

Meeting: Council

Meeting Date: 22 February 2023

Subject: **Intention to exchange reserve land to enable the Stoneham Park Residential Development**

File No.: 407900

1 Background

To keep pace with the increasing demand for residential property in Kawerau, the Kawerau District Council (**Council**) has been making additional land available for residential development. One of the ways of doing this has been by exchanging reserves for other land.

Council can exchange ownership of all or part of a reserve for any other land if authorised by the Minister of Conservation (Minister). The effect of this type of exchange is that the reserve status transfers from the reserve that Council wishes to develop to the land parcel that Council has identified.

One way of using this method is to conduct an internal exchange. This was done with the former reserve in Hine Te Ariki Place where Council gained approval to exchange the reserve for a parcel of land on Glasgow Street which it held in private title. The effect of the exchange was to remove the reserve status from Hine Te Ariki Place so that the land could be subdivided and sold for residential development, which is currently being undertaken by Council.

The purpose of this report is set out how an internal exchange process can be used to make Stoneham Park (the former soccer club grounds) available for residential development as freehold sections and to ask the Council to initiate the formal process to conduct the exchange.

The relevant information about the land in question is as follows:

1. Stoneham Park
Lot 39 DPS 27247
5.42 ha
Classified as recreation reserve.
Zoned as reserve in the Operative District Plan.
(See Attachment 1)
2. Council Stock Pound, Fenton Mill Road
Lot 2 DPS 77805
5.44 ha
Title SAD16/481
Kawerau District Council has ownership fee simple.
Zoned reserve in the Operative District Plan.
(See Attachment 2)

The exchange process is governed by section 15 of the Reserves Act (1977) and consists of the following steps:

1. Council passes a resolution of its intention to exchange land at the Council Meeting on Wednesday, 22 February 2023.
2. Council passes a resolution at the Council Meeting on 22 February 2023 that it will *publicly notify* its intention to exchange land on 24 February 2023 via the Beacon Newspaper and Council Website.
3. A resolution is passed that the formal consultation of one month from 24 February to 24 March 2023 is allowed for objections to be lodged.
4. Council intends to continue to consult with Iwi and Tangata Whenua in line with its significance and Engagement Policy and Council's Te Tiriti o Waitangi obligations.
5. Following this consultation period, Council will consider any written objections.
6. The exchange resolution can then be made after consideration of all objections.
7. Council notifies the Department of Conservation of the exchange resolution accompanied by any objections received and Council's comments on these objections.
8. If Authorising the exchange, the Minister of Conservation publishes a notice in The NZ Gazette.
9. Freehold title can then be raised, noting that the reserve status of Stoneham Park transfers to the Stock Pound parcel in the exchange.
10. The former reserve (Stoneham Park) becomes fee simple and the privately owned parcel (formerly the Stock Pound) is now the recreational reserve.
11. Council is then allowed to subdivide and sell the Stoneham Park land as freehold residential sections.

2 Options

Option One: Proceed with the Proposal

Stoneham Park is 5.42 hectares of flat land owned by Council, with good drainage, and has been identified as an ideal parcel of land for residential development.

In 2018, Council developed and consulted on a housing strategy in the Long Term Plan, which it has been actioning.

This strategy comprises current housing developments such as the Porritt Glade Lifestyle Village (a Council-owned retirement village) and house and land packages at Central Cove and Hine Te Ariki. The Porritt Glade Lifestyle Village is almost completed and there are only 16 house and land packages available at the other two developments.

From 2018 to 2022, the population of Kawerau has grown by 1,000 and the demand for housing continues to exceed the demand. A Property Market Analysis Report completed for Council by Veros shows that the recent population growth of 7 percent equates to 190 new homes. With Council's combined developments, that still leaves a shortfall of some 126 dwellings to meet the current population.

In addition, Kadap (Kawerau and Districts Ageing in Place) 2022 survey indicate 20 percent of seniors surveyed would move into smaller 'easy care' units if they were available.

Statistic New Zealand moderate estimates that Kawerau will reach a population of 8,000 by 2028.

Stoneham Park has not been used for organised sport since 2012, when the local soccer, rugby, touch and league clubs agreed to join and set up home base at Tarawera Park. Tarawera Park is a large area comprising two former rugby clubrooms, an ablution block and three full-sized rugby fields and a further field for junior rugby or soccer.

The adjoining property with the former soccer clubrooms building was sold some years ago and has been redeveloped as a residential property.

Option Two: Do not proceed with the Proposal

Council may determine that it does not wish to proceed with the proposal at all or at this time.

