



Adopted:	15 September 2022
Replaces:	2017 Sale of Property Policy
Review date:	15 September 2027

Purpose	To provide a clear framework for how Council property will be identified as surplus to Council requirements and the process for its disposal.
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Scope	The policy applies to any Council owned property, including land, buildings and structures, which is identified for potential disposal. 'Disposal' includes repurposing, sale, gifting and demolition.
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Principles	<ul style="list-style-type: none"> • Transparency: Council property disposal transactions will generally be conducted in an open and transparent manner, within reasonable commercial confidentiality constraints and using consistent (public) criteria, to maintain public confidence in the expenditure of funds. • Monitoring and Review: The Council's property portfolio will be regularly reviewed. The Council will monitor the levels of use of its properties to inform its reviews. • Maximise value: The Council will approach property reviews and disposals by taking into account, and seeking to maximise, both social and financial benefit.
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Policies	<p>1. <u>Property Review</u></p> <p>1.1. A property review, to identify properties for disposal, will be undertaken at the time of reviewing the Council's Long Term Plan. The review will be presented to the Council to confirm which properties are to be considered for disposal. Only the Council can make the decision and pass a resolution that property is surplus and is to be sold or otherwise disposed of.</p> <p>1.2. Any recommendations for property disposal will take into account:</p> <p>1.2.1. The costs of retaining the property, including the costs of maintenance associated with the property, as well as the costs of any upgrades required to make it fit for purpose;</p> <p>1.2.2. The level of utilisation of the property, including the extent to which it is used for its intended purpose;</p> <p>1.2.3. The availability of other suitable properties for the same purpose;</p> <p>1.2.4. The origin of the property, i.e. how it came to be in Council ownership</p> <p>1.2.5. The value of the property, its potential sales value and likelihood of interest from the public in purchasing it; and</p> <p>1.2.6. Any relevant Council strategies, policies and plans.</p>
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- 1.3. In addition to the above, property will be reported to Council for disposal if a party has signalled their interest in purchasing part of the site and the part concerned is not required for Council or community use.
 - 1.4. As part of the review, the Council will engage with relevant stakeholders to help inform the assessment set out in 1.2 above, including users of facilities, other relevant community members, and relevant community committees. The Council may also obtain professional input, for example real estate advice.
 - 1.5. Property disposals will be scheduled within the property activity management plan. However, should a strong need to dispose of property or land arise outside this process, such disposals will be escalated to the Council for a decision.
 - 1.6. Recommendations for disposal will include consideration of opportunities for repurposing, sale, gifting or demolition, in accordance with the following sections of this policy.
2. Repurposing
 - 2.1. Where a property is identified for potential disposal, consideration should be given to whether it can be or used for another valid purpose (“repurposed”).
 - 2.2. Repurposing will be considered where:
 - 2.2.1. The property is currently underutilised; and
 - 2.2.2. There is a viable alternate use that is expected to have a greater economic or community benefit.
3. Process for Repurposing
 - 3.1. The Council when considering a property for repurposing will:
 - 3.1.1. Consult with the local Council Committee to see if they have any viable alternate use with greater economic or community benefits for an underutilised property.
 - 3.1.2. Consider any proposals received and if a suitable viable alternative use is received allow for this to proceed provided:
 - 3.1.2.1. A lease/licence will be entered into if the Council Property is to be used by an external party i.e. club, business etc.
4. Demolition
 - 4.1. Demolition of buildings will be considered where:
 - 4.1.1. The building is not fit-for-purpose or a dangerous or insanitary building notice has been issued under the Building Act 2004, and the costs of upgrading or maintaining the building are cost prohibitive; and
 - 4.1.2. The land can be better used for another purpose that has greater economic or community benefit and/or the land is to be sold.
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5. Process for Demolition

- 5.1. Council to determine if public consultation is required prior to demolition, taking into consideration the significance the building has held in the community/district.
- 5.2. Council passes a resolution to demolish the building.

6. Sale

- 6.1. Sale of property will be considered where:
 - 6.1.1. The property is no longer fit-for-purpose; or
 - 6.1.2. The costs of upgrading the building are cost prohibitive; and
 - 6.1.3. There has been interest expressed from the public in purchasing the property, or it is considered reasonably likely that there would be interest from the public in purchasing the property.

7. Process for Sale

- 7.1. A valuation is obtained from a registered valuer for the Council property that is to be sold.
- 7.2. Council passes a resolution to sell the property and authorises the CEO to sell within a financial range.
- 7.3. The Council property is publicly advertised for sale.
 - 7.3.1. Adjoining property owners will be formally notified in writing that the Council property is for sale.
- 7.4. Any proceeds from the sale of any Council property will first meet any legislative costs. Once these requirements/costs have been met any remaining proceeds will be assigned to:
 - 7.4.1. The district-wide fund, where the property has been funded on a district-wide basis; or
 - 7.4.2. The relevant amenity fund, where the property has been funded on an amenity basis.
- 7.5. The following responsibilities and obligations apply to property sales:
 - 7.5.1. The Chief Executive Officer will be responsible for the terms and conditions of the sale, subject to any specific terms or conditions set down as part of the Council resolution.
 - 7.5.2. The Chief Executive Officer has the power to make any amendments to the sale terms, or authorise any action which is required to implement the Council resolution for the sale of property.

8. Gifting

- 8.1. Gifting of property will be considered in circumstances where:
 - 8.1.1. There is no financial benefit to the Council in keeping the property;
 - 8.1.2. The property serves, or can be used to serve, a community function, or is valued by the community;
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8.1.3. The property would be used for the benefit of the community;

8.1.4. There is demonstrable interest in the property being retained by community members; and

8.1.5. The community benefit outweighs the potential financial benefit of the property being sold.

9. Process for Gifting

9.1. Council passes a resolution to gift the property providing the following process has been undertaken:

9.1.1. Proposals to gift the property must be publicly notified. Public consultation will be in accordance with Section 82 of the Local Government Act 2002.

10. Approvals

10.1. Council property that is to be disposed of will have all the appropriate Council approvals.
