



Board Report

Date

Wednesday, 29 March 2017

Time

Commencing at 9.00 am

Venue

Panuku Development Auckland
Level 2, Pier 21 Building,
11 Westhaven Drive, Freemans Bay

Board Agenda

Where: Level 2, Pier 21 Building, 11 Westhaven Drive, Freemans Bay, Auckland

When: Wednesday, 29 March 2017 | 9.00 am – 2:00 pm

Board Members: Richard Aitken – Chair
 Anne Blackburn – Director
 Evan Davies – Director
 Richard Leggat – Director
 Dr Susan Macken – Director
 Paul Majurey – Director
 Mike Pohio – Director
 Martin Udale – Director

In attendance: Roger MacDonald – Chief Executive
 David Rankin – Chief Operating Officer
 Carl Gosbee – Director Corporate Services
 Angelika Cutler – Director Corporate Affairs
 Rod Marler – Director Place and Design
 Ian Wheeler – Director Portfolio Management
 Allan Young – Director Development
 David Gurney – Company Secretary

		Timing
1.	Opening of Meeting 1.1 Apologies 1.2 Directors' Interests 1.3 Directors' Board Meeting Attendance Register 1.4 Minutes of the 22 February 2017 Board meeting (redacted version) 1.5 Public Deputations	9.00am
2.	Chief Executive's Report	9.20am
3.	Decision Papers 3.1 Disposals Recommendations 3.2 Delegated Authorities 3.3 Audit Arrangements Letters 3.4 Total Value Analysis Tool	9.50am
4.	Information Papers 4.1 Wynyard Quarter Key Moves 4.2 Apartment Market Update	10.15am
5.	Procedural Motion to Exclude the Public Put the motion that, pursuant to the provisions of Section 48(1)(a) of the Local Government Official Information & Meetings Act 1987, the public be excluded from the following proceedings of this meeting, so that commercially sensitive issues can be discussed in confidential session.	10.30am
	Morning Tea	10.30am

6.	Confidential matters 6.1 Minutes of the 22 February 2017 Board meeting - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 6.2 Board Action List - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i> 6.3 Discussion of confidential matters in CE Report and Board papers with LGOIMA redactions - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i>	11.30am
7.	Confidential Board Papers (papers which are fully confidential) Decision Papers 7.1 Unlock Henderson – High Level Project Plan - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i> 7.2 Unlock Old Papatoetoe – High Level Project Plan - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i> 7.3 Northcote Business Case - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 7.4 Henderson Valley Road (Wilsher) Business Case - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 7.5 Acquisition of Land for Storm Water and Open Space - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 7.6 Acquisition of Land for Open Space - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 7.7 Avondale, Acquisition - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 7.8 Mount Wellington, Disposal - <i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i> 7.9 Britomart Development - <i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i> Information Papers 7.10 Pile Mooring Information Paper - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i> 7.11 Urban Development Authorities - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i>	12.00pm
8.	Board Committees 8.1 Minutes of the Britomart Committee meeting of 20 March 2017 - <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> 8.2 Minutes of the Audit and Risk Committee meeting of 22 February 2017 (to be circulated separately) - <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i>	12.40pm
9.	General Business	12.45pm
	Lunch	1.00pm

Note: Some information has been withheld from the public under the relevant sections of the Local Government Official Information and Meetings Act 1987 (LGOIMA). Where information is withheld, the relevant section of the LGOIMA is cited. A copy of Section 7 of the LGOIMA, which provides reasons to withhold official information, is attached to the Board papers for reference.

Local Government Official Information and Meetings Act 1987.

7 Other reasons for withholding official information

(1) Where this section applies, good reason for withholding official information exists, for the purpose of [section 5](#), unless, in the circumstances of the particular case, the withholding of that information is outweighed by other considerations which render it desirable, in the public interest, to make that information available.

(2) Subject to [sections 6, 8, and 17](#), this section applies if, and only if, the withholding of the information is necessary to—

(a) protect the privacy of natural persons, including that of deceased natural persons; or

(b) protect information where the making available of the information—

(i) would disclose a trade secret; or

(ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or

(ba) in the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the [Resource Management Act 1991](#), to avoid serious offence to tikanga Maori, or to avoid the disclosure of the location of waahi tapu; or

(c) protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information—

(i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or

(ii) would be likely otherwise to damage the public interest; or

(d) avoid prejudice to measures protecting the health or safety of members of the public; or

(e) avoid prejudice to measures that prevent or mitigate material loss to members of the public; or

(f) maintain the effective conduct of public affairs through—

- (i) the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom [section 2\(5\)](#) applies, in the course of their duty; or
 - (ii) the protection of such members, officers, employees, and persons from improper pressure or harassment; or
- (g) maintain legal professional privilege; or
- (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or
- (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
- (j) prevent the disclosure or use of official information for improper gain or improper advantage.

Directors' Interests at 20 March 2017

Member	Interest	Company/Entity	Conflicts pre-identified?
Richard H Aitken	Chairman	Development Auckland Limited	
	Director	Beca AMEC Ltd	
	Chairman and Employee	Beca Group Ltd	Supplier
	Director	Beca Group Holdings Ltd	
	Director	BGCF Trustee Ltd	
	Director	BGL Custodian Ltd	
	Director	BGL Depository No. 2 Ltd	
	Director	BGL Finance Ltd	
	Director	BGLIR Trustee Ltd	
	Director	BGL Management Share Trustee Ltd	
	Director	BGL Nominees Ltd	
	Director	BGS Trustee Ltd	
	Director	Derceto Trustee Ltd	
	Director	Hopetoun Pitt Ltd	
	Director	Gands Plan Pty Ltd (Australia)	
	Director	John Scotts Investments Ltd	
	Director	TrustPower Ltd	
	Chair	Te Punaha Matatini Advisory Board	
	Trustee	BAS Custodian Trust	
	Trustee	Beca Indemnity Fund Custodian Trust	
	Trustee	BGLIR Custodian Trust	
	Trustee	BGL Custodian Trust	
	Trustee	BGS Custodian Trust	
Trustee and discretionary beneficiary	The Glade Trust		
Trustee	The Sunnybrae Trust		
Trustee	The Waimarama Trust		
M Anne Blackburn	Director	Development Auckland Limited	
	Member	Commercial Operation Advisory Board to the Treasury	
	Director	New Zealand Venture Investment Fund Limited	
	Director	NZVIF Investments Limited	
	Director	Warren & Mahoney Limited	Supplier
Director	Warren & Mahoney Architects Limited	Supplier	

Member	Interest	Company/Entity	Conflicts pre-identified?
	Director	Committee for Auckland Limited	
	Director	Fidelity Life Assurance Company Limited	
	Director	Fisher Funds Management Limited	
	Director	TSB Bank Limited	
	Director	TSB Group Capital Limited	
	Director	TSB Group Investments Limited	
	Director	Ten Gracie Square Limited	
	Director	Wairaka Land Company Limited (Unitec land development subsidiary)	Possible
Evan W Davies	Director	Development Auckland Limited	
	Director	Welch Securities Ltd	
	Director	Paris Magdalinos Architects Ltd	
	Director	Kokako Fames Ltd	
	Director	Todd Property Group Limited and Subsidiaries	
	Director	Todd Property Ormiston Town Centre Ltd	J/V with Panuku
	Trustee	Melanesian Mission Trust	
	Trustee	Anglican Trust for Women and Children	
	Chair	Capital Investment Committee, Nation Health Board	
	Chair	Christchurch Hospital Redevelopment Partnership Board	
	Director	FMS Ltd (Aust)	
Richard I Leggat	Director	Development Auckland Limited	
	Director	New Zealand Post Ltd	
	Deputy Chair	Tourism NZ	
	Director	Education NZ	
	Director	Cycling NZ	
	Member	Union Cycliste Internationale Ethics Commission	
	Chairman	NZ Cycle Trail Incorporated	
	Director	Snowsports NZ	
	Panel Member	NZ Markets Disciplinary Tribunal	
	Director	Trophy Metropolitan Limited	
	Director	Mortleg Ltd	
	Director	Winter Games New Zealand	
Dr Susan C Macken	Director	Development Auckland Limited	
	Director	Treasury Advisory Board	
	Director	Blossom Bear Limited	
	Director	Fertility Associates Trustee Ltd and Associates	
	Director	STG Ltd	
	Deputy Chair	Tāmaki Redevelopment Company Limited	Possible
	Director	Spa Electrics Ltd (Aust)	

Member	Interest	Company/Entity	Conflicts pre-identified?
	Director	FA Ventures One Limited	
	Director	Kiwibank	
Paul F Majurey	Chair	Tūpuna Maunga o Tāmaki Makaurau Authority	
	Chair	Tāmaki Makaurau Community Housing Limited	
	Chair	Mana Whenua & Crown Working Group (Proposed Hauraki Gulf / Tikapa Moana Recreational Fishing Park)	
	Chair	Marutūāhu Rōpū General Partner Limited	
	Chair	Marutūāhu Collective (5 iwi collective)	
	Chair	Hauraki Collective (12 iwi collective)	
	Co-Chair	Sea Change Marine Spatial Plan Project	
	Co-Chair	Tāmaki Healthy Families Alliance	
	Director	Museum of New Zealand Te Papa Tongarewa	
	Director	Development Auckland Limited	
	Director	Pare Hauraki Asset Holdings Limited	
	Director	Taimoana Marine Farms Limited	
	Director	Tikapa Moana Enterprises Limited	
	Director	Pouarua Farm General Partner Limited	
	Director	Ngāti Maru Pouarua Farm Limited	
	Director	Half Moon Bay Venture Limited	
	Director	Atkins Holm Majurey Limited	
	Trustee	Crown Forestry Rental Trust	
	Trustee	Ngāti Maru Rūnanga Trust	
	Trustee	Hauraki Fishing Group	
	Mana Whenua Representative	Hauraki Gulf Forum	
	Tainui Waka Representative	Iwi Working Group (Review of Te Ohu Kaimoana)	
	Chair	Whenuapai Housing General Partner Limited	
Michael E Pohio	Director	Development Auckland Limited	
	Director	National Institute of Water & Atmospheric Research Limited	
	Director	NIWA Vessel Management Limited	
	Director	KiwiRail Limited	
	Chairman	BNZ Partners Waikato	
	Director	Te Atiawa Iwi Holdings	
	Director	Te Atiawa (Taranaki) Holdings Limited	
	Director	TBFree	
	Director	Ospri New Zealand Ltd <ul style="list-style-type: none"> National Animal Identification and Tracing Ltd 	

Member	Interest	Company/Entity	Conflicts pre-identified?
C Martin Udale	Director	Development Auckland Limited	
	Director	Urban Canvas Limited	
	Director	Essentia Consulting Group Limited	
	Director	Fleming Urban Limited	Possible Onehunga development
	Director	Innovation Waikato Limited	
	Director	Paparata Limited	
	Director	Tall Wood Limited	
	Director	Tall Wood Distribution Limited	
	Director	Forest Group Limited	
	Director	Tamaki Redevelopment Company Limited	Possible
	Director	Tamaki Regeneration Limited	
	Council member	Unitec Institute of Technology	
	Director	Waikato Innovation Park Limited	
	Chair	Wairaka Land Company Limited (Unitec land development subsidiary)	Possible
	Trustee	Cardinal Trustees Limited	
	Director	TW Twenty Twenty Limited	
	Director	Hobsonville GP Ltd	
Director	New Ground Living (Hobsonville Point) Limited		

DIRECTORS' MEETING ATTENDANCE REGISTER – 2016-17

	2016						2017
	27 Jul	31 Aug	21 Sep	26 Oct	30 Nov	14 Dec	22 Feb
Sir John Wells	A	✓	✓	✓	✓	NA	NA
R H Aitken	✓	✓	✓	✓	✓	✓	✓
M A Blackburn	✓	✓	✓	✓	✓	✓	✓
E W Davies	✓	✓	✓	✓	A	✓	A
R I Leggat	✓	✓	✓	✓	✓	✓	✓
Dr S C Macken	✓	✓	✓	✓	A	✓	✓
P F Majurey	✓	✓	✓	A	✓	✓	✓
M E Pohio	✓	✓	✓	✓	✓	✓	✓
C M Udale	✓	✓	A	✓	✓	✓	✓

MINUTES OF THE MEETING OF DIRECTORS OF DEVELOPMENT AUCKLAND LIMITED (PANUKU DEVELOPMENT AUCKLAND), HELD AT LEVEL 2, PIER 21 BUILDING, 11 WESTHAVEN DRIVE, AUCKLAND ON WEDNESDAY 22 FEBRUARY 2017 COMMENCING AT 9.00 AM.

ATTENDING		<p>Board: Richard Aitken (Chair), Anne Blackburn, Richard Leggat, Paul Majurey, Mike Pohio, Dr Susan Macken, and Martin Udale.</p> <p>Executive: Roger MacDonald (Chief Executive), Carl Gosbee (Director Corporate Services), Joel Lindsey (Director Capital Partnerships), Rod Marler (Director Placemaking), David Rankin (Director Strategy and Engagement), Ian Wheeler (Director Portfolio Management), Allan Young (Director Development), Angelika Cutler (Manager Governance Relationships), David Gurney (Company Secretary).</p>
APOLOGIES	1-02/17	Evan Davies provided an apology for the meeting.
DECISION PAPER – PROPOSED ACQUISITION, ONEHUNGA	2-02/17	<i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i>
CHIEF EXECUTIVE'S 90 DAY REPORT	3-02/17	<p>The meeting began with a session between the Chief Executive, Roger MacDonald, and the Board.</p> <p>Roger provided his observations on the opportunities for Panuku from his first 90 days in the Chief Executive role. These included:</p> <ul style="list-style-type: none"> • Delivering more short-term projects (quick) along the regeneration journey; • Increasing Panuku's influence across the housing lifecycle; • Identifying proactively surplus properties for disposal across the Council family (to meet the property disposals target); • Partnering closely with other organisations involved in urban regeneration – for example, Hobsonville Land Company, Housing New Zealand, Tamaki Regeneration Company; • Bolstering Panuku's business capability, particularly in project delivery and business development; • Improving accountability through strengthened organisational and staff performance management. <p>To improve project delivery, the Board agreed:</p> <ul style="list-style-type: none"> • That project delivery is "mission critical" for Panuku; • To introduce a stronger project delivery structure, with a Project Sponsor (SLT member) and a Project Director identified for each project; • For large projects, to establish a Project Steering Groups with internal, external and Board membership to oversee project delivery; • To establish a Programme and Project Management Office, to provide support, standardised project management tools and programme advice. <p><i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i></p>

		<p>To bolster capability, the Board agreed with:</p> <ul style="list-style-type: none"> • Establishing a number of senior roles, including: <ul style="list-style-type: none"> ○ Establishing a Chief Operating Officer (COO), with the assignment of David Rankin to this role; ○ Establishing a Director Corporate Affairs; ○ Establishing a Head of Business Development and Capital Partnering, reporting to the COO, with the assignment of Joel Lindsey to this role. <p>The Board noted that there would be some consequential reporting line changes, and slight role changes, to some Tier 3 positions and their teams. All affected Tier 3 staff had been consulted and were supportive of the changes.</p> <p>The Board supported the establishment of a Kaihautu Group, of up to 20 people from across Panuku to focus on innovation and excellence.</p> <p>The Board requested that the Executive action the legal name change for Panuku to Panuku Development Auckland Limited.</p> <p>The Senior Leadership Team joined the meeting at 10:00am.</p>
DIRECTORS' INTERESTS	4-02/17	The Directors' Interests Register was received. Martin Udale, Mike Pohio and Paul Majurey advised they would inform the Company Secretary of changes to their interests.
BOARD ATTENDANCE REGISTER	5-02/17	The Board received the Board Attendance Register.
MINUTES AND ACTION LIST OF THE BOARD MEETING OF 14 DECEMBER 2017	6-02/17	<p>The Board reviewed the Minutes and the Action List, and confirmed the Minutes as a correct record that could be signed by the Chair.</p> <p><i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i></p>
CHIEF EXECUTIVE'S REPORT	7-02/17	<p>The Chief Executive spoke to his report, which was taken as read. The following items were discussed:</p> <ul style="list-style-type: none"> • Pile Mooring Development – <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> • CAB Launch – the launch of the CAB (Civic Administration Building) development by Tawera Group went well. The marketing suites for the development are now open, and Board members were invited to visit them. <i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i> • Site 18 – <i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i> • Vos Yard – the book launch at the Vos Yard was well attended, with over 100 guests and dignitaries, including the Mayor. Questions were asked about the restoration of the Vos shed, and it was noted that in reality, the quality of the building is very poor, with significant asbestos and rotting issues. It was noted that the Vos shed needs to be considered in the wider context of a heritage precinct. <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> • Office Accommodation – <i>Information has been withheld from the public under S7(2(h)) of the LGOIMA.</i> • Health and Safety Report – the Board received the Health and Safety Report. Items noted included: <ul style="list-style-type: none"> ○ Panuku is introducing new Health and Safety software.