3 Policy and Plan Considerations

Making more land available for residential development in Kawerau is entirely consistent with the strategic framework contained in Council's Long Term Plan. Doing so would promote community wellbeing and provide additional infrastructure to support a high quality of life in Kawerau.

Both Stoneham Park and the Stock Pound are currently zoned as reserve in the Operative District Plan. Stoneham Park would need to be rezoned as residential to accommodate residential development.

The Stock Pound land is entirely surrounded by reserve land and there is very little likelihood that it would ever be suitable for residential development because of its steep gradient and southerly aspect. Giving it recreational reserve status would be consistent with its current use. To be entirely within the scope of the Reserves Act it would be appropriate for Council to reclassify the Stock Pound as a recreational reserve held and operated under the same purposes as Stoneham Park currently is.

Kawerau is renowned for its large areas of well-utilised reserves and parks that include Boyce Park, Monika Lanham Reserve, Stoneham Walk, Prideaux Park, Tarawera Park, Waterhouse Street Reserve, Lyn Hartley Reserve, Hilldale Reserve and Keith McKenzie Park.

Organised sport is held at Tarawera Park with combined junior and senior rugby, football, league and touch. Prideaux Park is available for use by athletics and harriers, cricket, netball, tennis and general purpose. Monika Lanham Reserve is utilised at times by the Council and schools for organised running events.

There are many walking tracks including along the Tarawera River, Monika Lanham Park, Hansen Walk and Stoneham Walk.

Enhancing and maintaining these areas is a long-term Council commitment for the betterment of a wide range of the community.

4 Risks

4.1 Council receives Objections to the Exchange

Ministerial approval for the exchange is contingent upon meeting the requirements of the act including consultation with Iwi and Tangata Whenua and also whether any objections are received in response to the public notification.

During the consultation and engagement process for the Long Term Plan 2021-2031, concerns raised by neighbours and stakeholders included: loss of green space; transportation issues on Valley Road and Peter Lippa Drive; impact on nearby residents on Valley Road and Kowhai Park Body Corporate; impact on the Kawerau Pūtauaki School; economic viability and affordability.

Following the adoption of the Long Term Plan 2021-2031, Council resolved to proceed with the development while acknowledging and taking into consideration the above issues and concerns raised by the community.

Subsequent feasibility studies undertaken on behalf of Council by Veros property experts have taken these concerns into account during the early design phase and determined that the Stoneham Park Residential Development can deliver:

- Variety of quality housing
- Enhanced green space and recreational areas
- A subdivision with a safe and effective roadway off Peter Lippa Drive as the main entry and exit point
- Best-practice design features and street-scaping design will ensure roadways through the subdivision slow traffic, enable off-road and on-road parking along with safe pedestrian pathways.
- A traffic management assessment currently being undertaken will determine whether further traffic design features are required at the intersections of Valley Road and Peter Lippa and/or from Peter Lippa into the entranceway of Stoneham Park
- Pedestrian access only from the Stoneham Park subdivision through to Fenton Mill Road
- No through-road from Kowhai Park Body Corporate's existing roadways through to the Stoneham Park residential development
- No housing backing on to the Valley Road boundary of existing properties. These houses will be bordered by a green pedestrian access route and parallel entrance/exit road.
- Council will continue to meet with Kawerau Pūtauaki School Board of Trustees regarding traffic management issues, school roll increases and other issues
- The Veros feasibility report confirmed that Council is best placed to develop Stoneham Park as it owns it outright and can therefore deliver the lowest cost sections to the community.

4.2 Minister of Conservation does not Approve the Exchange

The Department of Conservation was initially approached regarding this reserve exchange in 2019. Council staff have subsequently contacted the Department of Conservation to discuss the intention of the reserve exchange in 2023. Discussions with the relevant office indicates that this reserve exchange will be considered provided that Council:

- Adheres to the correct procedure under the Reserves Act
- Can demonstrate that it has given reasonable consideration to the criteria; and

- Considers any objections.

Moving forward, it is the responsibility of relevant staff to ensure that these conditions are met.

5 Financial Considerations

In addition to the cost of placing public notices, the Department of Conservation recovers costs for processing actions under the Reserves Act. The total cost is estimated to be in the order of around \$5,000. This will be met within current budgets.

6 Legal Considerations

It is important that the provisions of section 15 of the Reserves Act are strictly adhered to. A copy is attached for information.

7 Significance and Engagement

The Community has been made aware of Council's intention to make Stoneham Park available for residential development and the response has been generally supportive.

Kawerau District Council (Council) is committed to an open dialogue and working relationship with Māori, Tangata Whenua and Iwi, and has been working towards growing these relationships.

