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## **Report 01.841**

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Report to the Landcare Committee  
from Geoff Dick, Manager, Flood Protection (Operations)

### **Findlay Street : Disposal of Property and Channel Improvements**

#### **1. Purpose**

To:

- advise the Landcare Committee of the status of the proposed realignment of the Porirua Stream at Findlay Street.
- reconsider Council's options for the site.

#### **2. Background**

In the mid-1980s, significant channel upgrading and realignment work along the Porirua Stream was investigated as part of the Porirua Flood Mitigation Scheme.

The existing Porirua Stream channel through Tawa does not have sufficient capacity for the 100 year flood event, even after the construction of the Stebbings and Seton Nossiter Park flood detention dams. During a 100 year flood event waters will spill onto the surrounding floodplain on which substantial residential and commercial development is located. In the late 1980s there were proposals to enlarge and improve the channel so that it could cope with the 100 year flood event.

Work proposed in the vicinity of Findlay Street, Tawa, involved realignment of the stream through the properties at numbers 42, 44, and 46, and the relocation of the houses on these sections. Given that it was believed the proposed works would proceed, the three properties were purchased as they became available. However, an economic assessment subsequently revealed that the Tawa channel improvements were uneconomic and thus they were never constructed.

In 1998 options for disposal of the three properties were investigated. The options considered by the previous Council were as follows:

- Retain ownership and continue to rent.
- Sell the properties largely as is.
- Undertake minor stream improvements, raise houses and sell.
- Full stream realignment, house relocation and sell.

The above options were presented to the Landcare Committee in 1998 (Reports 98.66, 98.239 and PE98.376) for consideration and the decision was made to proceed with Option 4 – Full Stream Realignment and House Relocation.

The Findlay Street project was originally programmed for the 1999/00 financial year. However other priorities, and subsequent consultation with Wellington City Council, has meant that the project has been carried forward to the current 2001/02 financial year to complete.

### **3. Progress of the Findlay Street Project**

The design of the full stream realignment option has been completed, a draft resource consent document prepared and consultation for the resource consent commenced. A concept plan for landscape and planting improvements to the realignment has also been prepared.

The proposed full stream realignment is fully supported by the upstream (32–40 Findlay Street) residents as they, to varying extents, gain substantial property improvements from increased usable rear yard space. All the affected residents have given entry approval to undertake the full realignment option. An access agreement has also been executed for entry into Tranz Rail land, subject to a final engineering approval.

Discussions with Wellington City Council (WCC) commenced in April this year. Approval is needed from WCC, both as landowner (we need to enter Linden Park) and for a non-notified resource consent. Early on in the discussions it became apparent that WCC were developing stream management policies that are aimed at maintaining the natural character and existing riparian vegetation within Wellington City waterways. Clearly the proposed 200m stream diversion with its trapezoidal grass lined channel design does not fit the policy intentions of WCC.

During the discussions with WCC it was agreed that we would consider whether alternative options that had a reduced impact on the stream's natural character could be developed.

#### 4. **Alternative Floodway Option**

Following the initial discussions with WCC a new ‘Floodway Option’ has been developed. Under this option:

- The stream bed is retained in its current location.
- All three houses are removed from the eastern side of the stream – 2 for sale offsite, one to be located on residual land on the western side of the stream. The house and adjacent section to be subdivided and sold. All remaining land to be retained in WRC ownership.
- The existing footbridges are removed, and the berm is lowered on the eastern or railway side of the stream to create an improved floodway.
- The remaining land on the eastern side of the stream is cleared of building foundations and other improvements, and landscaped beyond the required floodway.

A preliminary design (see **Attachment 1**) and costing for this option has been completed.

##### **Consultation with adjacent landowners**

The floodway option is fully supported by WCC (see **Attachment 2**, letter dated 26 November 2001).

The alternative floodway option was also discussed with the owners of 38 and 40 Findlay Street. Entry is required into these properties to enable the floodway improvements to make a smooth transition into the upstream channel.

Both owners (38 and 40 Findlay Street) clearly prefer the full stream realignment option because of the property improvements and additional security from erosion this option offers. However, both could understand the basis for the alternative floodway option, could see the flood benefits and did not reject the option outright. The owners of number 40 Findlay Street felt that the alternative floodway option would decrease the value of their property (reduced flat area on the eastern side of the stream and increased length of a possible future footbridge) and indicated they would expect appropriate compensation.

#### 5. **Full Realignment vs Floodway Option**

Both the full realignment and alternative floodway options are permanent solutions for the 42–46 Findlay Street reach of the Porirua Stream. Improvements to the stream capacity are made, the three houses are disposed of, and residual land is retained to secure access for on going stream maintenance. However WCC’s new stream policy means that the full realignment can effectively be removed from further consideration.