		<p>Incidents will be reported using the new system from April 2017. Contractor reporting will be provided by the new system in the 2017/18 year.</p> <ul style="list-style-type: none"> ○ Panuku's Health and Safety Manager, Blair McMichael, has been assisting Tamaki Regeneration Company to strengthen their Health and Safety systems. <ul style="list-style-type: none"> • Risk Update – <i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i> • Approval of Lease – <i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i> <p>The Chief Executive's Report was received.</p>
DECISION PAPER 3.1 – GAUNT STREET, WYNYARD QUARTER, GROUND LEASE	8-02/17	<p><i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i></p> <p><i>Moved Paul Majurey, seconded Martin Udale; CARRIED.</i></p>
DECISION PAPER 3.2 – PROPERTY DISPOSALS RECOMMENDATIONS	9-02/17	<p>The Board received this report. It was noted that the Local Board did not support the sale of 14 Baxter Street, Warkworth, as it felt the site should be retained for town centre car parking purposes; however Auckland Transport confirmed that the site was not need for this.</p> <p>It was RESOLVED THAT the Board approves the recommendation to the Auckland Council Governing Body that the following properties are surplus to Council requirements and should be divested:</p> <ul style="list-style-type: none"> i) 2R Carolyn Street, Papatoetoe ii) 14 Baxter Street, Warkworth <p><i>Moved Susan Macken, seconded Mike Pohio; CARRIED.</i></p>
DECISION PAPER 3.4 – PRIORITY LOCATION MASTER PROGRAMME	10-02/17	<p>Allan Young, Director Development, introduced this paper, which noted a few minor amendments to the overall programme which is tracking generally to plan.</p> <p>It was noted that co-dependencies are coming to the fore, with many projects amendments due to dependencies on others.</p> <p>The Board noted that a simple graph to demonstrate the programme's progress would be useful.</p> <p>It was noted that some projects were delayed to improve business cases. It was noted that this was reputation damaging.</p> <p>It was noted that quick win projects needed to be demonstrated in the programme.</p> <p>It was noted that changes could be made to the programme to inject the urgency in project delivery that the Chief Executive was promoting within Panuku.</p> <p>It was RESOLVED THAT the Board approves the February 2017 Priority Location Master Programme Key Dates, subject to a review of projects to confirm the programme moving forward.</p> <p><i>Moved Richard Aitken, seconded Mike Pohio; CARRIED.</i></p>
DECISION PAPER 3.5 – LETTER OF REPRESENTATION TO AUDIT NZ	11-02/17	<p>Carl Gosbee, Director Corporate Services, introduced this item. Both Carl and the Chief Executive formally assured the Board that Panuku's financial statements and additional supplementary information were correct.</p> <p>It was RESOLVED THAT the Board approves the Letter of Representation for the review of the reporting pack for the six months ended 31 December 2016 for signature by the Chair and the Chief Executive.</p> <p><i>Moved Mike Pohio, seconded Anne Blackburn; CARRIED.</i></p>

DECISION PAPER 7.1 – POPES ROAD, TAKANINI, ACQUISITION	12-02/17	<i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i> <i>Moved Martin Udale, seconded Susan Macken; CARRIED.</i>
INFORMATION PAPER 4.1 – CENTRAL WHARVES AND WYNYARD QUARTER STRATEGIC PLANNING REFRESH	13-02/17	<i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i>
INFORMATION PAPER 4.2 – GRANTS AND DONATIONS QUARTERLY UPDATE	14-02/17	The Board received this report, noting that a review of grants and donations would be done over the next quarter.
INFORMATION PAPER 4.3 – QUARTER TWO 2017/18 REPORT TO COUNCIL	15-02/17	The Quarterly Report was received by the Board.
DECISION PAPER 7.2 – DRAFT STATEMENT OF INTENT 2017-2020	16-02/17	<i>Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.</i> <i>Moved Mike Pohio, seconded Martin Udale; CARRIED.</i>
INFORMATION PAPER 7.3 – TRANSFORM MANUKAU: BARROWCLIFFE PILOT	17-02/17	<i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i>
INFORMATION PAPER 7.4 – TOOLS FOR REGENERATION INFORMATION PAPER 7.5 – URBAN RENEWAL – GREATER SPEED AND SCALE INFORMATION PAPER 7.6 – PROJECTED HOUSING AND GROSS FLOOR AREA SUPPLY INFORMATION PAPER 7.7 – PANUKU DISPOSALS PROGRAMME INFORMATION PAPER 7.8 – PANUKU SUBMISSION ON EAST-WEST LINK	18-02/17	Due to time constraints, these Information Papers were taken as read.
GENERAL BUSINESS		<i>Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.</i>

		The meeting closed at 2.10pm.

READ AND CONFIRMED

_____ **Chairman**

_____ **Date**

Chief Executive's Report to the Board

Document Author	Roger MacDonald - Chief Executive
Contributors	David Rankin – Chief Operating Officer Rod Marler – Design and Place Allan Young – Director Development Ian Wheeler – Director Portfolio Management Carl Gosbee – Director Corporate Services Angelika Cutler – Director Corporate Affairs
Date	29 March 2017

1. Overview

This report provides the Board with a summarised overview of the opportunities and the issues facing the organisation.

This report is a public report, however confidential information is redacted. Where redacted information exists, a reference to the section of the Local Government Official Information and Meetings Act 1987 (LGOIMA) will be cited in the report.

2. Key issues

This section outlines issues that are not otherwise covered by a Decision or Information Paper elsewhere in the agenda and are either:

- Requiring a Board resolution
- Strategically significant issues
- Emerging issues
- Project updates
- Issues relevant to the Council.

2.1 Issues requiring a Board Resolution

2.1.1 Change of Legal Name to Panuku Development Auckland Ltd

Following on from the agreement of the Board last month to change Panuku's legal name to Panuku Development Auckland Ltd, a formal Board Resolution is required to effect the change.

It is therefore **recommended** that the Board:

1. **Approves** the legal name of the company be changed to *Panuku Development Auckland Limited* effective from 30 April 2017;
2. **Agrees** that the Council will be given the opportunity to approve filing an updated constitution if it prefers to reflect the new legal name.

2.2 Strategically significant issues

2.2.1 Transform Tamaki - Panmure sites

Although Panmure Town Centre is not included in the current list of Panuku Priority Development Locations, it is part of the Tamaki Regeneration Area, which is one of Auckland Council's Spatial Priority Areas and a Panuku Transform location.

Panuku will be working with the Tamaki Redevelopment Company and other stakeholders to produce a High Level Project Plan. This will identify potential sources of funding and approval will then be sought from the appropriate boards and committees.

The drivers for this work include the near completion of the Unitary Plan, the proposed significant increase of residential population in the centre's catchment and the designation of AMETI Stage 2A, which will include the signalisation of Panmure Roundabout, planning for the Panmure to Pakuranga Busway and related cycling, walking and streetscape improvements. Panuku will also be managing the redevelopment or disposal of land which AT acquired for Transport oriented development within the broader Town Centre Area. The challenge will be to identify and integrate existing and proposed projects and to improve land use and linkages between the retail, community and service components of the Town Centre with the Panmure station and the land in its environs.

2.2.2 Waterfront Planning and the Central Wharves

In February the Board received a report on waterfront planning and the central wharves, which included an overview of the options that are being assessed for the next phase of infrastructure development to enable cruise industry growth. *[Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.]* The context and options were presented to a workshop of the Planning Committee and Local Board on Friday 10 March.

Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.

Further development of cruise infrastructure is constrained by lack of progress on long-term planning for the port. Advancement of the Ports Futures Study by Auckland Council or their engagement on the options being prepared by PoAL is not clear and will impact on a number of issues across the central wharves and waterfront which puts the delivery of the Central Wharves Framework (including a long term strategy for cruise) in jeopardy.

2.2.3 Unlock Takapuna

An 8,000 signature petition has been presented to the Governing Body and was considered at its meeting on 23 March 2017.

The petition, called "Save the Takapuna Carpark – Home of the Sunday Market", opposes the sale of 40 Anzac Street Takapuna. The petition was started by Devonport-Takapuna Local Board member Jan O'Connor in April 2016 following the Auckland Development Committee decision on 10 March 2016 granting Panuku Development Auckland authority to dispose of a number of properties in Takapuna, including 40 Anzac Street, with the objective of achieving urban renewal and housing. The petition was submitted by spokespersons for the Takapuna Action Group, Trish Deans and Graham Saxon. A briefing for the Mayor and Ward Councillors on the petition has been prepared.

The Governing Body on 23 March 2017 in receiving the petition resolved that it be forwarded to the Chief Operating Officer of Auckland Council and Panuku Development Auckland for consideration as part of the ongoing planning activities in respect of the Takapuna town centre. It also noted that any potential disposal of the relevant land would be subject to public consultation, pursuant to the Local Government Act 2002. The petitioners have been invited to address this meeting.

The Anzac Car Park has the Takapuna Market operating on Sunday mornings. *Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.*

In early 2016 a community reference group was initiated by the Devonport-Takapuna Local Board. It was made up of a wide cross-section of community interests. In February the group

provided to the Local Board recommendations for making Takapuna centre a success. This report is attached in Board Books.

Community engagement for the Unlock Takapuna project is being carried out in conjunction with the engagement for the Hurstmere Road streetscape upgrade project, Hurstmere Road intersection improvements project and the Devonport-Takapuna Local Board Plan. This is to ensure collaboration and shared feedback across the council group and minimise the risk of consultation fatigue for the Takapuna community.

This initial stage of community engagement for Panuku will influence the final Framework Plan and help shape the plans for the development of the Gasometer and Anzac Street sites. Site specific engagement will be undertaken as various components of the project are delivered. This will include wider public engagement and communications with opportunities to engage with the community on specific elements such as the public realm. A copy of the engagement plan is attached in Board Books.

2.2.4 Business Planning

The process by which Panuku prepares a business plan for the new financial year commencing 1 July 2017 is underway. Associated with it is an update of the Panuku strategy. The strategy update does not require a major piece of work. Effectively, through the draft SOI process and the major initiatives flagged in that (as already approved by the Board), we are clear on significant new initiatives in the coming year and further out.

The business planning process will crystallise the SOI initiatives other business priorities, and opportunities for a structured work programme for the organisation.

The Panuku business plan will come to the Board as draft for approval at its June meeting.

2.3 Emerging issues

2.3.1 Gaunt Street, Wynyard Quarter Site

Information has been withheld from the public under S7(2(h)) of the LGOIMA.

2.3.2 Sanford Site – Hamer Street, Wynyard Quarter

Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.

2.3.3 Panuku Asset Sales Programme

In February the Board received an information paper on the growing challenge with meeting the Council asset sales target from next year and beyond. Additionally it noted the growing tension between a revenue maximising approach versus our need to invest in redevelopment/regeneration areas. As invited by the Mayor's office this debate is being progressed by senior Panuku executives with the council CFO and the mayoral office. This is a work in progress but is fundamental to our role and priorities going forward.

2.3.4 CCOs' roles in Urban Development

As flagged at the last Board meeting there is ongoing dialogue with Auckland Transport, led by the Chief Executive, to define respective roles at Auckland Transport and Panuku in different development locations where land currently on Auckland Transport's fixed assets register is involved and/or where the site is being used for car parking in a town centre. These discussions are ongoing.

2.3.5 Whitford Landfill and Quarry Face Issue: Waste Disposal Services (WDS) and Fulton Hogan (FH)

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

2.3.1 Emirates Team New Zealand – lease proposal

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

2.4 Project updates

2.4.1 Takapuna Beach Holiday Park

The Takapuna Beach Holiday is a significant issue given its contested history and as it potentially has links to the wider Unlock Takapuna project and our ongoing relationship-building with the Local Board and other local stakeholder groups, including mana whenua interests.

On the 14 November 2016 the Local Board passed a resolution re-affirming its commitment to an upgraded beach holiday park and campground in its current location and existing footprint (the September 2016 Local Board meeting resulted in a reduced foot print which was reinstated at the November meeting).

Until recently leasing out the park to an external operator has been the preferred approach. In this context there are two broad options for a leasing period, being either a shorter-term (10 years) or a longer term (20 years+) scenario. A 20-year option has been recommended, as this is more likely to allow the new leaseholder/operator to put in the capital investment needed to refresh and fully update the ageing facilities and infrastructure. Currently there is no Council funding set aside for upgrading the facilities. There have been some reservations by the local board to committing to a term greater than 10 years.

As a result of some internal changes within Auckland Council we were requested to fully explore an in house or Council managed option. The Local Board have now been presented with the options at their February meeting and agreed to the long term lease (20 years +) option with an external operator. We are now progressing with council staff and the local board the process under the Reserves Act to approve this use on the reserve. Assuming this is approved an EOI process will be undertaken to find a suitable operator to invest in and manage the holiday park.

2.4.2 20 Barrowcliffe Place, Manukau

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

2.4.3 Civic Administration Building

The developer, Civic Lane Limited, continues to make good progress in its target of achieving an early settlement and purchase and commencement of construction. The Resource Consent application for the CAB has been lodged. It has regular meetings with the regulatory team on heritage issues with an invitation to Heritage New Zealand to participate in this process.

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

The Mayor visited the CAB site and display suites and is very pleased with the progress of sales.

2.4.4 Willis Bond West One LV1

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

2.4.5 Site 18, Beaumont Street, Wynyard Quarter

Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.

2.4.6 Vos Boat Yard, Wynyard Quarter

Information has been withheld from the public under S7(2(b(ii)) of the LGOIMA.

2.4.7 Marine Village

Information has been withheld from the public under S7(2(h)) of the LGOIMA.

2.5 Issues relevant to the Council

2.5.1 Alternative Funding

Information has been withheld from the public under S7(2(h)) of the LGOIMA.

3. Panuku Leaderkit Project Summary

The Leaderkit summary is attached as *Attachment A*. The summaries are withheld from the public under S7(2(b(ii))) of the LGOIMA. The more detailed Leaderkit project reports are included in the Boardbooks Resource Centre for reference by Board members.

4. Financial Summary

The financial dashboard is attached as *Attachment B*. The full Financial Board Report is also included in the Boardbooks Resource Centre for reference by Board members. Both of these reports are withheld from the public under S7(2(b(ii))) of the LGOIMA.

