

- a) **agree to adjourn the meeting until the conclusion of the Governing Body workshop for mana whenua on Tuesday, 15 May 2018, in the Reception Lounge, Level 2, Auckland Town Hall.**

**CARRIED**

The meeting adjourned at 1.21 pm and reconvened at 3.41 pm.

MOVED by Cr M Lee, seconded by Cr W Walker amendments to clauses a) i) and ii) by way of replacement:

- i) that the sale of 4-10 Mayoral Drive be deferred to enable the Council to complete an appropriate development strategy for this very important strategically located civic property, and until the completion of the City Rail Link (CRL), to enable the Council / ratepayers to capture the maximum commercial benefit from the uplift in property values normally accruing from such city-building infrastructure transport investments.
- ii) that the sale of 35 Graham Street be deferred until consultation is undertaken with the housing / building / property sector and other interested parties.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr C Casey	Cr J Bartley	
Cr C Fletcher	Deputy Mayor BC Cashmore	
Cr M Lee	Chairperson R Clow	
Cr D Newman	Cr L Cooper	
Cr W Walker	Cr C Darby	
Cr J Watson	Cr A Filipaina	
	Mayor P Goff	
	Cr R Hills	
	Cr P Hulse	
	Deputy Chairperson D Simpson	
	IMSB Member D Taipari	

The amendment was declared LOST by 6 votes to 11.

The substantive motion was put.

Resolution number FIN/2018/73

MOVED by Chairperson R Clow, seconded by Cr A Filipaina:

**That the Finance and Performance Committee:**

- a) **approve the disposal of the following sites identified in Option 2 – Optimise (as referenced later in this report and the info-graphic attached) that forms the Corporate Property Portfolio Strategy, subject to the satisfactory conclusion of any required statutory processes:**
  - i) **approximately 4,238m<sup>2</sup> (subject to survey) of land at 4-10 Mayoral Drive, Auckland comprised of an estate in fee simple more or less being the following:**
    - **4-8 Mayoral Drive: Lot 15, Lot 18 and Lots 23-25 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.**
  - ii) **approximately 4,841m<sup>2</sup> (subject to survey) of land and associated buildings at 35 Graham Street, Auckland, comprised of an estate in fee simple more or less being Lot 1 DP 47079 and Lot 1 DP 68194 and Part Allotment 9-10 Section 20 Suburbs of Auckland, contained in computer freehold register NA97B/101; and**



- iii) an approximate 7,200m<sup>2</sup> (subject to survey) portion of the overall 16,164m<sup>2</sup> (subject to survey) of land and the associated “Admin” building at 6 Henderson Valley Road, Henderson, comprised of an estate in fee simple more or less being Lot 2 DP 370255, contained in computer freehold register 284768. Note that the residual land area is intended to be sub-divided for the purposes of CRL (approximately 2,100m<sup>2</sup>), retained ownership of the “Civic” building by council (approximately 1,100m<sup>2</sup>), roading and Japanese Gardens to be vested (approximately 5,764m<sup>2</sup>); and
  - iv) approximately 910m<sup>2</sup> (subject to survey) of land and associated buildings at 4 Osterley Way, Manukau, comprised of an estate in fee simple more or less being Part Lot 47 DP 69242, contained in computer freehold register NA67C/986; and
  - v) approximately 19,305m<sup>2</sup> (subject to survey) of land and associated buildings at 50 Centreway Road, Orewa, comprised of an estate in fee simple more or less being Lot 1 DP 147350, contained in computer freehold register NA87D/294; and
  - vi) an approximate 2,550m<sup>2</sup> (subject to survey) portion of the overall approximately 5,059m<sup>2</sup> (subject to survey) of land and associated buildings at 35 Coles Crescent, Papakura, comprised of an estate in fee simple more or less being Allotment 3-4 and Allotment 4A Section 2 Village of Papakura, contained in computer freehold register NA521/186. Note that the residual land area is intended to be sub-divided for the purposes of a reserve containing the historic Centennial House, the time capsule and the playground; and
  - vii) approximately 13,090m<sup>2</sup> (subject to survey) of land and associated buildings at 82 Manukau Road, Pukekohe, comprised of an estate in fee simple more or less being Lot 1 DP 99706, contained in computer freehold register NA54B/1241; and
- b) agree that for each property to be disposed a development framework, outlining future strategic outcomes, be discussed with the respective local board for their feedback and input.
  - c) agree that final terms and conditions be approved under the appropriate delegations.
  - d) approve the ring-fencing of the capital receipts from the divestment of properties to reinvest in a programme of works to create a fit for purpose corporate property network.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr J Bartley	Cr M Lee	
Cr C Casey	Cr D Newman	
Deputy Mayor BC Cashmore	Cr W Walker	
Chairperson R Clow	Cr J Watson	
Cr L Cooper		
Cr C Darby		
Cr A Filipaina		
Cr C Fletcher		
Mayor P Goff		
Cr R Hills		
Cr P Hulse		
Deputy Chairperson D Simpson		
IMSB Member D Taipari		

The motion was declared CARRIED by 13 votes to 4.

**CARRIED**

Note: Pursuant to Standing Order 1.8.6, the following councillors requested that their dissenting votes be recorded as follows:

- Cr C Casey against clause a) v)
- Cr C Fletcher against clauses a) v) and vi)

#### Attachments

- A 15 May 2018 - Finance and Performance Committee - Item 9 - Corporate Accommodation Recommendation, Corporate Property Portfolio - email from Henderson-Massey Local Board Chair, dated 11 May 2018
- B 15 May 2018 - Finance and Performance Committee - Item 9 - Corporate Accommodation Recommendation, Corporate Property Portfolio - presentation

### 10 Finance and Performance Committee - Information Report - 15 May 2018

Resolution number FIN/2018/74

MOVED by Cr A Filipaina, seconded by IMSB Member D Taipari:

**That the Finance and Performance Committee:**

- a) receive the information report – 15 May 2018.

**CARRIED**

### 11 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

### 12 Procedural motion to exclude the public

Resolution number FIN/2018/75

MOVED by IMSB Member D Taipari, seconded by Deputy Chairperson D Simpson:

**That the Finance and Performance Committee:**

- a) exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

**C1 Matters relating to Council’s guarantee of ASB Loan to Eden Park Trust Board**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).  In particular, the report contains sensitive information, the disclosure of which may disadvantage Auckland Council's position in future negotiations.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

**CARRIED**

4.40pm The public was excluded.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available.

5.31pm The public was re-admitted.

**RESTATEMENTS**

It was resolved while the public was excluded:

**C1 Matters relating to Council’s guarantee of ASB Loan to Eden Park Trust Board**

Resolution number FIN/2018/76

MOVED by Deputy Chairperson D Simpson, seconded by Cr D Newman:

That the Finance and Performance Committee:

- b) agree that the report, attachments and decisions remain confidential, until reasons for confidentiality no longer exist.

5.31 pm The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD  
AT A MEETING OF THE FINANCE AND  
PERFORMANCE COMMITTEE HELD ON

**DATE:**.....

**CHAIRPERSON:**.....