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Report 00.872

28 November 2000

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Report to Policy and Finance Committee
from Greg Schollum, Chief Financial Officer

Shelly Bay Update

1. Purpose

To review the current position relating to Council owned Shelly Bay land as a result of a recent decision by the Wellington City Council's Transport and Infrastructure Committee.

2. Background

The Policy and Finance Committee last considered the issue of Shelly Bay in August 2000 (report PE00.579).

At that August 2000 meeting the Committee resolved:

That Council:

- (a) *agree to vary its contract with NZDF to facilitate transfer from NZDF to WCC, for road reserve purposes, those parts of Section 89 Watts Peninsula District shown coloured yellow and orange on the attached plan, subject to WCC transferring to WRC ownership an area equivalent to the orange areas to the east of the formed road, which is presently legal road to be closed and which immediately adjoins the WRC residual holding.*
- (b) *agree, at the request of DoC, to NZDF vesting as reserve in the WCC Section 90 and Watts Peninsula District shown coloured green on the attached plan together with the vesting in WCC as reserve for the purpose of public access part Section 89 Watts Peninsula District shown coloured blue on the attached plan.*
- (c) *agree to the disposal of its eventual residual landward side land holding in conjunction with the NZDF land.*

- (d) *agree, at the request of DoC, to enter into an exchange of land being the transfer from WRC of its land holding at Matiu Island to DoC, subject to a lease back to protect the continued presence of the lighthouse structure, in exchange for the transfer from DoC of the land taken as foreshore reserve at Shelly Bay to WRC.*
- (e) *agree to work with NZDF to devise a strategy to dispose of the remainder WRC seaward side land, shown red on the attached plan, with such strategy to have regard to the wider public interest, a commercial balance and to be subject to further report back as options evolve.*
- (f) *approve the affixing of Council's common seal to the documentation.*

The intention of the resolutions passed in August was to pave the way for a three way agreement between the key affected parties, New Zealand Defence Force, the Wellington City Council and the Wellington Regional Council.

Unfortunately, despite agreement between all three parties at officer level, the Wellington City Council, via the Transport and Infrastructure Committee, decided on 3 November that it would place a series of new demands on the table. These are outlined in Peter O'Brien's letter to me dated 27 November 2000 (refer **Attachment 1**).

Essentially the Wellington City Council appears to be keen to gain further concessions from the other two parties prior to agreeing to legalise the formed road.

Peter O'Brien is currently working through the issues with Wellington City Council officers and will report back in due course on the implications for the Wellington Regional Council of this latest development. At the very least, the action by the Wellington City Council has resulted in further delays in implementing a long term solution to the Shelly Bay issue.

3. **The use of the slipway**

As noted above the matter does not appear likely to be resolved in the short term and yet there is a requirement to have the slipway available in January/February 2001 as a back-up facility for the BT Global Challenge yacht race. Peter O'Brien, Council's property consultant, is recommending that the Council support the use of the slipway for this purpose.

There is no financial implication for the Council in the use of the slipway. The Council is not currently the owner of the slipway and is merely being asked to provide moral support being an affected party.

4. **Communications**

As the Council has no direct interest in the slipway, it is not the role of the Council to communicate its potential use.

5. Recommendations

- (a) *that the report be received and the contents noted.*
- (b) *that the Committee recommend to Council that it support the use of the slipway at Shelly Bay as a back up facility for the BT Global Challenge during January/February 2001, at no cost to the Council.*

GREG SCHOLLUM
Chief Financial Officer

Attachment 1: Letter from Peter O'Brien dated 27 November 2000.