5. Organisational Summary

5.1 Organisational Performance and Structure

As agreed with the Board in February, we launched a new performance framework to all Panuku employees at an all-staff workshop in early-March. The framework requires each person to align with organisational objectives by creating individual performance goals, competencies and development plans. Staff will use the framework in the final quarter of 2016/17 and managers will receive relevant training. The next stage of the project is to consider rewards, in particular, linking remuneration outcomes with performance. This will be completed in time for the start of the new financial year.

Also in March, changes to the Senior Leadership Team structure were implemented. David Rankin has been confirmed as the Chief Operating Officer, providing strategic direction and coordination across the organisation. The following functions have been moved into the Operations Directorate: Business Development, Health and Safety, the Project Management Office, and the newly established function of Corporate Responsibility and Sustainability.

Joel Lindsey has been appointed to the role of Head of Business Development. This role reports to the Chief Operating Officer and in addition to business development will be managing the Housing for Older Persons portfolio for Panuku.

A new role focusing on Risk Management has been established within the Corporate Services Directorate.

Angelika Cutler has been appointed to the new role of Director, Corporate Affairs. This position is accountable for raising the profile of Panuku with stakeholders both internally and externally, and for positioning Panuku as the lead agency for urban regeneration within Auckland. The following functions report in to Corporate Affairs: Communication and Marketing, Stakeholder Engagement, and Investment and International Relationships.

The Panuku Senior Leadership Team is:

- David Rankin – Chief Operating Officer
- Angelika Cutler – Director, Corporate Affairs
- Rod Marler – Director, Design and Place (note title change)
- Allan Young – Director, Development
- Carl Gosbee – Director, Corporate Services
- Ian Wheeler – Director, Portfolio Strategy

Human Resources is represented in the SLT by Monica Ayers, People and Capability Business Partner from Auckland Council.

5.2 Chief Executive's Networks

Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.

5.3 Panuku Office Accommodation

Our change plan for our move to new office accommodation is underway, with the objectives being:

- We're in it together
- Meeting user requirements
- Enhanced team engagement
- Live the brand / embrace the community
- Flexibility for the future

Our work place model including our approach to more flexible ways of working, functional requirements and overall design and look and feel is progressing. The move will represent a key shift in the way that we work to encourage collaboration and flexibility. The new office will have broad areas where each Directorate will be located, but the majority of desks will be unallocated and staff will be free to choose the desk location (and style of working space) each day to best suit match the task at hand. There will be a desk to staff ratio of 0.8 desks : 1 staff.

Information has been withheld from the public under S7(2(h)) of the LGOIMA.

5.4 Health and Safety

The Health and Safety report for February 2017 is included as *Attachment C* to the CE's report.

5.5 Risk Management Framework

Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.

5.6 Portfolio Management Update

5.6.1 Leases for Noting by the Board

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

5.6.2 Acquisitions and Disposals Summary

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

5.7 Media Summary

In early March, a Q&A focused on Roger's first three months at the helm as Panuku CE was first published on www.panuku.co.nz and shared on our social channels (Facebook and Twitter), OurAuckland.co.nz and Roger's LinkedIn. This month Roger was interviewed by Finlay MacDonald for Paperboy. The piece will focus on his vision for Auckland as the CE of the CCO with the mandate to deliver urban regeneration in Auckland.

There was modest interest in Avanda Group's appointment as the housing developer for Stage Two of the Airfields precinct at Hobsonville Point.

A number of our waterfront events received positive coverage including the Silo Slugger, Silo Cinema and Silo Park as part of Auckland Arts Festival. Queens Wharf also received praise as the host of the World Masters Games and held up as an example of the city's readiness to host international events.

5.8 Overseas Travel

5.6.1 Upcoming International Travel

- | | |
|--------------------|---|
| 30 – 31 March 2017 | Stuart Niven travelling Sydney – Auckland – Sydney to attend the Panuku TAG meeting on 31 March 2017. |
| 4 – 8 April 2017 | Rod Marler travelling Auckland – Beijing – Auckland to attend meetings with Fu Wah in respect of the Park Hyatt Auckland hotel. |
| 5 – 11 April 2017 | Allan Young and Don Greenaway are travelling to Guangzhou in China and Hong Kong to meet with Avanda and Bayleys. |
| 5 – 12 April 2017 | Roger MacDonald and John Hong will be travelling to Asia, as follows: <ul style="list-style-type: none"> • 5 – 7 April – Roger, John and Rod will travel to Beijing to meet with Fu Wah and to view final room designs for the Park Hyatt Auckland hotel. He will also be meeting with other potential investors. • 8 – 12 April – Roger and John will travel from Beijing to Hong Kong, where they will be joined by Allan Young and Don Greenaway. In Hong Kong they will be meeting with NZTE, Avanda and other potential investors recommended by Bayleys and Avanda. |

5.6.2 Visit to Brisbane, Australia, by Katelyn Orton, Project Development Director - Waterfront

On her first day in Brisbane, Katelyn visited urban regeneration projects including Bulimba, Northshore Hamilton (including Portside Wharf), New Farm, Newstead, Springfield and Southbank.

Brisbane has strong linkages with its river and a strong marine industry. Bulimba is starting to see the redevelopment of light industrial marine areas into waterfront residential

projects. Hamilton has the combination of waterfront land with bulk fuel storage facilities (currently being removed and remediated by the State Government prior to hand over for development). Fraser has developed an impressive high quality residential product at Hamilton.

Katelyn also visited master planned communities at Springfield with the recently completed town centre and train link, and Forest Lake which was completed in the 1990's. Springfield was recently used as an example of the Property Council Residential Summit as an exemplar master planned community with the integration of rail delivered into the town centre.

A further two days were spent with representatives of Adriane and Orams; one day in Brisbane and a further day on the Gold Coast. Developments were toured which demonstrated the capacity of the consortium behind Orams to deliver commercial and residential developments on a large scale. Over six projects were inspected ranging in scale from six storey residential developments to large apartment towers.

In addition to this, visits were undertaken to view shipyards and gain an understanding of lifting capacity and location. East Coast Marina, Rivergate Ship Yard and Marina, Gold Coast City Marina (and marina precinct) and Sanctuary Cove were visited.

5.9 Board Papers summary

The following points summarise the Board papers that are presented at this Board meeting. The number references beside each point refer to the item number on the Board Agenda.

For the public meeting, the Board papers will be taken as read and questions on each will be answered as part of the Chief Executives Report to the Board. Information withheld from the public under the LGOIMA will be discussed in confidential session.

The **Decision Papers** being considered by the Board are:

- **3.1 Unlock Henderson – High Level Project Plan** – to seek approval of the High Level Project Plan for the Henderson Metropolitan Centre and its surrounds to provide the mandate to progress with detailed communication and engagement, framework planning, and the development realisation process.
- **3.2 Unlock Old Papatoetoe – High Level Project Plan** – to seek approval of the High Level Project Plan for Old Papatoetoe Town Centre to provide the mandate to progress with communications and engagement, investigation of development sites and early place making and activation.
- **3.3 Disposals Recommendations** – to seek approval to recommend to Council the disposal of council-owned properties at:
 - 315A Glengarry Road, Glen Eden
 - 129R Bairds Road, Ōtara
 - Section 1 SO 69059, East Coast Road, Redvale
 - Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks
 - 6 Butler Avenue, Papatoetoe
 - 19 Anzac Road, Browns Bay
 - 10 Felton Mathew Avenue, St Johns
- **3.4 Board Delegated Authority Policy** – to seek approval to amend the Board Delegated Authority Policy relating to increases financial limits for the Chief Executive, HR delegations and changes relating to the recent organisational changes.
- **3.5 Audit Arrangements Letter**– to seek approval for the arrangements letter from Audit New Zealand for the 30 June 2017 annual audit of Panuku's financial statements and performance information.
- **3.6 Total Value Analysis Tool** – to adopt the Total Value Analysis Tool to assist decision making in relation to projects and programmes.

- **7.1 Northcote Business Case** – to seek approval for the Unlock Northcote Business Case, to enable the refinement of the preferred option, to proceed with implementation planning, and to present the business case to the Finance and Performance Committee of Auckland Council.
- **7.2 Henderson Valley Road Business Case** – to seek approval of the Business Case to develop 21-33 Henderson Valley Road.
- **7.3 Acquisition of Land for Stormwater and Open Space**– to seek delegated authority for the Chief Executive to executive an Agreement for Sale and Purchase to acquire a specific piece of land for stormwater and open space.
- **7.4 Acquisition of Land for Open Space**– to seek delegated authority for the Chief Executive to executive an Agreement for Sale and Purchase to acquire a specific piece of land for open space.
- **7.5 Acquisition a Property in Avondale**– to seek approval to acquire a property in Avondale.
- **7.6 Disposal of a Property in Mt. Wellington** – to seek approval to dispose of a property in Mt. Wellington.
- **7.7 Britomart Development** – to seek endorsement of recommendations from the Britomart Board Committee to settle commercial negotiations in respect of the Britomart Precinct.

The **Information Papers** being considered by the Board are:

- **4.1 Wynyard Quarter Key Moves** – provides an update on Wynyard Quarter planning.
- **4.2 Apartment Market Update** - provides an update on current market conditions for high density residential development.
- **7.8 Pile Mooring Development** - provides an update on mana whenua interest in the Pile Mooring development at Westhaven Marina.
- **7.9 Urban Development Authorities** – to outline the key content of the Urban Development Authorities Discussion Document and to obtain the Board's endorsement for staff to provide feedback on this document via a joint Council Group submission.

Attachments

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

Attachment C – Health and Safety Report

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

Decision Paper: Disposals Recommendations

Document Author(s)	Anthony Lewis – Senior Advisor Portfolio Review
Date	14 March 2017

1. Proposal

This paper seeks approval from the Panuku Development Auckland (Panuku) Board for council owned properties to be recommended to the Auckland Council governing body for disposal.

2. Executive summary

The first property presented in this report, 315A Glengarry Road, Glen Eden is vacant land that was reviewed by council’s parks department, as having little quality open space potential and with no strategic purpose to retain. Consultation with council and its CCOs, iwi authorities and the Waitākere Ranges Local Board about this property has been undertaken. No alternative service uses were identified for the subject portion of land through the rationalisation process. The Waitākere Ranges Local Board does not support the proposed disposal of this site on the basis that it may be required for future recreation purposes.

The second property presented in this report, 129R Bairds Road, Ōtara is an unclassified reserve for off-street parking released by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. Consultation with council and its CCOs, iwi authorities and the Ōtara-Papatoetoe Local Board about this property has been undertaken. No alternative service uses were identified for the subject portion of land through the rationalisation process and the feedback received was supportive of the proposed disposal of this property.

The third property presented in this report, Section 1 SO 69059, East Coast Road, Redvale is an unformed stopped road surrounded by the neighbouring rural block. Consultation with council and its CCOs, iwi authorities and the Ōtara-Papatoetoe Local Board about this property has been undertaken. No alternative service uses were identified for the subject portion of land through the rationalisation process and the feedback received was supportive of the proposed disposal of this property.

The fourth group of properties presented in this report, Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks are parcels of stopped road. Consultation about the subject sites has been undertaken with council and its CCOs, iwi authorities and the Rodney Local Board. No alternative service uses were identified for the subject sites through the rationalisation process and the feedback received was supportive of the proposed disposal of the properties.

The fifth property presented in this report, 6 Butler Avenue, Papatoetoe is an off-street car park released by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. Consultation about this property has been undertaken with council and its CCOs, iwi authorities and the Ōtara-Papatoetoe Local Board. No alternative service uses were identified for the subject site through the rationalisation process and the feedback received was supportive of the proposed disposal of the property.

The sixth property presented in this report, 19 Anzac Road, Browns Bay is an off-street car park released by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. Consultation about this property has been undertaken with council and its CCOs, iwi authorities and the Hibiscus and Bays Local Board. No alternative service uses have been identified. The Hibiscus and Bays Local Board does not support the proposed disposal of this site due to the loss of amenity value of the car park to the Browns Bay community.

The seventh property presented in this report, 10 Felton Mathew Avenue, St Johns is vacant land released by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. The subject site has been identified as a potential location for emergency housing. Consultation about this property is currently being undertaken with council and its CCOs, iwi authorities and the Orakei Local Board.

The consultation process undertaken for the subject properties to date, and a technical summary of each property is attached as *Appendix A to G* of this report.

3. Recommendations

It is **recommended** that the Board

1. Approves

- a. The recommendation to the Auckland Council governing body that the following properties are surplus to council requirements and should be divested:
 - i. 315A Glengarry Road, Glen Eden
 - ii. 129R Bairds Road, Ōtara
 - iii. Section 1 SO 69059, East Coast Road, Redvale
 - iv. Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks
 - v. 6 Butler Avenue, Papatoetoe
 - vi. 19 Anzac Road, Browns Bay
 - vii. 10 Felton Mathew Avenue, St Johns

4. Prior Board and Council engagement and decisions

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
NA	NA	NA

5. Discussion

Panuku and the Auckland Council Stakeholder and Community Facilities Land Advisory team jointly work on a comprehensive review of council's property portfolio. One of the outcomes of the review process is to identify properties in the council portfolio that are potentially surplus to requirements and that may be suitable to sell. The subject properties were identified as potentially surplus through this review process.

Once a property has been identified as potentially surplus, Panuku engages with council and its CCO's through an Expression of Interest (EOI) process, to establish whether the property must be retained for a

strategic purpose or is required for a future funded project or public work. The Heritage Unit is invited, prior to the internal consultation process, to raise any particular archaeological issues. The Closed Landfills and Contaminated Land Response team is also asked to assess sites prior to the internal consultation commencing to ensure any possible contamination issues were identified. The internal consultation process provides the Maori Strategy Relations team the opportunity to flag any issue that is of particular relevance to Maori.

Once a property has been internally cleared of any service requirements, Panuku then consults with local boards, mana whenua, the Independent Maori Statutory Board and relevant ward councillors. All sale recommendations must be approved by the Panuku board before a final recommendation is made to Auckland Council's governing body.

Detailed information about the subject properties is provided in *Appendix A to G* of this report.

6. Financial implications

Detailed information about the subject properties is provided in *Appendix A to G* of this report.

7. Implementation

Information about the implementation of the subject properties is provided in *Appendix A to G* of this report.

Document Sign-off

Role	Name	Sign-off Date	Signature
Chief Executive	Roger MacDonald		
Chief Operating Officer	David Rankin		

Appendix A – 315A Glengarry Road, Glen Eden

1. Summary

315A Glengarry Road, Glen Eden is vacant land that was reviewed by council's parks department, as having little quality open space potential and with no strategic purpose to retain. Consultation with council and its CCOs, iwi authorities and the Waitākere Ranges Local Board about this property has been undertaken. No alternative service uses were identified through the rationalisation process. The Waitākere Ranges Local Board does not support the proposed disposal of this site on the basis that it may be required for future recreation purposes.

2. Background

315A Glengarry Road, Glen Eden was vested in the Crown as road reserve upon subdivision of the original parcel of land in 1926. The land was not acquired or held by council for any public work within the meaning of the Public Works Act 1981. It was subsequently vested in Auckland Council pursuant to successive legislation. As a reserve, the site is subject to the Reserves Act 1977.

315A Glengarry Road, Glen Eden was held by the Parks Sports and Recreation department, which reviewed this site and found it had little quality open space potential. Auckland Transport also advised that the property is surplus to AT service requirements. The site was subsequently transferred to Auckland Council Property Limited (now Panuku) for rationalisation.