A summary table providing a comparison between the currently approved full realignment option and the alternative floodway option is provided as **Attachment 3**. The following table provides a summary of costs and income for each option.

Item	Budget	Full Realignment	Floodway Option
<b>Total Costs</b>	373,000	409,600	188,050
<b>Total Income</b>	- 445,000	- 430,000	- 160,000
<b>Net Project Costs</b>	- \$72,000	- \$20,400	\$ 28,050
<b>Diff. From Budget</b>	\$0	\$51,600	\$100,050

Key points from **Attachment 3** are that while the alternative floodway option, as proposed, retains much of the existing stream natural character the option has a significantly reduced extent of flood benefits compared to the full realignment, and the estimated net cost is about \$100,000 above budget. This is because only one house is being sold on a section on site.

Given the substantial change in the nature of the project, and the \$100,000 increase in the net cost the decision to proceed requires review.

## 6. **Proceed with the Flood Improvements?**

The broad options available to Council are either to:

- Proceed with the flood improvements as per the 'floodway option'.
- or
- Not to proceed with any flood improvements and either:
    - undertake some minor stream improvements and sell the houses as is,
 or
    - continue to hold the houses and rent.

These were essentially the same options considered by the former Landcare Committee in Report 98.239 in June 1998. At that time the decision was made to proceed with about 200m of the Tawa improvements so that the three Council owned houses could be sold 'flood free' in a new appropriate location.

### **Proceed with the Floodway Option?**

This is the option that should be proceeded with, if you wish to dispose of the three houses only after the flood improvements are completed.

However, under the floodway option only one house remains on site, and the stream capacity has only been improved to the 100 year design flood event for a small section of the stream (to about the boundary of 40/42 Findlay Street).

Significant flood improvements are provided to about 5-7 houses at a cost of about \$300,000 compared to selling the houses as is. This is a considerably greater cost per house than a typical raising cost of \$30,000.

### **Sell houses largely as is?**

Under this option the houses are made ready for sale by replacing/upgrading the footbridges at 42 & 44 Findlay Street, undertaking some appropriate refurbishment of the houses and then selling them as situated. It should also be possible to undertake some improvements to the sharp bend downstream of the 46 footbridge and provide some minor improvements to flood levels.

This option is the most economical solution. The sale of the houses should net at least \$280,000 after costs, which can be applied to reducing existing loans.

All three houses at 42–46 Findlay Street are floodable. Flood modelling shows that water will enter the houses at less than a 50 year return period event. The sections become vulnerable to flooding from about a 10 year event.

A key influence for choosing this option is the 1992 decision not to proceed with the Tawa improvements. This decision seems unlikely to be reviewed in the foreseeable future given Council's current high priority commitments to improvements on the Hutt, Otaki and Waikanae Rivers.

There are some risks to Council under this option. They include ethical issues for selling floodable houses, and a potential need to repurchase the houses (possibly at increased cost if large scale redevelopment takes place) should a decision be made to proceed in future with the Tawa improvements.

### **Continue to rent?**

This is the 'hold' option. It retains the status quo and allows us to retain the option to upgrade the floodway some time in the future.

This is the option you should choose should you wish to further discuss options for the Tawa improvements with WCC. Some clarification of appropriate environmental standards for any wider Tawa improvements will help to put the Findlay Street upgrade in perspective.

Under this option the houses would be re-tenanted for a period of at least 18 months. The question of disposal of the 3 houses and flood improvements should be revisited during the next Long-term Financial Strategy round as Council is not in the business of being a landlord in the long term.

## **7. Funding**

The only option above with significant financial consequences is the floodway improvements. Approximately an additional \$100,000 by way of loan, will be required. This requires a formal business plan change which can be considered at the six monthly review, with additional loan servicing costs built into the 2002–2010 financial plan update.

## 8. Recommendations

*That the Landcare Committee:*

- (1) *receive the report.*
- (2) *note the contents of the report.*
- (3) *decide:*
  - *to proceed with flood improvements and sale of 42 to 46 Findlay Street as per the Floodway Option described in this report at a net cost of approximately \$100,000 over existing budget provision, or;*
  - *to sell 42, 44, and 46 Findlay Street houses in their current locations, following appropriate property upgrades including replacement footbridges as required, and appropriate minor stream improvements, or;*
  - *to hold the houses and continue to rent, and that Council consider the options for the Findlay Street houses at the next LTFS review following further discussions with Wellington City Council over the wider Tawa improvements including environmental requirements.*
- (3) *recommend that the chosen option is confirmed through the six month review and the 2002 financial plan update.*

Report prepared by:

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**Attachment 1** : Option 2 – New Layout Plan

**Attachment 2** : WCC Letter

**Attachment 3** : Option Comparison Table