

13.3 Land Purchase - 44 Trafalgar Street**Author:** Susannah Ratahi, Land Transport Manager**Authoriser:** Andrew Dixon, Group Manager Infrastructure

Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in s48(1)(a)(i) of the <i>Local Government Official Information and Meetings Act 1987</i> .
Sub-clause and Reason:	s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Plain English Reason:	To enable Council to carry out commercial or industrial negotiations.

Recommendation

That Council

1. Approves the unbudgeted expenditure of \$40,400 to enable the purchase of 101 square metres of land to be vested as road reserve being lot 3, created via subdivision consent 101.2024.24.1, at 44 Trafalgar Street.
2. That the report and recommendations remain in public excluded until such time as the property purchase is completed.

Purpose of Report

- 1 To obtain Council approval for the unbudgeted purchase of a small parcel of land (101m²) at the front of the property 44 Trafalgar Street. This parcel of land has been subdivided off, as part of a subdivision consent granted by Council on 14 March 2024.

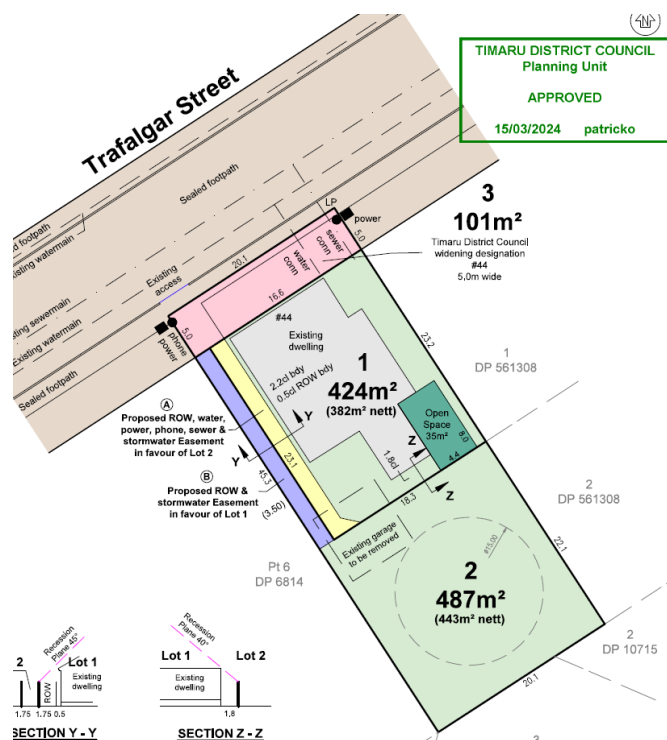
Assessment of Significance

- 2 This matter is considered to be on low significance in accordance with the Timaru District Council Significance and Engagement Policy as the number of people and community interest are low and the financing impact is also low.

Background

- 3 To facilitate future road widening in Trafalgar Street, Timaru, the Council (City of Timaru) imposed a form of designation on the southside of Trafalgar Street, originally in the District Planning Scheme. This intention was carried over into the Operative District Plan as a designation (see map 34, designation 44), which now features in the Proposed District Plan (referred to as TDC-9). A designation is a planning rule which typically enables and protects a future use of land for infrastructure purposes.
- 4 The designation has been in place since the 1960s. This was a legal requirement then as the original road width was narrower than the minimum standard at the time being 20.1 metres.

- 5 Over time Council has obtained ownership of nearly all the designated land area's on the properties frontage on the southern side of the street, with the frontage at 44 Trafalgar Street being the only remaining designated area as shown in Attachment 1.
- 6 The owners of 44 Trafalgar Street sought a subdivision consent to enable the creation of a new residential lot at the back of the property. To give effect to the road widening designation a condition was imposed for the designation area to be subdivided off and vested in Council as road reserve.
- 7 On 15 March 2024 Council granted subdivision consent (consent no. 101.2024.24.1) for the property at 44 Trafalgar Street, and as part of this, lot 3 (pink area in image below) was separated to recognise the designation.



- 8 The owners of 44 Trafalgar Street have provided a valuation (dated 22 October 2024) of lot 3, at \$40,400. Officers consider that the valuation is representative of the current market. The Public Works Act 1981 enables Council to obtain an alternative valuation and seek mediation on the valuations. However, the cost of this process may outweigh any benefit and the final value could be assessed as higher.

Discussion

- 9 The purchase of this property is unbudgeted, and not provided for in the long-term plan. In addition, as this is a land purchase, Council must approve this purchase in accordance with Council policy.
- 10 The house at 44 Trafalgar Street is significantly closer to the proposed newly formed boundary compared to other properties on the street. The existing house will be almost on the road boundary.
- 11 The land can be acquired but not utilised for road widening. Road widening is not required and very unlikely to be required in the future. However, the road reserve is also used for utility services (Power, Water, Drainage, Telecommunications) that have a legal right to install such

services in the road reserve. There is also obligations by Council as road corridor manager to ensure appropriate utility corridors. There is a desire by Council Officers to ensure that utilities are not located in road carriageways as this increases Council's future costs therefore the likely future use of this land is for utility services.

- 12 Following Council purchase a licence to occupy agreement could be issued to allow continued private occupation of the land. This is not a lease and legally can be cancelled at anytime. Utility services will have access if requested for future for underground or above-ground utilities.

Options and Preferred Option

- 13 Officers consider that the only reasonably practicable option is to approve this purchase giving effect to the road widening designation in the District Plan.
- 14 Council has expressed a long-standing commitment to obtaining the property, maintained the designation, and imposed the vesting of this land as a subdivision consent condition. This property acquisition will finalise the designation, and it will no longer be required to be included in a district plan. All other frontages on the south side of Trafalgar Street have been purchased by Council.
- 15 The only alternative would be a complicated, and uncertain revisiting of consent conditions, which is not recommended.

Consultation

- 16 Officers have discussed the matter with the owners of 44 Trafalgar Street. Officers have visited the site, and undertaken a survey of the house frontage and proposed boundary line. This survey shows that the existing house will be within 130mm of the proposed boundary at its closest point.

Relevant Legislation, Council Policy and Plans

- 17 Local Government Act 2002, Resource Management Act 1991, Public Works Act 1981

Financial and Funding Implications

- 18 The \$40,400 is unbudgeted and would need to be either debt funded or funding reallocated from another budget.

Other Considerations

- 19 This is not the only road/street in the District where road reserves are occupied by adjacent landowners. There are many. Officers plan to investigate a policy to ensure that publicly owned assets, which primarily benefit adjacent private properties, are managed fairly. This includes considering opportunities to generate income. A proposed policy would be presented at a future Council meeting for consideration.

Attachments

1. **44 Trafalgar Street Aerial Map**