The Auckland Unitary Plan zoning of this site is Public Open Space – Informal Recreation. It has a 2014 capital value of \$425,000.

315A Glengarry Road, Glen Eden is not subject to the offer back requirements set out in section 40 of the Public Works Act 1981.

3. Internal consultation

The internal consultation for this site commenced in May 2015. No expressions of interest were received during the internal consultation process and no issues were raised.

4. Local board views and implications

Informal engagement was held with the Waitākere Ranges Local Board about 315A Glengarry Road, where the board requested additional time to undertake a site visit and form a view. Further time was provided.

The Waitākere Ranges Local Board subsequently suggested to Panuku it transfer 315A Glengarry Road, Glen Eden to Parks for use as a local park. Panuku liaised with the parks and recreation policy team, which confirmed that this site does not have a high priority rating when assessed against council's parks and open space acquisitions policy and that retention of the subject site would have an impact on budgets intended for high priority open space acquisitions and the development budgets and operational costs for higher value local recreation space.

Panuku held further informal engagement with the Waitākere Ranges Local Board to provide this updated advice before reporting to the board's 23 February 2017 business meeting.

The Waitākere Ranges Local Board resolved that it is opposed to the proposed disposal of 315A Glengarry Road, Glen Eden on the basis that it may be required for future recreation purposes.

5. Iwi feedback

Seven mana whenua iwi authorities were contacted regarding the proposed divestment of 315A Glengarry Road, Glen Eden. The following feedback was received:

- **Te Runanga o Ngāti Whatua**
No site specific feedback received for this site, noting that as per earlier conversations with Te Runanga representatives, it is understood that any cultural significance considerations will be raised at hapū level and that all Ngāti Whatua hapū have been contacted about properties in their rohe.
- **Ngāti Whatua o Kaipara**
No feedback received for this site.
- **Ngāti Whatua o Ōrakei**
No feedback received for this site.
- **Te Kawerau a Maki**
No feedback received for this site.
- **Ngāti Tamaoho**
No feedback received for this site.
- **Te Ākitai - Waiohua**
No feedback received for this site.
- **Ngāti Te Ata - Waiohua**
No site specific feedback received for this site; however Ngāti Te Ata has expressed general cultural interest across Tāmaki Makaurau, has potential commercial interest in any council owned land that comes available for sale in their rohe and notes specific association with the south western area of Auckland, focusing around Manukau and the western coastline.

6. Implementation

The results of the rationalisation process are that this property is not required for current or future service requirements. As such, we recommend that the council owned 315A Glengarry Road, Glen Eden be divested. Should a resolution be obtained from the governing body approving the divestment of this site, we will undertake a disposals process for this site that provides an optimal return to council.

As 315A Glengarry Road, Glen Eden is road reserve subject to the Reserves Act 1977, the reserve status would have to be revoked in under section 24 of the Reserves Act 1977 before any proposed disposal could be completed. A new title for the fee simple land would also need to be issued. It is a Department of Conservation requirement (in accordance with the Reserves Act 1977) that the sale proceeds from reserves are placed in reserve accounts so that funds can be used to acquire other land for reserve purposes or for maintenance of existing reserves.

7. Images



Appendix B – 129R Bairds Road, Ōtara

1. Summary

129R Bairds Road, Ōtara is an unclassified reserve for off-street parking identified by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. Consultation with council and its CCOs, iwi authorities and the Ōtara-Papatoetoe Local Board about this property has been undertaken. No alternative service uses were identified for the subject portion of land through the rationalisation process and the feedback received was supportive of the proposed disposal of this property.

2. Background

129R Bairds Road, Ōtara is a 1,133m² car park that is commonly referred to as the “Kew Lane car park”. This site is held by the Crown through the Department of Conservation as an unclassified reserve for off-street parking subject to the Reserves Act 1977, and vested in the Auckland Council, in trust, for the same purpose. This site originally formed part of a 12 hectare block that was transferred to the Crown and declared Crown Land by a series of Gazette Notices between 1961 and 1962. It was held by the Crown for state housing purposes under the Housing Act 1955. The subject site and another site (which is now known as the Ōtara Town Centre Grounds, which is utilised for the Ōtara Flea Market during the weekends) formed the reserve contribution from the subdivision of the state housing block.

In 1967, this site was declared to be Crown land subject to the Land Act 1948. In 1968, this site was then declared to be reserve for off-street parking under the Reserves and Domains Act 1953 (now the Reserves Act 1977), and vested in the Manukau City Council, in trust, for that purpose. In accordance with section 25(5) of the Reserves Act, the subject site is deemed to have been derived from council, not the Crown.

This site was held by Auckland Transport. Auckland Transport reviewed the site in 2015 as part of a strategic review of its assets. Auckland Transport transferred this site back to Auckland Council Property Limited (now Panuku) after finding it had no strategic reason to retain the site.

If the proposed divestment of this site is to be progressed, the reserve status of the site will need to be revoked. This would require a reason, public notification and local iwi consultation.

The Auckland Unitary Plan zoning of this site is Business – Town Centre. It has a 2014 capital value of \$490,000.

The subject site may be subject to the offer back obligations set out in section 40 of the Public Works Act 1981.

3. Internal consultation

The internal consultation for this site commenced in May 2016. No expressions of interest were received during the internal consultation process and no issues were raised.

4. Local board views and implications

The Ōtara-Papatoetoe Local Board endorsed the proposed disposal of 129R Bairds Road, Ōtara at its 15 August 2016 business meeting.

5. Iwi feedback

11 mana whenua iwi authorities were contacted regarding the potential sale of 129 Bairds Road, Ōtara. The following feedback was received:

- a) **Te Kawerau a Maki**
No feedback received for this site.
- b) **Ngāi Tai ki Tamaki**
Ngāi Tai noted the site to be within an area of cultural significance for Ngāi Tai ki Tamaki.
- c) **Ngāti Tamaoho**
Ngāti Tamaoho has expressed a commercial interest in the property and stated their desire to be kept in the loop on the outcome of the disposal process.
- d) **Te ākitai - Waiohua**
Te Akitai has expressed a commercial interest in the property and noted the proximity of the Ōtara Creek – a place of high cultural significance.
- e) **Ngāti Te Ata – Waiohua**
Ngāti Te Ata has confirmed general cultural interest in this property, and expressed an interest in discussing potential purchase of any council properties that may come available for sale.
- f) **Te Ahiwaru**
Te Ahiwaru confirmed they have no commercial interest in the property but noted that the site in a fully developed area, significantly modified and continued use is suited to the area.
- g) **Ngāti Paoa**
Ngāti Paoa has reinforced their desire to be kept in the loop for property disposals.
- h) **Ngaati Whanaunga**
No feedback received for this site.
- i) **Ngāti Maru**
No feedback received for this site.
- j) **Ngāti Tamatera**
No feedback received for this site.
- k) **Waikato-Tainui**
No feedback received for this site.

6. Implementation

The results of the rationalisation process are that this property is not required for current or future service requirements. As such, we recommend that the council owned 129R Bairds Road, Ōtara be divested. Should a resolution be obtained from the governing body approving the divestment of this site, we will undertake a disposals process for this site that provides an optimal return to council.

As the subject site is a reserve subject to the Reserves Act 1977, should the land be sold the reserve status would have to be revoked. It is a Department of Conservation requirement (in accordance with the Reserves Act 1977) that the sale proceeds from reserves are placed in reserve accounts so that funds can be used to acquire other land for reserve purposes or for maintenance of existing reserves.

This site was vested by the Crown in council as a reserve for reserve purposes. In accordance with section 25(5) of the Reserves Act, it is deemed to have been derived from council, not the Crown. Accordingly, if the reserve status of this site is revoked, the underlying ownership does not revert to the Crown but remains with council in fee simple title. Should this site be divested, council would be entitled to retain the proceeds of sale.

7. Images



Appendix C – Section 1 SO 69059, East Coast Road, Redvale

1. Summary

Section 1 SO 69059, East Coast Road, Redvale is an unformed stopped road surrounded by the neighbouring rural block. Consultation with council and its CCOs, iwi authorities and the Hibiscus and Bays Local Board about this property has been undertaken. No alternative service uses were identified for the subject portion of land through the rationalisation process and the feedback received was supportive of the proposed disposal of this property.

2. Background

Section 1 SO 69059, East Coast Road, Redvale is a 6,521 m² council owned site resulting from the former Rodney District Council agreeing to stop an unformed road that passed through the property now shown as 1575 East Coast Road, Redvale in 1988. The neighbouring property owner had sought consent to subdivide its land and proposed to form a new road with an improved alignment.

The planned subdivision and the disposal did not proceed and Section 1 SO 69059, East Coast Road, Redvale has continued to be occupied as part of the surrounding rural block. The subject site has remained as council freehold land and is not fenced off from the surrounding private land.

The Unitary Plan zoning of Section 1 SO 69059, East Coast Road, Redvale is countryside living. It has a 2014 capital value of \$29,000.

There is no requirement for a stopped road to be offered back to the former owners under section 40 of the Public Works Act 1981.

3. Internal consultation

The internal consultation for this site commenced in February 2016. No expressions of interest were received during the internal consultation process and no issues were raised.

4. Local board views and implications

Informal engagement with the Hibiscus and Bays Local Board was held in February 2017 via a memorandum on the rationalisation process for Section 1 SO 69059, East Coast Road, Redvale. No feedback was received. A report has been submitted to the Hibiscus and Bays Local Board's 15 March 2017 business meeting to provide it with an opportunity to formalise its views.

5. Iwi feedback

Twelve iwi authorities were contacted regarding the potential sale of Section 1 SO 69059, East Coast Road, Redvale. The following feedback was received;

- 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 o ōrākei**
No feedback received for this site.
- d) **Te Kawerau a Maki**
No feedback received for this site.

- e) **Ngāi Tai ki Tāmaki**
No feedback received for this site.
- f) **Te ākitai - Waiohua**
No feedback received for this site.
- g) **Ngāti Te Ata - Waiohua**
No site specific feedback received for this site; however Ngāti Te Ata has expressed general cultural interest across Tāmaki Makaurau, has potential commercial interest in any council owned land that comes available for sale in their rohe and notes specific association with the south western area of Auckland, focusing around Manukau and the western coastline.
- h) **Ngāti Paoa**
No feedback received for this site.
- i) **Ngaati Whanaunga**
No feedback received for this site.
- j) **Ngāti Maru**
No feedback received for this site.
- k) **Ngāti Tamatera**
No feedback received for this site.
- l) **Patukirikiri**
No feedback received for this site.

6. Implementation

The results of the rationalisation process are that this property is not required for current or future service requirements. Due to the nature of the property, if the stopped road is not required for any other public purpose, it could only be sold to the adjoining owner of all the surrounding land.

The adjoining land owner has registered an interest in acquiring the subject site should it be cleared for disposal. This can be explored further should the property be approved for disposal by the governing body.

As such, we recommend that the council owned Section 1 SO 69059, East Coast Road, Redvale be divested.

Should a resolution be obtained from the governing body approving the divestment of this site, we will undertake a disposals process for this site that provides an optimal return to council.

7. Images



View towards Section 1 SO 69059, East Coast Road, Redvale from East Coast Road.



View towards Section 1 SO 69059, East Coast Road, Redvale from East Coast Road.

Appendix D – Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks

1. Summary

Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks are parcels of stopped road. Consultation about the subject sites has been undertaken with council and its CCOs, iwi authorities and the Rodney Local Board. No alternative service uses were identified for the subject sites through the rationalisation process and the feedback received was supportive of the proposed disposal of the properties.

2. Background

In 1975 the former Rodney County Council undertook a realignment of Woodcocks Road, which resulted in 21 separate parcels of road being stopped. 11 of these parcels were subsequently sold to adjoining landowners, whilst the other 10 remained in Auckland Council ownership.

Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks are individual parcels of land that were formed following the road stopping process. Site specific detail of each site is set out below:

Legal Description	Title	Area
Allotment 136 Ahuroa Parish	NA28A/1422	981m ²
Allotment 137 Ahuroa Parish	NA28A/1423	1461m ²
Allotment 138 Ahuroa Parish	NA28A/1424	4127m ²
Allotment 139 Ahuroa Parish	NA28A/1425	3,465m ²
Allotment 140 Ahuroa Parish	NA28A/1426	837m ²
Allotment 141 Ahuroa Parish	NA28A/1427	1042m ²
Allotment 147 Kourawhero Parish	NA28A/1412	43m ²

Allotments 136, 138, 140 and 141 Ahuroa Parish all adjoin land held in a single title and the adjoining owner wishes to purchase them. Allotment 137 is on the opposite side of the road but adjoins a severance of the same title. The adjoining landowner is constructing a house and informal approval has been given to the owners to site a driveway on Allotment 137 in anticipation of the titles ultimately being amalgamated.

Given Allotments 136, 137, 138, 140 and 141 Ahuroa Parish, Woodcocks Road were being rationalised following the enquiry from the adjoining landowner about purchasing the parcels of land, Panuku and the Council's Stakeholder and Land Advisory team in Community Facilities team decided to also rationalise Allotments 139 Ahuroa Parish and 147 Kourawhero Parish to ascertain if they could also potentially be disposed of.

The Auckland Unitary Plan zoning for the subject sites is vacant land. The subject sites have a combined 2014 capital value of \$180,000.

The offer back obligations set out in section 40 of the Public Works Act 1981 do not apply to the subject sites as they are parcels of stopped road.

3. Internal consultation

The internal consultation for this site commenced in June 2016. No alternative uses were identified for Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks.

4. Local board views and implications

Informal engagement has been undertaken with the Rodney Local Board regarding the proposed disposals. At its 8 August 2016 meeting, the Rodney Local Board considered a report on disposal recommendations for the subject sites and resolved to defer the decision until such time as the Rodney Greenways Plan had been completed. Panuku liaised with council's parks department and confirmed that the subject sites are not included in the Warkworth, Omaha and Mahurangi Greenways project area. Panuku provided this advice to the Rodney Local Board at a workshop in February 2017. A report has been submitted to the Rodney Local Board's 16 March 2017 business meeting to provide it with an opportunity to formalise its views.

5. Iwi feedback

14 mana whenua iwi authorities were contacted regarding the potential sale of Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks. The following feedback was received:

- a) **Ngāti Wai**
No feedback received for the sites.
- b) **Ngāti Manuhiri**
No feedback received for the sites.
- c) **Te Runanga o Ngāti Whatua**
Te Runanga has confirmed their interest in the area of proposed development. No site specific feedback received for the sites, noting that as per earlier conversations with Te Runanga representatives, it is understood that any cultural significance considerations will be raised at hapū level and that all Ngāti Whatua hapū have been contacted about properties in their rohe.
- d) **Te Uri o Hau**
No feedback received for the sites.
- e) **Ngāti Whatua o Kaipara**
Ngāti Whatua o Kaipara has confirmed potential commercial interest in the sites, particularly for 139 Woodcocks Road. Ngāti Whatua o Kaipara have expressed an interest in discussing potential purchase of this property when and if it may become available for sale.
- f) **Ngāti Whatua o Orakei**
No feedback received for the sites.
- g) **Te Kawerau a Maki**
No feedback received for the sites.
- h) **Ngāi Tai ki Tāmaki**
Ngāi Tai ki Tāmaki has confirmed they have no further interest in the Woodcocks Road properties.
- i) **Te Akitai-Waiohua**
No feedback received for the sites.
- j) **Ngāti Te Ata-Waiohua**
Ngāti Te Ata has expressed general cultural interest across Tāmaki Makaurau, has potential interest in any council owned land that comes available for sale in their rohe and notes specific

association with the south western area of Auckland, focusing around Manukau and the western coastline.

k) Ngāti Paoa

Ngāti Paoa has reinforced their desire to be kept in the loop for property disposals.

l) Ngāti Whanaunga

No feedback received for the sites.

m) Ngāti Maru

No feedback received for the sites.

n) Ngāti Tamatera

No feedback received for the sites.