Council recognises Ngāti Tūwharetoa (Bay of Plenty) Settlement Trust as tangata whenua of the Kawerau rohe (as a statutory Te Tiriti o Te Waitangi consultation partner).

At a governance level, the Iwi Kaumātua role appointed for Council by Ngāti Tūwharetoa (Bay of Plenty) Settlement Trust in the previous term has provided Council with a Te Ao Māori lens within policy, decision-making and cultural areas through scheduled ongoing kōrero kanohi ki te kanohi.

The intention to exchange Reserve land to enable the Stoneham Park Residential Development has been discussed at hui-a-iwi during 2021 and 2022. Council plan to continue consulting with Iwi and Tangata Whenua.

The proposal does not meet the financial threshold for significance in Council's Significance and Engagement Policy.

However, Council is required to publicly notify its intention to make the exchange resolution and to consider objections from the community before the resolution is made.

A formal consultation and engagement period of one month (20 working days) will be required from Friday, 24 February 2023 to Friday, 24 March 2023.

The proposal is that the Stock Pound becomes a recreational reserve, and will be held and operated in the purposes of a recreational reserve.

Council is seeking feedback from the community with regards to how this area of land (currently operated as the Stock Pound) can be enhanced and become an asset to the community.

8 Conclusion

The proposed exchange will continue the strategic direction of Council to make more land available for residential development. Following the consultation and engagement completed during the Long Term Plan 2021-2031 indications are that there is likely to be majority support from the community for the initiative.

This initiative is within the legal framework of the Council and will improve the wellbeing of the Kawerau community, by facilitating an increase of new housing available in the district. It is utilising a large grassed area that is no longer required for organised sports.

Kawerau District still has a good number of reserves and parks available for outdoor recreation and organised activities and sports.

9 RECOMMENDATIONS

1. That the report "*Intention to exchange reserve land to enable the Stoneham Park Residential Development*" be received.
2. That Council resolve to pass a resolution of its intention to exchange Stoneham Park for the land on Fenton Mill Road currently used as a Stock Pound, which it owns in private title.
3. That Council resolves to publicly notify its intention to pass a resolution to exchange the status of Stoneham Park as a recreational reserve for the land on Fenton Mill Road currently used as a Stock Pound, which it owns in private title. This land, the former Stock Pound would subsequently become a recreational reserve.
4. That Council resolve to continue consultation with Iwi and Tangata Whenua, stakeholders and the community regarding the *Intention to exchange reserve land to enable the Stoneham Park Residential Development*.
5. That Council resolve that the consultation period of one month will commence on Friday, 24 February 2023 from when the public notification is published in the Beacon Newspaper and submissions will close at 5pm on Friday, 24 March 2023.

Tania Humberstone

Kaiwhakahaere Whakapā Kōrero

Manager Communications and Engagement; Residential Developments

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Appendices

Attachment 1 – Roy Stoneham Park 5.42 hectares



Appendices

Attachment 2 – Stock Pound 5.44 hectares (off Fenton Mill Road)



Appendices

Attachment 3

Public Notice to be published in the Beacon Newspaper 24 February 2023 and via Council communication channels

Public Notice
24 February 2023

Kawerau District Council wish to advise the

Intention to exchange reserve land to enable the Roy Stoneham Park Residential Development

Council hereby notifies the public that it intends to exchange a recreation reserve of 5.42 hectares on Peter Lippa Drive (Lot 39 DPS 27247), known as 'Roy Stoneham Park' for a 5.44 hectare parcel of land on Fenton Mill Road (Lot 2 DPS 77805) owned by Council in freehold title (SAD16/481) and currently operated as the Kawerau Stock Pound.

If the exchange is successful, Council intends to develop, subdivide and sell the land freehold at Stoneham Park (the former soccer fields) off Peter Lippa Drive for residential housing, to help meet the need for additional housing in the Kawerau District.

The 5.44 hectares of land that was formerly known as the stock pound on Fenton Mill Road would be reclassified as a Recreational Reserve and held and used for that purpose.

Members of the public may make submissions to object to the proposed exchange. Submissions must be in writing, addressed to the Chief Executive Officer, Kawerau District Council, Private Bag 1004, Kawerau 3169 or by email to submissions@kaweraudc.govt.nz and received no later than 5pm on Friday 24 March 2022.

For more information, please visit Council Offices in Ranfurly Court Kawerau, or view the Council website kaweraudc.govt.nz



RB George
CHIEF EXECUTIVE OFFICER

24 February 2023