

STAFF REPORT

TO: Council Enterprises Subcommittee
FROM: Manager Property
DATE: 24 August 2005
SUBJECT: Property Manager's Report

BUILDING UPDATE

The most recent site and project control group meetings were held on 17 August 2005. A copy of the minutes of the PCG meeting are appended hereto. Also attached is the building contract financial summary. An additional amount of \$250,000.00 is included in the 2005/2006 budget to provide for internal partitions, furniture and fittings. It should be noted that there are estimated variations of \$50,000.00 to be approved. Some of this work may not be approved, some may be deferred where possible and done under maintenance in future years and some maybe funded from the furniture and fittings budget. The only area of uncertainty will be when work commences on the 1962 building which could result in some additional costs for strengthening. I will be undertaking a thorough review of the contract and funding in conjunction with the Accounting Manager and Project Manager and will provide a more detailed report on the financial situation to the next Committee meeting. While the estimated contingency may be exceeded we may be able to offset this with savings made elsewhere.

Planning is underway for the fitout and meetings have already commenced with management teams to discuss the partitioning, furniture, furnishings and fittings.

OTHER CAPITAL PROJECTS

\$500,000.00 has been allocated for a new library in Takaka and planning for this has been put on hold pending the outcome of discussions with arts and cultural groups in the Golden Bay area. If the Community Services Committee give the go ahead to commence the design work for a new library at its September meeting, construction could be ready to commence around the middle of 2006.

A provision of \$500,000.00 has also been made to extend the District Library premises after the Environment and Planning Department vacate the upstairs area in May/June 2006. It is my preference to sign up a tenant to utilise the upstairs area and part of the ground floor area prior to approving any design. It is my intention to do a total design encompassing the perceived needs of the library for the next 10-15 years and to stage the development. By leasing part of the library building the costs incurred with the capital development could be funded from rent.

Both of these projects once approved will report to this Committee.

PROPOSED PROPERTY SALES

Pakawau property

A two section proposal has been lodged for Council land at Pakawau. Further information has been provided to the planners reporting on the application which is expected to be notified. Assuming that approval is received, it is intended to commence work immediately with the intention of selling at least one of the sections before 30 June 2006.

Ranzau Road

This was formerly part of the Hope Recreation Reserve and the proceeds will go to Reserve DIL's. The property is now ready to be sold and I will be approaching a real estate agent shortly with instructions that it be tendered.

186 Commercial Street, Takaka

This property was bought several years ago and the rear portion subdivided as a boundary adjustment with the Medical Centre property. The Golden Bay Community Board has previously indicated that the property should be retained for future pensioner housing but it is separated from the existing cottages by another property. Outstanding maintenance including a repaint is currently being carried out to retain the value of the property.

Headingly Lane, Richmond

The Council purchased the property in Headingly Lane earlier this year to provide for the widening of Borcks Creek. Rezoning proposals have been suggested for this area. It is possible that the Community Services Department may have an interest in part of the property where it joins the estuary for reserve purposes. However, the substantial house and the balance of the land should be available for resale if required later in the year.

RECOMMENDATION

That the Manager Property report dated 24 August be received.

J K Frater

Manager Property

http://tdctoday:82/shared_documents/meetings/council/committees_and_subcommittees/council_enterprises_subcommittee/reports/2005/rfn050831ces_report_manager_property.doc