6. Implementation

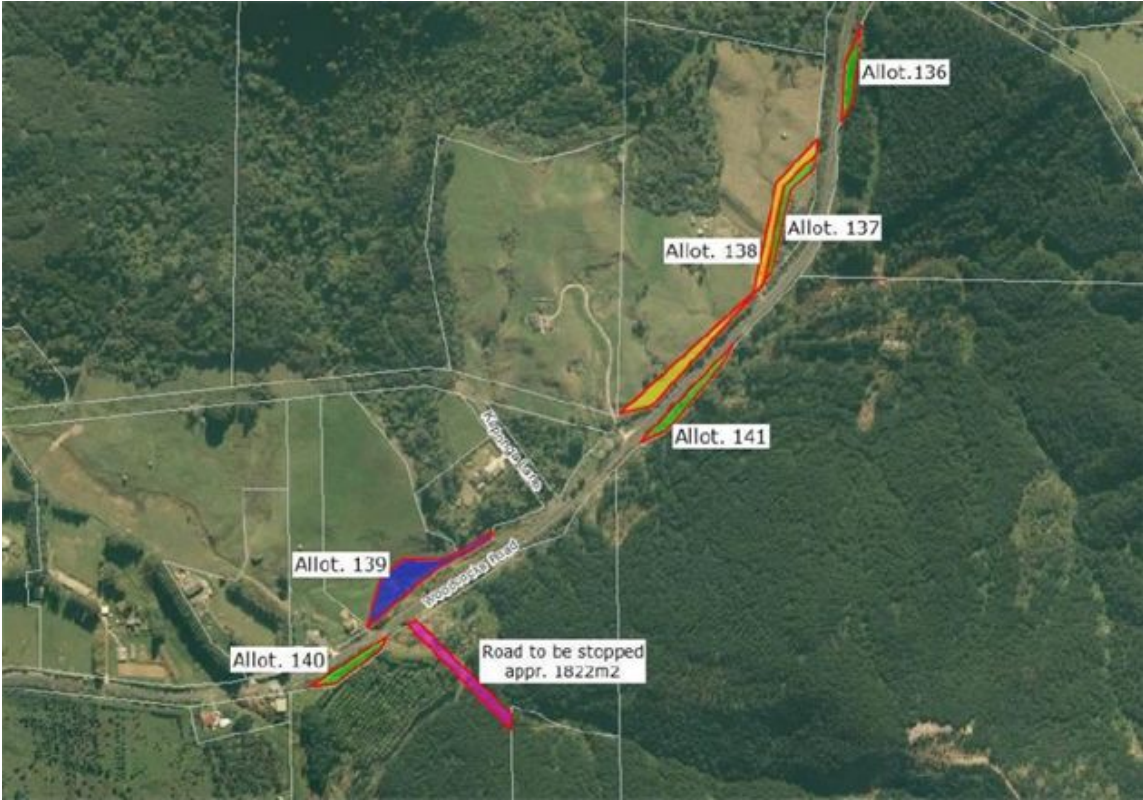
The results of the rationalisation process are that the properties are not required for current or future service requirements.

An adjoining land owner has registered an interest in acquiring most of the subject sites should they be cleared for disposal. This can be explored further should the properties be approved for disposal by the governing body.

As such, we recommend that the council owned Allotments 136, 137, 138, 139, 140 and 141 Ahuroa Parish and 147 Kourawhero Parish, Woodcocks Road, Woodcocks be divested. Should a resolution be obtained from the governing body approving the divestment of the sites, we will undertake a disposals process for the sites that provides an optimal return to council.

Due to the size, shape and nature of the subject sites there are limited possibilities to utilise them for other purposes, and if they were to be divested, they could likely only be sold to an adjoining landowner.

7. Images





Appendix E – 6 Butler Avenue, Papatoetoe

1. Summary

The Council owned property at 6 Butler Avenue, Papatoetoe is an off-street car park identified by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. Consultation about this property has been undertaken with council and its CCOs, iwi authorities and the Ōtara-Papatoetoe Local Board. No alternative service uses were identified for the subject site through the rationalisation process and the feedback received was supportive of the proposed disposal of the property.

2. Background

6 Butler Avenue, Papatoetoe is an 860m² council-owned site that was acquired by the former Papatoetoe City Council for the purpose of a carpark development in 1983. Land held for parking purposes is a public work within the meaning of the Public Works Act 1981.

6 Butler Avenue, Papatoetoe was managed by Auckland Transport (AT) as part of their car parking network. In 2015, the AT Board resolved that it was no longer required for AT's infrastructure purposes. 6 Butler Avenue, Papatoetoe was subsequently transferred to Panuku for rationalisation.

The rationalisation for the subject site has been prioritised due to concerns raised with Panuku by the Ōtara-Papatoetoe Local Board, the local community, New Zealand Police and neighbouring property owners regarding anti-social behaviour and crime associated with the property.

The Unitary Plan zoning of 6 Butler Avenue, Papatoetoe is residential-mixed use urban zone. It has a 2014 capital value of \$465,000.

There is no requirement for 6 Butler Avenue, Papatoetoe to be offered back to the former owners under section 40 of the Public Works Act 1981.

3. Internal consultation

The internal consultation for this site commenced in November 2016. No alternative uses were identified for 6 Butler Avenue, Papatoetoe.

4. Local board views and implications

Informal engagement has been undertaken with the Ōtara-Papatoetoe Local Board regarding 6 Butler Avenue, Papatoetoe in February 2017. The feedback received is that the Ōtara-Papatoetoe Local Board supports the proposed divestment of the subject site given the long standing concerns regarding community safety issues associated with the property.

A report has been submitted to the Ōtara-Papatoetoe Local Board 21 March 2017 business meeting to provide it with an opportunity to formalise its views.

5. Iwi feedback

12 iwi authorities were contacted regarding the potential sale of 6 Butler Avenue, Papatoetoe. The following feedback was received:

a) Te Runanga o Ngāti Whatua

No site specific feedback received for this site, noting that as per earlier conversations with Te Runanga representatives, it is understood that any cultural significance considerations will be raised at hapū level and that all Ngāti Whatua hapū have been contacted about properties in their rohe.

- b) **Te Kawerau a Maki**
No feedback received for this site.
- c) **Ngāi Tai ki Tāmaki**
Ngāi Tai ki Tāmaki has drawn attention to their recent settlement and signaled an increased interest in council owned property that may come available for sale in their rohe.
- d) **Ngāti Tamaoho**
No feedback received for this site.
- e) **Te ākitai - Waiohua**
No feedback received for this site.
- f) **Ngāti Te Ata - Waiohua**
No site specific feedback received for this site; however Ngāti Te Ata has expressed general cultural interest across Tāmaki Makaurau, has potential commercial interest in any council owned land that comes available for sale in their rohe and notes specific association with the south western area of Auckland, focusing around Manukau and the western coastline.
- g) **Te Ahiwaru**
No feedback received for this site.
- h) **Ngāti Paoa**
Ngāti Paoa has reinforced their desire to be kept in the loop for property disposals.
- i) **Ngaati Whanaunga**
No feedback received for this site.
- j) **Ngāti Maru**
No feedback received for this site.
- k) **Ngāti Tamatera**
No feedback received for this site.
- l) **Waikato-Tainu**
Waikato-Tainui signaled both cultural and commercial interest in the site and recommended any development align with the Waikato-Tainui Environmental Plan including consultation with marae.

6. Implementation

The results of the rationalisation process are that this property is not required for current or future service requirements.

A neighbouring property owner has indicated interest in purchasing the property and installing security measures should the subject site be approved for divestment.

As such, we recommend that the council owned 6 Butler Avenue, Papatoetoe be divested. Should a resolution be obtained from the governing body approving the divestment of this site, we will undertake a disposals process for this site that not only provides an optimal return to council, but to also assist in resolving the long term anti-social behaviour and crime associated with the property.

7. Images



Appendix F – 19 Anzac Road, Browns Bay

1. Summary

The Council owned property at 19 Anzac Road, Browns Bay is an off-street car park identified by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. Consultation about this property has been undertaken with council and its CCOs, iwi authorities and the Hibiscus and Bays Local Board. No alternative service uses have been identified. The Hibiscus and Bays Local Board does not support the proposed disposal of this site due to the loss of amenity value of the car park to the Browns Bay community.

2. Background

19 Anzac Road, Browns Bay is a 952m² site that was originally part of a larger 1,037m² site that was acquired by the East Coast Bays City Council in 1977 for car parking purposes. In 2015, council provided consent (at the request of Auckland Transport) for 85m² of the original site to be declared road pursuant to section 114 of the Public Works Act 1981. A gazette notice declaring 85m² to be road was subsequently registered against the previous title and a new title was issued for the balance of the land. The balance of 19 Anzac Road forms the subject site, and is the subject of the rationalisation process.

The subject site is formed and utilised as a car park. Historically it was not designated as a car park under the North Shore District Plan nor does it have a car parking designation in the Auckland Unitary Plan.

In 2015, the Auckland Transport Board declared 19 Anzac Road, Browns Bay surplus to Auckland Transport's service requirements and the site was subsequently transferred to Panuku.

The Unitary Plan zoning of 19 Anzac Road, Browns Bay is Town Centre Browns Bay. It has a 2014 capital valuation of \$950,000.

This site is subject to the offer back obligations set out in section 40 of the Public Works Act 1981 if it is no longer required for the public work for which it was acquired and held, and is not required for any other public work. However, an exemption is likely to apply due to the significant change in the character of the property as a result of the public work (being the car park) for which it was acquired and held. This will need to be confirmed under appropriate delegation if the property is approved for disposal.

3. Internal consultation

The internal consultation for this site commenced in August 2015. No alternative uses were identified for 19 Anzac Road, Browns Bay.

4. Local board views and implications

Informal engagement has been undertaken with the Hibiscus and Bays Local Board regarding 19 Anzac Road, Browns Bay. The board raised concerns regarding the loss of the amenity value to the community if 19 Anzac Road, Browns Bay is disposed of. The board also requested Auckland Transport review its' decision about no longer requiring this site.

Panuku raised these concerns with Auckland Transport, which confirmed that it no longer requires 19 Anzac Road, Browns Bay. Subsequent meetings and discussions were held with the Hibiscus and Bays Local Board to address concerns raised by the board. To mitigate the loss of amenity value of the car park to the Browns Bay community, Panuku will explore disposal options that involve the property remaining a car park should this property be approved for disposal.

A report has been submitted to the Hibiscus and Bays Local Board's 15 March 2017 business meeting to provide it with an opportunity to formalise its views.

5. Iwi feedback

Fourteen iwi authorities were contacted regarding the potential sale of 19 Anzac Road, Browns Bay. 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 site specific feedback received for this site, noting that as per earlier conversations with Te Runanga representatives, it is understood that any cultural significance considerations will be raised at hapū level and that all Ngāti Whatua hapū have been contacted about properties in their rohe.
- d) **Ngāti Whatua o Kaipara**
Ngāti Whatua o Kaipara has confirmed their focus on interests in the north west of Tāmaki Makaurau, with a particular focus on Helensville. They may have potential commercial interest in this site.
- e) **Ngāti Whatua o ōrākei**
Ngāti Whatua ōrākei has expressed potential commercial interest in this site.
- f) **Te Kawerau a Maki**
Te Kawerau a Maki has expressed potential commercial interest in this site.
- g) **Ngāi Tai ki Tāmaki**
Ngāi Tai ki Tāmaki has drawn attention to their recent settlement and signaled an increased interest in council owned property that may come available for sale in their rohe.
- h) **Te ākitai - Waiohū**
Te ākitai has expressed potential commercial interest in this site.
- i) **Ngāti Te Ata - Waiohū**
No site specific feedback received for this site; however Ngāti Te Ata has expressed general cultural interest across Tāmaki Makaurau, has potential commercial interest in any council owned land that comes available for sale in their rohe and notes specific association with the south western area of Auckland, focusing around Manukau and the western coastline.
- j) **Ngāti Paoa**
Ngāti Paoa has reinforced their desire to be kept in the loop for property disposals.
- k) **Ngāti Whanaunga**
No feedback received for this site.
- l) **Ngāti Maru**
Ngāti Maru stated the site is of spiritual and cultural importance to Ngāti Maru and expressed a strong desire to explore the purchase of this site should it become available for sale.
- m) **Ngāti Tamatera**
No feedback received for this site.
- n) **Patukirikiri**
No feedback received for this site.

6. Implementation

The results of the rationalisation process are that this property is not required for current or future service requirements.

Given 19 Anzac Road, Browns Bay is currently formed as a carpark, disposal options to ensure that the amenity value of the car park is not lost to the Browns Bay community will be investigated if this property is approved for disposal. Foodstuffs have approached Panuku expressing an interest in purchasing this property and continuing to use it as a car park for its adjacent New World store. This option would minimise the loss of amenity value to the community and can be explored further should the property be approved for disposal by the governing body.

7. Images





Appendix G – 10 Felton Mathew Avenue, St Johns

1. Summary

The Council owned property at 10 Felton Mathew Avenue, St Johns is vacant land released by Auckland Transport as not required for future service needs as it holds no strategic purpose to retain. The subject site has been earmarked for emergency housing. Consultation about this property is currently being undertaken with council and its CCOs, iwi authorities and the Orakei Local Board.

2. Background

10 Felton Mathew Avenue, St Johns is an 1158m² site originally acquired by the Auckland Regional Authority in 1972 for the purpose of a future South-Eastern Motorway. Although the original designation over the land was removed in the 1980's, the property continued to be retained for future roading purposes.

In 2015, the subject site at 10 Felton Mathew Avenue, St Johns was considered by Auckland Transport and New Zealand Transport Authority as an additional access point to the Glen Innes to Tamaki Drive Shared Path project. In February 2017, the Auckland Transport Board resolved that it was no longer required for Auckland Transport's infrastructure purposes. 10 Felton Mathew Avenue, St Johns was subsequently transferred to Panuku for rationalisation.

The rationalisation process for the subject site has been prioritised as 10 Felton Mathew Avenue, St Johns has been earmarked for emergency housing purposes. In order for the subject site to be utilised for that purpose, a clearance for disposal by April 2017 has been requested.

The Unitary Plan zoning of 10 Felton Mathew Avenue, St Johns is residential mixed housing suburban, which means the land could deliver three or more dwellings as a restricted discretionary activity. It has a 2014 capital value of \$900,000.

10 Felton Mathew Avenue, St Johns would likely trigger offer back obligations under section 40 of the PWA 1981 if it is no longer required for the public work for which it was acquired, or held, being future roading, and if it is not required for any other public work or exchange under section 105 of the PWA. In this instance, the land is required for another public work (housing), so a transfer to Housing New Zealand under s50 of the PWA is anticipated.

3. Internal consultation

The internal consultation for this site commenced in March 2017.

4. Local board views and implications

Informal engagement has been scheduled with the Orakei Local Board on 23 March 2017 regarding the proposed disposal.

5. Iwi feedback

Relevant iwi authorities have been contacted regarding the potential sale of 10 Felton Mathew Avenue, St Johns. The results of that consultation are not currently available.

6. Implementation

10 Felton Mathew Avenue, St Johns has been identified by Panuku as suitable for emergency housing purposes with the potential to deliver several dwellings on site. Panuku will recommend that the council owned 10 Felton Mathew Avenue, St Johns be transferred to Housing New Zealand for emergency housing purposes at market value.

7. Images



View towards 10 Felton Mathew Avenue, St Johns from St Johns Road.



View towards 10 Felton Mathew Avenue, St Johns.

Decision Paper: Board Delegated Authority Policy

Document Author(s)	Maxine Waugh – Manager Business Systems and Processes Carl Gosbee – Director Corporate Services
Date	20 March 2017

1. Proposal

The purpose of this paper is to seek Board approval for amendments to the Board Delegated Authority Policy.

2. Executive summary

It has been requested to amend certain aspects of the Board Delegated Authority, including:

- an increase to the financial limits for the Chief Executive on operating and capital expenditure
- changes to delegations regarding HR activities and remuneration in line with Auckland Council recommendations
- recent changes to the organisation structure
- delegations to utilise the Strategic Development Fund (SDF) and Development Fund (DF) within the managed portfolio.

Amendments to the policy are as per **Attachment A** with track changes.

3. Recommendations

It is **recommended** that the Board

1. **Approves** the track changes to the Board Delegated Authority Policy.

4. Prior Board and Council engagement and decisions

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
28 October 2015	Board Delegated Authority Policy Amendments decision paper	Adopted Policy with requested amendments to 'establishment' Policy
25 May 2016	Grants and Donations Policy decision paper	Approved amendments to CE delegated authority with Grants and Donation Policy
14 December 2016	Board Delegated Authority Policy Amendments decision paper	Approved amendment to CE delegation up to \$3 million for Property Development on the managed portfolio.

Document Sign-off

Role	Name	Sign-off Date	Signature
Chief Executive	Roger MacDonald		
Director Corporate Services	Carl Gosbee		

BOARD DELEGATED AUTHORITY POLICY

Application:	All Directors and Staff of Panuku Development Auckland (Panuku)
Date of issue:	1 September 2015
Revisions:	14 October 2015, 25 May 2016, 14 December 2016, <u>16 March 2017</u>
Date of Board approval:	14 December 2016
Issued by:	The Board of Directors

1. Purpose and definitions

1.1. Background

The Board Delegated Authority Policy embodies the Purpose, the Role, and the Objectives for Panuku Development Auckland as set out in the Constitution, Accountability Policy and Auckland Council CCO Governance Manual.

Delegation Instruments exist whereby the Chief Executive, Auckland Council, delegates his powers and duties under the Public Works Act (PWA) and Local Government Act (LGA) to Panuku, in order to acquire and dispose of land on behalf of Auckland Council and/or Auckland Transport. These delegations do not form part of this policy.

1.2. Purpose

The purpose of this policy is to define Board Delegated Authority within the organisation and provide guidelines on its application.

It is to be read and applied in conjunction with the Chief Executive Delegated Financial Authority Policy. For the avoidance of doubt and in the case of any inconsistencies, this policy prevails.

Each Director and staff member is responsible for ensuring they understand and comply with the authority delegated to them.

This policy covers:

- General responsibilities for the use of Delegated Authority
- Policy, strategy and planning authority
- Authority for the managed portfolio
- Authority for capital expenditure, contracts and leases
- Authority for expenditure commitment and approvals for payment
- Other general authorities

1.3. Definitions

Panuku Development Auckland (Panuku) means Development Auckland Limited and any subsidiary and any Trust under the control of Development Auckland Limited.

Expenditure Commitment is the point where liability is incurred on behalf of the company, for example, the issue of a Purchase Order to a supplier.

Managed portfolio means land, property and projects managed and controlled by Panuku Development Auckland, where ownership of those assets remains with Auckland Council or Auckland Council Organisations.

Capital expenditure includes:

- Expenditure and projects allocated to Panuku from Auckland Council or council organisations to be managed and controlled by Panuku; and/or on land owned by Panuku e.g. in Wynyard Quarter, Westhaven
- Property acquisitions and disposals carried out on behalf of Auckland Council or council organisation
- Asset renewals for Panuku-owned property and assets, and/or for the managed property portfolio
- Development projects
- Furniture, fittings and office equipment acquired for Panuku operations.

Senior Leadership Team means all those managers that report directly to the CE (referred to as Tier 2 managers):

- ~~Director of Strategy & Engagement~~ Chief Operating Officer
- ~~Director Corporate Affairs~~
- Director ~~of Place Shaping~~ Design and Place
- Director ~~of~~ Development
- Director ~~of~~ Portfolio Management
- Director ~~of~~ Corporate Services
- ~~Principal Specialist Capital Partnering~~
- ~~Executive Officer/ Company Secretary~~

Manager/Director Responsible for Oversight of Delegations is the Director ~~of~~ Corporate Services.

A copy of the current organisation structure is attached to this Policy.

2. Scope

This policy applies to all Directors of the Board, senior management and staff of Panuku Development Auckland.

3. Introduction

3.1. Delegation Process

The establishment of delegated authorities is an integral part of the governance process for Panuku Development Auckland.

Ultimate authority for the conduct of business by and within Panuku rests with the Board of Directors. The Board delegates authority, within certain prescribed parameters to the CE to enable effective and efficient management of Panuku.

In turn, the CE may delegate aspects of his or her authority as appropriate and provided for in the Board Delegated Authority Policy **Section 5**, and as contained in the Chief Executive Delegated Financial Authority Policy. These delegations are to enable performance and achievement of the goals as set out in the Statement of Intent and Annual Business Plan.

3.2. Policy Review

This policy will be reviewed at least annually by the Board and the Manager/Director Responsible for Oversight of Delegations. The Board may wholly or partly revoke or modify this policy at any time.

4. Principles

4.1. Governance

Delegations should reflect the separate roles of governance and operational management.

4.2. Delegation to others

Delegations must not be passed on to others or changed in any way, unless this is explicitly authorised under the tables within **Section 5** of this policy. Sub-delegation must be in writing, approved by the Chief Executive, and a copy sent to the Director/Manager Responsible for Oversight of Delegations.

Note delegating an authority does not mean responsibility is delegated.

4.3. Delegation of authority to an Acting position

Delegation of authority, including financial authority, to an Acting position will need to be formalised and approved by the Chief Executive. This happens when a member of staff is appointed to an Acting position in the absence of the responsible manager. A Delegation Instrument form has to be completed, and a copy forwarded to the Director **ef**-Corporate Services. The Director **ef**-Corporate Services must maintain a Register of Delegation to record all delegations to an Acting position.

4.4. Contractors

Delegation of Authority holders should be Panuku employees. However, in rare circumstances, delegations of financial authority may be delegated to approved and named contractors where it is essential for smooth operations of the business. Any delegations of authority to contractors must be made in writing by a Senior Leadership Team member, and only the Chief Executive can approve this delegation. In addition, the Director **ef**-Corporate Services must be informed of the delegation of authority.

4.5. Auckland Council

These delegated authorities and related limits apply when Panuku officers act on behalf of Auckland Council in respect of activities and assets managed and controlled by Panuku on behalf of Auckland Council or its organisations. This is subject to any statutory, regulatory or other delegation limit applicable from Auckland Council or a relevant Auckland Council Organisation.

4.6. Conflict

Where there is conflict between this policy and any other policy approved by the Board, the other policy will take precedence only where this is specifically stipulated in the other policy. Any dispute between this policy and any other policy should be notified to the Director **ef**-Corporate Services.

4.7. 'One up' principle

No Board Director, employee or contractor can approve their own expenses. Approval must be sought from someone with a higher level of delegation, e.g. a Tier 2 manager would seek approval from the CE.

4.8. Consultation with others

Even if you have apparent authority, it is often wise to consult with the CE [or Director Corporate Services](#) to ensure you make the best decision.

4.9. Fiscal prudence

Management and employees must operate within the Board approved budget and must be prepared to account for and explain any expenditure incurred.

4.10. Conflict of interest

Where the Board has delegated any of its functions, duties or powers, the delegate must consider whether or not he or she has a conflict of interest before performing a function or duty, or exercising a power so delegated.

Except with the prior written approval of the Chief Executive no employee may perform a delegated function or duty, or exercise a delegated power in relation to a transaction where he or she is interested in that transaction or has a conflict of interest.

If the person has, or will have any such conflict of interest, he or she must give the Chief Executive through the Director of Corporate Services a statement in good faith disclosing the existing conflict together with any conflict of interest that is likely to arise in the future. Any such statement will be recorded in the Interests Register, which is held by the Director of Corporate Services.

Refer to Panuku Development Auckland's Conflict of Interest Policy

4.11. Revenue

New revenue requires approval from appropriate delegated authority.

4.12. Limits

Limits referred to in **Section 5** of this policy are limits per item (GST exclusive), having regard to the subject matter of the delegation. In calculating dollar amounts relevant to application of the limits, all relevant amounts relating to the subject matter of the delegation should be aggregated. All amounts are specified in New Zealand dollars.

a) Financial limitations are to be read in conjunction with **Section 5**:

Proposed financial limits are based on the following:

	Panuku Development Auckland		Managed Portfolio	
	CE	CE may Delegate	CE	CE may Delegate
Opex budgeted	\$2,500 5,000,000/item	\$250 500,000/item	\$2,500 5,000,000 / item	\$250 500,000 / item
	Total budget cumulative		Unless otherwise specified in Section 5.2	
Opex unbudgeted	\$250 500,000/ item \$2m-4m cumulative all within total opex budget	\$40 20,000/ item		
Capex budgeted	\$15,000,000/ item	\$4 2,000,000/ item	As specified in Section 5.2	
Capex unbudgeted	\$2,500,000/ item \$5m cumulative all within total capex budget	\$25,000/ item		
Contracts, guarantees, warranties, asset	\$15 ,000,000 pa	\$250 500,000/	Refer Section 5.2	

<p>purchases and disposals <u>Commitments and contracts that extend beyond one financial year</u></p>	<p>\$2.5m cumulative and <5 years/ item all within total capex and opex budget</p>	<p>item</p>	
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b) The CE always has the facility to seek approval of the Board for additional approvals or delegations outside of this policy, either on a case specific, area specific or authority specific basis. In addition, the Board may approve project or item specific delegations outside of this policy as part of project or item Board approvals.

4.13. Breaches of the Board Delegated Authorities Policy

Breaches of this policy will be reported to the Board on a monthly basis.

Any infringement or non-compliance with this policy or other Board/CE policies may be regarded as serious misconduct, and may result in disciplinary action.

5. Board Delegated Authority

5.1 Panuku Development Auckland

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
Strategy, planning and governance		<ul style="list-style-type: none"> • Long-term Plan (10 year Plan) • Statement of Intent (3 year period) • Annual Business Plan (with projection for further 2 years) • New businesses & activities not in approved Annual Business Plan • Governance Charter/ Constitution • Annual Report • Shareholder Relations 	<ul style="list-style-type: none"> • Annual Business Plans for Business Areas • Operating Plans • Operating Plans for support functions • Quarterly reports to AC • Budget refresh 	Business and Operating plans specific to business area	Yes	
Significant agreements		<ul style="list-style-type: none"> • Funding agreement • Significant contracts e.g. between other CCO's, Council or Government 	Any operational agreements within financial delegations Shared Services Agreement	Operational agreements specific to business area within financial delegations	Yes	
Operations			Operating in accordance with Annual Business Plan, Long-term Plan & Policies	Operating in accordance with business area business and operating plans & policies	Yes	To individual business unit managers
Management Policies & Systems		Major Policy statements determining Panuku direction & strategy	<ul style="list-style-type: none"> • Integrated Business Framework • Operational policy setting • Panuku management systems 	Business area specific <ul style="list-style-type: none"> - Policies - Management systems - Procedures & standards 	Yes	To individual business unit managers

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
Financial		<ul style="list-style-type: none"> Treasury Policy Changes to accounting policies Annual Financial Statements Auditor appointment/remuneration 	Insurance programme		Yes	
Investment opportunities/new businesses		<ul style="list-style-type: none"> Strategic fit when not in Annual Business Plan Detailed business case approval 	<ul style="list-style-type: none"> Strategic fit when in Annual Business Plan Indicative business case approval Detailed business case approval within financial limitations 		No	
Assets <i>Panuku-owned property</i> <i>(excludes Council-owned assets)</i>	Acquisitions and divestments of land, leasehold interests and other property	<ul style="list-style-type: none"> Strategic Fit when not in Annual Business Plan Detailed business case approval 	<ul style="list-style-type: none"> Strategic Fit when in Annual Business Plan Indicative business case approval Detailed business case approval within financial limitations. 		No	
Capex		Final approval for any item above delegations to CE	Within financial limitations. See clause 4.12	Within financial limitations See clause 4.12	Yes	
Opex		Final approval for any item above delegations to CE	Within financial limitations. See clause 4.12	Within financial limitations See clause 4.12	Yes	
Sensitive expenditure (may be capex or opex)	Domestic travel, meals, accommodation entertainment and other expenses claim approval	<ul style="list-style-type: none"> Directors and CE by Chairman Chairman by Deputy Chairman All within approved board budget 	Within financial limitations See clause 4.12	Within financial limitations See clause 4.12	Yes	

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
	International travel and related expenses	<ul style="list-style-type: none"> • Authority for Directors/ Chair to undertake international travel before travel commences • Directors and CE by Chairman • Chair by Deputy Chair 	<ul style="list-style-type: none"> • Annual Travel Plan Within financial limitations See clause 4.12		No	
	Gifts	Final approval for any item above delegation to CE	Power to authorise the giving of gifts to outside organisations or individuals up to \$1,000		No	Register of Gifts given and received to be maintained and reported annually to Board
	Credit Cards (including P Cards)	Approval of a policy to issue company credit cards and nominating appropriate Tiers	Power to authorise or cancel any credit cards limited to Development Auckland limits	Power to authorise or cancel any credit cards limited to Development Auckland limits	No	Director of Corporate Services to set Credit Card limits & report these limits to the Board
Revenue <i>(Excludes Managed Portfolio – refer 5.2)</i>	Revenue		Unlimited within the Annual Business Plan	\$100,000	Yes	
	Renewals of rentals, leases or licences and the setting of rental rates.	Final approval for any item above delegations to the CE	Limited to an annual value of \$750,000 for a maximum of 10 years	Limited to an annual rate of \$500,000 for maximum of 3 years	Yes	Delegations extended to the Manager Property Portfolio and Marina team
	New ground leases and new waterspace licences	All new ground leases and waterspace licences require Board approval	Within financial limitations	No authority	No	<i>Refer Rent Setting Policy</i>
	Queens Wharf venue hire – rate setting		Approval of standard rates			<i>Refer Queens Wharf Rate Card & Discounting Policy</i>
	Queens Wharf discounts	Final approval for any item above delegations to the CE	Limited to \$50,000 per venue hire	Up to \$50,000 (for Director of Portfolio Management) Up to \$25,000 (Manager of Commercial Place Operations)	Yes	
Disposals	Single Item Asset Sale or Write-Off	Final approval for any item above delegations to the CE	\$100,000 NBV	\$10,000 NBV	Yes	

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
Bad Debts <i>(Excludes rent arrears write offs for Managed Portfolio)</i>	Write-off or Credit Notes to settle Claims	Final approval for any item above delegations to the CE	Within financial limitations See clause 4.12	Up to \$10,000	Yes	Any proposed rent arrears write off has to be agreed with the Director of Corporate Services before formal write off
HR & Remuneration	Approve structure changes, including changes in reporting lines, job size, and job titles	<ul style="list-style-type: none"> • CE employment & remuneration • Remuneration policy 	<ul style="list-style-type: none"> • Consultation with Board Chair over appointment of Tier 2 managers • Detailed staff structure, packages, bonuses, etc 	No authority	No	
	Creation of new positions, including temporary positions, and extension of temporary positions	<ul style="list-style-type: none"> • Direct reports to CE 	<ul style="list-style-type: none"> • All other positions 	No authority	No	
	Recruitment & appointments of existing positions	<ul style="list-style-type: none"> • CE • Direct reports to CE 	<ul style="list-style-type: none"> • All other positions, above salary band 	Tier 2 manager can approve all other positions within salary band	No further delegation	
	Remuneration changes	<ul style="list-style-type: none"> • CE • Direct reports to CE • All incentive payments 	<ul style="list-style-type: none"> • All other annual salary changes and out of cycle salary reviews 	No authority	No	
	Organisational changes (includes changes to position accountabilities, new roles, reporting lines)	<ul style="list-style-type: none"> • Direct reports to CE 	<ul style="list-style-type: none"> • Major changes e.g. disestablishment, redundancy 	Tier 2 manager can approve: Minor changes e.g. position changes, titles, resizing, reporting lines	No further delegation	
	Employment relations - Warnings - Final warnings - Dismissals (disciplinary) - Medical resignations	<ul style="list-style-type: none"> • Direct reports to CE 	<ul style="list-style-type: none"> • 	Tier 2 manager can approve, in consultation with CE	Direct managers can issue warnings only. Final warnings must be approved by Tier 2.	
	Proposed settlement of Collective Agreements	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • CE approval required. 	No	No	

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
	Approve employment of additional permanent staff, making staff redundant		<ul style="list-style-type: none"> Within annual budget 	No authority	No	Auckland Council HR process to be followed
	Approve employment of additional temporary staff		<ul style="list-style-type: none"> Within annual budget 	Within department budget after discussion with CE	No	Auckland Council HR process to be followed. Business case required
	All other HR remuneration and operational issues		Within financial limitations See clause 4.12	Within department budget after discussion with CE	Yes	Auckland Council HR process to be followed
PR, Comms Government Relations	Advertising		Within financial limitations See clause 4.12	No authority except for health & safety and operational issues	Yes for recurrent advertisements	
	Media Releases, Press Interviews, or Comments	Only Chair and CE are authorised spokespersons	Wherever practical, agreement by Chair before commenting	No authority	No	
Legal	New legal entities	<ul style="list-style-type: none"> Establishment of new legal entities Participation in joint ventures 	Assurance that the company's statutory obligations are met.	No authority	No	
	Designations, Planning Requests, objections, submissions to Local, National or Regional Regulatory Agencies	<ul style="list-style-type: none"> Submitting in opposition to AC or an AC CCO. Note – email consent may be required if need to act urgently. Legal processes re small Public Works Act and designation issues – only if material 	Submissions on issues of national significance where AC may have a view Otherwise unlimited	No authority	No	All planning issues to be covered by “no surprises” policy. Details are to be included in the monthly report to the Board
	Court Action	<ul style="list-style-type: none"> Commencing proceedings for any items above delegations to CE Settlements for any items above delegations to CE 	Up to \$500,000 (No limit for debt recovery action and lodging actions with the tenancy tribunal, refer 5.2.1 below)	No authority	No	Details are to be included in the monthly report to the Board

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
	Settlement of disputes whether by payment, credit, apology, carrying out work or otherwise	Significant disputes or settlements not in Annual Business Plan	Within financial limitations, where not significant See clause 4.12	\$10,000	No	Details are to be included in the monthly report to the Board
Employee Loans	Loans to Employees	No authority	No authority	No authority	No	Note: employee loans are not allowed
Privacy	Ability to inspect & copy emails and correspondence saved on Development Auckland computer systems	Inspection of CE's emails	Unlimited, and when approved by Chair of Board	Unlimited	Yes	
Grants/ Donations/ Sponsorships	Donations/ grants/Koha/ sponsorships	Approval of plan for the year Approval of any item above CE delegation	<ul style="list-style-type: none"> • Donation of services or waiving/ reduction of rentals • Limited to \$10,000 for 'cash' donations; and \$50,000 value for grants 'in-kind'. 	No authority	No	Details of value 'gifted' to friends and family and charities/good causes through reduced pricing of events spaces and marina berths to be reported quarterly to the Board.
Legislation & Bylaws	Powers to carry out duties under Auckland City Wharves Bylaw 2008		Unlimited	Unlimited	Yes	Powers extended to Westhaven and Viaduct Marina Managers
	Powers to appoint Development Auckland employees to act as enforcement officers under any relevant legislation & to issue appropriate warrants in accordance with that legislation.		Unlimited	No	No	
	Trespass		Power to warn the trespasser to leave Panuku property	Power to warn the trespasser to leave Panuku property	Yes	

Area	Item	Authorities & Approvals Reserved by the Board	Authorities and Approvals delegated to the CE	Authorities and Approvals CE may delegate	Is Delegation Possible?	Notes
Emergency & Crisis Response		Approval of Strategy as part of Annual Business Plan process	Temporary authority above that delegated where necessary to: <ul style="list-style-type: none"> - Prevent/ mitigate loss or imminent risk to health, safety, environment. - Protect assets from actual, or imminent risk of, damage or loss, or to effect repairs. 	Temporary authority above that delegated where necessary to: <ul style="list-style-type: none"> - Prevent/ mitigate loss or imminent risk to health, safety, environment - Protect assets from actual, or imminent risk of, damage or loss, or to effect repairs 	Yes	

5.2 Managed Portfolio

5.2.1 Property Portfolio

Item	Chief Executive	Director Portfolio Management Tier 2	Manager Property Portfolio Tier 3	Property & Facilities Team Leaders Tier 4	Property & Facilities Managers Tier 5	Is Sub-delegation Possible?	Notes
Approval of property leases and property deeds, being: <ul style="list-style-type: none"> - New leases (not including ground leases) - Lease Variations - Terminations - Rent Reviews, including rent reviews on ground leases 	\$1,000,000 or lease term greater than 10 years. All items over \$500,000 must be reported to the Board.	\$500,000 or lease term greater than 5 years	\$500,000	\$75,000	\$0	No	Amounts represent the total dollar value over the lease term. No property manager can approve leases for properties they manage directly. All approval must be on a one- up delegation.
Ability to settle rent reviews less than external valuation advice received by DA		Variation above 20%	Variation up to 20%	No	No	No	
Approval of Lease assignments	Yes	Yes	Yes (subject to Delegations as above)	No	No	No	
Approval of new Ground Leases and any variations to Ground leases (not including rent reviews)	Yes	Yes	No	No	No	No	
Approval of licence agreements and any variation to licences.	\$1,000,000 or licence term greater than 10 years. All items over \$500,000 must be reported to the Board.	\$500,000 or licence term greater than 5 years	\$250,000 or licence term greater than 5 years	\$75,000 or licence term greater than 3 years	No	No	Amounts represent the total dollar value over the licence term. No property manager can approve licences for properties they manage directly. All approval must be on a one- up delegation.
Property expenditure	\$1,000,000	\$250,000	\$200,000	\$20,000	\$2,500	No	Property expenditure include: - Responsive maintenance - Planned Maintenance
Capital Expenditure and Capital Renewals	\$1,000,000	\$250,000	\$200,000	\$20,000	No		

Item	Chief Executive	Director Portfolio Management Tier 2	Manager Property Portfolio Tier 3	Property & Facilities Team Leaders Tier 4	Property & Facilities Managers Tier 5	Is Sub-delegation Possible?	Notes
Professional fees expenditure	\$1,000,000	\$250,000	\$200,000	\$20,000	\$2,500	No	Professional Fees expenditure include: - valuation fees - planning and professional advice - legal fees
Property Multi-year service contracts	\$1,000,000	\$250,000	\$50,000	No	No	No	Amounts represent the total dollar value term of contract.
Property - Statutory reimbursements							Where a statutory payment bond is required and has been approved as part of a lease agreement, the authority to release such payments will be the lease approver.
Rent arrears write off	Up to \$250,000	Up to \$25,000	Up to \$25,000	Up to \$500	No	No	Any proposed rent arrears write off has to be agreed with the Director of Corporate Services before formal write off. Board notified in the monthly report if rent arrears written off exceed \$25,000 per debtor.
Lodge applications with the Tenancy Tribunal	Yes	Yes	Yes	Yes	Yes	No	All property managers have full delegated authority to lodge applications with the Tenancy Tribunal.
Enforcement action for termination and possession orders from the Tenancy Tribunal.	Yes	Yes	Yes	No	No	No	All applications for possession need to be approved by the Property Team Leader prior to eviction action being taken and Property Portfolio Manager be notified.

5.2.2 Business Interests

Item	Chief Executive	Director Portfolio Management Tier 2	Manager Property Portfolio Tier3	Is Sub-delegation Possible?	Notes
Agreements with third parties	\$1,000,000	\$500,000	\$500,000	No	Third parties business interest agreements relate to Araparera Forest, Quarries and WDS JV
Expenditure	\$500,000	\$250,000	\$50,000	No	Business interest expenditure include: -Professional and consultancy fee -Consent fees
Contract Variations for approved Contracts	Variations must be approved by the original contract approver. Variations that result in the total contract exceeding the original approver's authority level require re-approval in accordance with the new delegation level after bringing to account the variation. The Chief Executive may vary a Board approved amount by 5% without needing Board approval.				

5.2.3 Property Acquisitions

Item	Chief Executive	Director of Portfolio Management Tier 2	Acquisitions and Disposals Manager Tier 3	Is Sub-delegation Possible?	Notes
Approval and signing purchase agreement for a single property acquisition where Panuku has authority to act	Up to \$415,000,000	Up to \$2,000,000	Up to \$1,000,000, and within 10% of independent valuation.	Manager Property Acqns, Tier 3: Up to 100,000, and within 10% of independent valuation. No further delegation	All acquisitions must be reported to the Board. No manager should approve a purchase agreement that they directly negotiated.

5.2.4 Property Disposals

Item	Chief Executive	Director of Portfolio Management Tier 2	Acquisitions and Disposals Manager Tier 3	Is Sub-delegation Possible?	Notes
Approval and signing sale agreement for a single property disposal where Panuku has authority to act	\$45,000,000 If greater than \$4m, no Board sign off required if working within the Property Disposal Overview (board paper)	Up to \$2,000,000	Up to \$1,000,000, and a value not less than independent valuation.	Tier 3 Manager Property Disposals: up to \$100,000 and a value not less than valuation No	All disposals must be reported to the Board. No manager should approve a disposal agreement that they directly negotiated.

Item	Chief Executive	Director of Portfolio Management Tier 2	Acquisitions and Disposals Manager Tier 3	Is Sub-delegation Possible?	Notes
				further delegation	

5.2.5 Property Development (Managed Portfolio)

Item	Chief Executive	Director of Development Tier 2	Development Managers Tier 3	Is Sub-delegation Possible?	Notes
Sign contracts / agreements with private partners	Limit up to \$3.5 million, within budget	Up to \$42,000,000	No	No	Pre- approval of Board required for development projects above \$3.5 million Monthly Reporting to the Board
Strategic Development Fund (SDF) Use of SDF for individual project expenditure Authority to re-phase annual SDF budget	<ul style="list-style-type: none"> • Acquisitions up to \$15 million • Board, with Council CFO 	<ul style="list-style-type: none"> • Acquisitions up to \$2 million 	None	No	All transactions against SDF to be reported to the Board
Development Fund (DF) \$5 million pa fund available for investigatory activities on development projects and value-adding works on properties for sale	<ul style="list-style-type: none"> • CE approval for allocation against DF 	<ul style="list-style-type: none"> • 250k opex • \$1m capex 	None	No	
Variations to approved capital expenditure	Variations must be approved by the original approver. Variations that result in the total expenditure exceeding the original approver's authority level require re-approval in accordance with the new delegation level after bringing to account the variation. The Chief Executive may alter a Board approved amount by up to 5% without needing Board approval.				

Approval Process

Business Owner	Director of Corporate Services		
Original date of policy	1 September 2015		
Frequency of review	Annually		
Last reviewed	14 October 2015	Approved by Panuku Development Auckland Board	14 December 2016

	<p>25 May 2016 (amendments to Grants and donations)</p> <p>14 December 2016 (amendment for Development Projects)</p> <p><u>xx March 2017</u></p>		
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Decision Paper: Audit Arrangements Letter

Document Author(s)	Carl Gosbee – Director, Corporate Services
Date	8 March 2017

1. Proposal

The purpose of this paper is to approve the arrangements letter from Audit New Zealand for the 30 June 2017 annual audit of Panuku's financial statements and performance information.

2. Executive summary

Panuku is required, both by the Local Government Act 2002 and the Companies Act 1993, to produce an annual report for the year ending 30 June 2017. An audit is required on the financial statements and performance information contained therein. The Office of the Auditor General has appointed David Walker, using the staff and resources of Audit New Zealand, to carry out the audit.

Audit New Zealand's arrangements letter for the 30 June 2017 audit is enclosed as attachment A. It is required to be signed by the Chair on behalf of the Board. This letter sets out matters specifically relating to the 30 June 2017 audit including the timetable, fee, information required from management and areas of focus for the auditors.

The letter was reviewed by the Audit and Risk Committee on 22 February 2017 and the Committee recommended that the Board approve the letter for signing by the Chair.

3. Recommendations

It is **recommended** that the Board **approve**, and **authorise** the Chair to sign, the audit arrangements letter.

4. Prior Board and Council engagement and decisions

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
22 Feb 2017 Audit and Risk Committee	Item 6.1 Audit arrangements letter	Letter approved for submission to the Board for approval and signature by the Chair.

5. Financial implications

Information has been withheld from the public under S7(2)(b)(ii) of the LGOIMA.

Document Sign-off

Role	Name	Sign-off Date	Signature
Chief Executive	Roger MacDonald		
Director – Corporate Services	Carl Gosbee		

Decision Paper: Total Value Analysis Tool for Decision Making

Document Author(s)	Brenna Waghorn – Manager Strategic Planning
Date	21 March 2017

1. Proposal

This report recommends that the Board adopt the Total Value Analysis (TVA) tool to assist decision making in relation to development projects and programmes.

2. Executive summary

The intent of the TVA project is to enable Panuku management and staff to better articulate, measure and monetise the non-commercial benefits, and costs, generated by the organisation’s activities. The tool enables Panuku to articulate the net community benefit of its actions and activities and to be transparent about “non-financial outcomes” which are often only qualitatively expressed.

The tool is now being applied and used in a range of projects and is being included in business cases coming to the Board for approval. This report seeks to ensure that the Board has an understanding of its purpose, the broad methodology, assumptions and limitations.

The TVA is a robust tool. It supports long term regeneration programmes with the social and economic benefits modelled over the 40 year period. It dovetails with and augments the financial analysis routinely undertaken by Panuku. While it helps us articulate the value of our investment in a town centre location, urban renewal and housing, it does not tell us whether to do the project. It provides further economic justification for a preferred solution, highlighting benefits that might not be presented in the financial analysis. Other considerations such as risk appetite will also be a factor in decision making.

3. Recommendations

It is **recommended** that the Board

1. **Adopts** the Total Value Analysis Tool as a tool that will be applied and used in business cases to assist decision making.

4. Prior Board and Council engagement and decisions

Previous Board / Council engagement and decisions		
Date and meeting	Document	Decision / Outcome
27 July 2016	Direction Setting Paper – Draft Corporate Responsibility Framework	It was noted that transparency is needed around the costs imposed by strategic outcomes that are sought, and that these need to be outlined to provide a more rounded presentation of the Panuku approach. It was agreed that the Corporate Responsibility Framework be amended to incorporate a more rounded presentation, and be resubmitted to the Board in August 2016.
14 Sept 2016	Decision Paper – Corporate Responsibility Framework	Adopted. Articulates Panuku commitment to developing a structured and systematic evaluation system to enable us to consistent measure the broader community benefits generated from our investments – the Total Value Analysis Approach.
12 Aug 2016	Total Value Analysis Approach – Information Paper	Noted
22 Feb 2017	Panuku Statement of Intent	Approved for submission to shareholder. Includes reference to the need for transparency and TVA....(check)

Shareholder engagement: On 22 February a training workshop was held on TVA and participants from Council Finance, CCO and RIMU attended.

5. Discussion

Purpose of TVA

TVA is a quantitative cost-benefit assessment of the overall impact of investments. It takes into account environmental, social, cultural and economic effects which might lie outside normal commercial costs and revenues.

Panuku is required to deliver both commercial and strategic outcomes and to be transparent about balancing these when making significant decisions on development projects and programmes. TVA presents an opportunity to move beyond financial analysis and towards a consistent measure of the costs and broader community benefits likely to be generated from development projects.

The benefits of the TVA approach for Panuku are

- The use of empirical evidence to express costs and benefits in monetary terms.
- Enabling better decision making by capturing the scope, scale and incidence of all costs and benefits - highlighting the option that provides the greatest net benefit.
- Compliments existing Panuku processes for project appraisal, including Better Business Case model.
- Views development from a resource allocation perspective and assesses the impacts on society as a whole (Auckland region).

There continues to be significant interest in TVA from across different parts of the Auckland Council family. RIMU, DPO, Council Property, Auckland Transport, Council Finance are all interested to learn

about and review the tool. Such interest will assist in ensuring the approach is understood and the results robust.

How it was developed

After an EOI process to identify suitable consultants, SGS Economics & Planning Pty Ltd (SGS) and Sapere Research Services (Sapere) have designed a cost benefit analysis tool for Panuku. SGS and Sapere tailored the TVA tool to align with the underlying thinking and principles driving Panuku's activities along with a set of expected benefits that are applicable to Panuku projects.

For each benefit, SGS and Sapere have articulated a measurement technique and source of evidence that enables 'monetization' into a dollar value. This ensures application of the process is consistent across projects and is as reliable as possible. Further to this, sensitivity analysis and an assessment of projects risks/exposure to variance are important steps of the TVA process. This allows decision makers to have a complete picture of uncertainty when considering the results of project TVAs.

The TVA is a robust economic welfare analysis tool where dollar values are used only to express impacts with their own values as resources. It is different from a financial analysis in that it captures cost and benefits affecting the wider Auckland community as a whole rather than only the commercial and financial impacts on investors and stakeholders. The scope of TVA analysis takes into account all relevant welfare impacts of the proposal, including environmental, social, cultural and economic.

TVA enables non-commercial benefits of project options to be quantified and monetised, facilitating a more holistic approach in decision making.

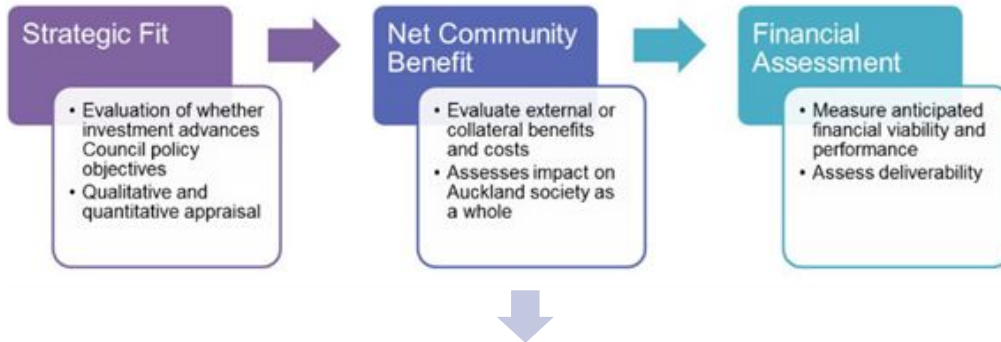
TVA in decision making

Current practice within Panuku emphasises the commercial and financial aspects around the portfolio of land held. That analysis is undertaken from Panuku's business perspective. In essence, the possible external impacts (i.e. effects that accrue to society in general as opposed to Panuku or another particular investor or stakeholder) are either excluded completely or referred to in highly descriptive terms.

The objective function is to maximise the financial returns to Panuku and the shareholder. That outcome is not necessarily one that maximises the welfare (well-being) of Auckland and society in general. The latter will include in its objective function a range of factors that are external to the land owner. That is, the beneficial impacts of the investment are not commercially convertible to the land owner (these benefits are sometimes referred to as being "public realm" in nature). By virtue of including financial analysis and the 'base case' in its purview, the TVA tool assists in identifying and reconciling the respective interests of both land owners and the wider community, where relevant.

Put simply, TVA dovetails with and augments the financial analysis routinely undertaken by Panuku. It helps us articulate the value of our investment in town centre location, urban renewal and housing. It does not tell us whether to do the project. The TVA is a robust tool. It provides further economic justification for a preferred solution, highlighting benefits that might not be presented in the financial analysis. In terms of building a better business case, TVA will also help in articulating the specific actions and delivery process (eg.timeframe) of proposals. Other considerations such as risk appetite will also be a factor in decision making.

Key stages



High level steps in CBA

1. Specify the set of alternative projects
2. Decide whose benefits and costs count
3. Identify the effects and select measurement indicators
4. Predict the effects over the life of the project
5. Monetize impacts
6. Discount the costs and benefits
7. Calculate decision criteria
8. Perform sensitivity analysis
9. Make a recommendation

* For a detailed process diagram, please refer to **Appendix A**

Typical benefits that are monetised

The understanding that urban regeneration will lead to a wide range of long term social, economic, cultural and environmental benefits is the premise on which Panuku's mandate has been established. The following list shows the range of benefits that could be encountered in Panuku projects. Monetization strategies have been established for these in collaboration with SGS. Some examples are shown in the Table below.

- Provision of greater housing choice
- Reduced crime
- Improved job access
- Human capital development
- Saved network infrastructure costs on urban fringe
- Health benefits of walking and cycling
- Health benefits of healthy homes
- Provision of additional recreation sites
- Reduced energy consumption
- Accelerated innovation in housing/development

Examples of benefit assumptions		
Impact versus base case	Measurement strategy	Evidence base
Improved health through active transport	Health cost savings are likely to arise if Panuku developments encourage more walking and cycling than the base case.	Valued at \$2.70 (walking) \$1.40 (cycling) per person per km. This is based on Australian research and adapted for NZ conditions.
Provision of additional parkland and recreation areas	Recreation sites can be valued by the opportunity cost of leisure time at the site.	Valued at \$9.87 per person per hour. Based on NZ Govt Transport Investment Evaluation Manual.
Additional housing supply	The value of additional housing can be proxied by the market rent of the properties in question.	Panuku are capable of providing market rent values (per dwelling per annum).
Healthy homes	Health system cost savings are likely to arise if new housing developments have a high standard of insulation, water tightness and ventilation.	NZ literature linking housing standards to health outcomes (such as asthma) provides suitable evidence.
Safety/reduced crime	It is likely that policing and justice system cost savings could arise from the de-concentration of disadvantage, improved urban design and stable housing	NZ Govt cost of crime statistics can be applied, as well as estimations from local law enforcement officials.

Some benefits, such as those listed below, which are important to a number of Panuku projects are yet to be monetized. This is due to a lack of local evidence and the complex nature of their impacts. Further research is currently underway to develop a consistent and robust approach. The monetization evidence will continue to evolve to ensure that the most important benefits across the four well beings are adequately reflected. It is important to note however that an evidenced-base and “conservative” approach is taken to both the values ascribed to the benefits and the quantum of any benefit assumed, in order to avoid concerns that benefits are over-stated, exaggerated or duplicated.

- Increased high street vitality and a more attractive public realm
- Improved amenities and increased access to them
- Improved business agglomeration/productivity
- Reinstatement of ecological values
- Creation of development opportunities (e.g. for Iwi)

Application of TVA at different levels

	Strategic fit	Community benefit (CBA)	Financial case
High-level project plan	✓	✓	✓
Framework plan		✓✓	✓✓
Implementation plan		✓✓✓	✓✓✓

- In business cases, the TVA supports the Strategic Case and the Economic Case (of the Better Business Cases Model) and tells us the net regional economic benefit to the Auckland region.
- The methodology allows us to explicitly identify, quantify and monetarise the public good benefits of Panuku’s development work. These public good benefits align with Auckland Council visions.
- The combination of TVA and financial analysis allows both economic and financial aspects to be covered, facilitating more informed decisions.

Progress to date

The TVA has now been applied in several projects and the results are beginning to be provided as part of project and programme business cases. Some examples are provided below:

1. Unlock Northcote – Programme level TVA

Information has been withheld from the public under S7(2(h)) of the LGOIMA.

2. Barrowcliffe Place, Site-Level TVA

Information has been withheld from the public under S7(2(h)) of the LGOIMA.

3. Transform Manukau, Programme-level TVA

The process of applying TVA to Manukau is currently underway. TVA will be applied on a programme scale, encompassing the entire framework plan area and a range of project sites. It is expected that Manukau's TVA will consider the following key benefits.

- Additional housing and greater housing choice
- Provision of additional community facilities and amenities, and better access to them
- Improved job access, creation of job opportunities and human capital development
- Provision of additional parkland and reinstatement of ecological values
- Reduced crime and improved safety
- Improved health outcomes from quality housing and engagement with active transport
- Increased vitality in centre and widespread public realm improvement
- Business agglomeration and improved productivity

6. Financial implications

There are no significant financial implications of the application of the TVA tool. The tool is being applied by Panuku staff, led by Project Directors and supported by a TVA "Champion Group". External peer review is considered important and is a small cost. It is part of Implementation Planning Phase and business case development.

7. Implementation

The next steps and timeframes are outlined below.

- Ongoing training within Panuku project teams and process improvements to streamline and speedup application: March – June 2017
- Development of evidence base - ongoing
- Engagement with Auckland Council to ensure buy-in and support and to share the tool: March - April 2017
- Application to programmes and projects by Project Teams and inclusion in business cases to support decision making - Ongoing

Document Sign-off

Role	Name	Sign-off Date	Signature
Chief Executive	Roger MacDonald		
Chief Operating Officer	David Rankin		

Information Paper: Wynyard Quarter planning update

Document Author(s)	Joanna Smith, Matthew Twose, Brenna Waghorn, Katelyn Orton
Reviewer(s)	David Rankin, Chief Operating Officer
Date	29 March 2017

1. Purpose

This paper provides an update on Wynyard Quarter planning, following February 2017 information paper on strategic planning across the waterfront. The Executive will continue to update the Board at regular intervals throughout the development of the Framework Plans for both Wynyard Quarter (including Viaduct Harbour) and Central Wharves.

2. Key issues

- A presentation to the Board on spatial planning options and key moves for Wynyard Point will enable some early dialogue and direction to the Framework planning.

3. Progress on work programme

As noted in February, Panuku is working with a cross-Council team on the framework plans for Wynyard Quarter, Viaduct Harbour and Central Wharves

The Framework Plans will include spatial plans (broad-brush master plans) and implementation plans, to inform business cases for any new funding to be considered in Council's next Long Term Planning (2018 – 2028).

Although there are several years until the bulk storage industry departs the 'Tank Farm', the context around the waterfront is changing and there are several new drivers that require Panuku to refresh the planning for the Quarter, and in particular Wynyard Point.

Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.

Panuku can also consider lessons learned from almost a decade of successful project delivery, such as issues around planning, development packages, site remediation and public spaces.

Progress on the Wynyard Quarter Framework Plan includes the following:

- Workshop with Council's Planning Committee and Waitemata Local Board outlining waterfront planning and seeking direction on the framework planning and phased cruise ship infrastructure.
- Work with the cross-Council team on Central Wharves, to align with ferry and cruise strategies
- *Information has been withheld from the public under S7(2(f(i))) of the LGOIMA.*
- Work is ongoing across the Council family to determine other potential cultural and community uses across the precinct, including the open space strategy and brief for the Headland Park
- Collaboration with Auckland Transport on short and long-term options for bus, light rail, ferries, walking and cycling connections into the Quarter (north-south and east-west)

- Review of short and long term planning for Viaduct Harbour, including land and water space uses and transport infrastructure. This work also relates to the movement network and will inform the business case for a replacement bridge between Te Wero Island and North Wharf.
- A design workshop to identify 'key moves' and on-going design review by the Technical Advisory Group (TAG).
- Work with Panuku's Mana Whenua forum and a project working group to prepare Mana Whenua goals and a project charter and provide input to the framework development.

4. Presentation on options and key moves

The December design workshop and subsequent engagement has proposed changes to the spatial planning on Wynyard Point. The options, key moves and rationale will be presented for discussion and feedback at the Board meeting, and will focus on

- Headland park
- Signature public building
- Wynyard Wharf
- Maritime uses
- Development sites
- Transport

A package of technical work is underway to explore these key moves. That work includes block modelling to test that 'base case' against the current Unitary Plan rules, and a review of infrastructure, remediation and construction methodologies. That information will enable a preliminary feasibility, and inform the testing of alternative options.

A more detailed implementation plan will be prepared as part of the Framework Plan. It is assumed that a Plan Change will be required as one of the actions to implement the Framework Plan.

Panuku will also need to better understand the options and costs for remediation once leaseholders depart. This will help determine the best programme for remediation, construction of public spaces and phasing of land packages to take to the market for private development.

5. Next steps

As noted in the February report, the draft Framework Plans for Wynyard Quarter and Central Wharves will be reported to the Board at their April meeting.

Information Paper: Current market conditions for high density residential development.

Document Author(s)	Allan Young - Director Development
Reviewer(s)	
Date	9 March 2017

1. Purpose

To provide the Board with an update on current market conditions for high density residential development. The detailed CBRE report is in the Boardbooks Resource Centre.

2. Key issues

The report prepared by CBRE highlights key issues for high density residential development. They are:

- Restricted access to development finance.
- Higher funding costs if finance has been able to sourced.
- Increased land supply due to up zoning by the Unitary Plan.
- LVR restrictions on apartment purchasers.
- Reduction in investor demand.
- Increase in construction costs, impacting on development feasibilities.
- Pre sales levels since August 2016 which are below market average

3. Discussion

The residential high density development market started to change mid-2016. The first change was construction costs increases flowing through to a number of planned developments which made them unfeasible. At the same time the four main banks stopped expanding their loan book and implemented a rationing of development funding, despite public statements to the contrary.

Funding is the life blood of any development, with the current rationing by the main banks future supply will be curtailed and only be able to delivered by well capitalised developers. Well capitalised residential developers are uncommon in NZ and those that are, are by nature conservative.

In a number of locations, high density developments are a preferred outcome sought by Panuku. Given current market conditions this may well be challenging to achieve as the locations have not in the past had apartment typology successfully delivered or attempted.

Low rise “walk up” apartment typology may be more feasible in some locations and be more accepted by the market and developers as a way to deliver density.

Development is cyclical in nature; the projects that Panuku are involved are by their very nature long term and will face change in market dynamics and demand. As the market changes there will be periods where the outcomes sought may not be readily achievable and a decision may need to be taken that either our outcomes change or we hold sites back until market conditions allow delivery of our outcomes

Whilst the report focuses on high density residential development, the issues confronting the development industry in regard to banking restrictions is across all sectors.