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FILE NO. 926

DEVELOPMENT OF LOWER QUEEN STREET .
LAND ISSUES WITH AUCKLAND CITY COUNCIL .

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LAND ISSUES WITH AUCKLAND CITY COUNCIL .

Auckland Harbour Board

MEMORANDUM

23rd July, 1958

FROM 59/2/3
THE GENERAL MANAGER

TO
THE CHIEF ENGINEER

23rd July, 1958.

L.D.Nathan, Esq.,
L.D.Nathan & Co. Ltd.,
P.O. Box 190,
AUCKLAND, C.I.

Dear Sir,

Redevelopment Lower Queen Street & Albert Street

Enclosed herewith for your perusal is a copy of Mr. C.P.Hutchinson's opinion on aspects of preliminary legal questions which arise before the scheme could be seriously contemplated.

This opinion does not take the matter a great deal further other than to point out the need for special legislation.

When the outcome of negotiations with the lessees, Wingate & Co. Ltd. and E.P.Counihan, is known I propose further examination and discussion with the Chief Engineer and Property Officer with a view to reporting to the Board in due course.


Yours faithfully,



GENERAL MANAGER

For your information.


GENERAL MANAGER

do Smith!


GCB:c
Enclosure

OPINION for THE AUCKLAND HARBOUR ..
BOARD re Re-development of ..
Lower Queen Street and Albert
Street

I have been asked to advise on the legal aspects of the proposed scheme to re-develop the above-mentioned area.

The area, which is the subject matter of the scheme consists of a block of land bounded by Quay Street in the North, Lower Queen Street in the East, Customs Street West in the South and Albert Street in the West and envisages the closing of Little Queen Street. The estimated cost of the Scheme is four million pounds and involves the demolition of all the existing buildings in the above-mentioned area and replacing them with a 13 storey building fronting on Albert Street, and a three storey building fronting the remaining three streets with a courtyard in the centre.

The freehold of the area other than Little Queen Street and Gladstone Building is owned by the Board. Gladstone Building is owned by the City Council. The buildings other than the Board's own offices have been leased by the Board to various persons and companies, such Lessees having a perpetual right of renewal of their leases subject only to revaluation of the rent reserved from time to time. All except four of the leases are due for renewal in 1965 or 1966. Many of the existing uses for which the present buildings are now being used are non-conforming uses under the Council's present Undisclosed District Scheme pursuant to the Town and Country Planning Act.

As I understand the proposed scheme, it is suggested that a corporation or company be formed, which should acquire the whole of the land either by purchase of the freehold or by leasing the same from the Board and City Council at a ground rent and should erect the proposed buildings. The Board and the Council and the existing head Lessees would be invited to take shares in the newly formed company and that such shares should give the shareholders specific rights to leases of various portions of the new buildings. It is further suggested that the value of the shares which should be taken up by the various interested parties should be commensurate

with the value of the freehold and the compensation value payable to the Lessees which would in the aggregate amount to the acquisition value of the site. The costs of demolition and rebuilding would be met either by outside persons investing in the company by taking up shares or by an issue of debentures. Those lessees of existing properties which are now being used for non-conforming uses would either have to be bought out in cash or by issuing fully paid up shares in the company to the value of the compensation payable to them or partially in cash and partially in shares.

In my opinion, it is unquestionable, that the Board has no power to enter into such a scheme for the following reasons:

- (a) Such a company if formed would have no power to compel any of the existing lessees to surrender their leases. The new Company would be in law a separate and distinct person from its shareholders and accordingly the compulsory powers of acquisition of land conferred by statute on the Board and the City Council would be of no avail. Furthermore even if the Board's powers of compulsory acquisition were available, those powers are limited by Section 140 of the Harbours Act 1950 to certain purposes therein mentioned and the proposed scheme in my opinion, does not fall within their ambit. I am not unmindful of the fact that the Board has power under The Public Bodies Leases Act 1908 S.12(1)d. to accept a surrender of lease of the whole or part of the land comprised in such lease and grant to the lessee or any other person with the consent of the lessee (without offering the same for sale by auction or tender) a new lease or new leases of the whole or any part or parts of the land comprised in the surrendered lease for the remainder or any part of the remainder of the term at such rental as the Board determines and with rights of renewal. See Auckland Harbour Board v Auckland Farmers Freezing Co. Ltd. 1938 N.Z.L.R.71. Even if it were open to the Board under the Scheme to use those powers, which it is not, those powers would be of no avail, because

under Section 9 of the Public Bodies Leases Act every lease granted under that act must take effect in possession within six months after the granting thereof. Accordingly unless a particular portion of the present buildings could be demolished and rebuilt fit for occupation within six months, Section 12 could not be used and further more the new premises would not necessarily be comprised in any part of the surrendered lease.

(b) The Board has limited powers of sale of its land under Section 143 of The Harbours Act 1950 but appears to have no general power of sale and its only power to lease to the proposed company would be under the Public Bodies Leases Act 1908, which provides that leases shall be put up for sale by Public Auction or tender (See Section 8).

(c) The Board could not invest its moneys in any such company because the only investments it may make are prescribed in Section 53 of The Harbours Act 1950.

In view of the matters to which I have referred, it is manifestly plain, that the proposed scheme could only be accomplished by special legislation.

Such legislation would have to provide for the creation of a corporation which would have power to acquire compulsorily land and interests in land owned by any person or public authority within the defined area upon payment of compensation. There would also have to be power conferred upon the Board to invest in such corporation and power, if necessary, to lease its land for a ground rental to such corporation without recourse to the procedure of the Public Bodies Leases Act. Furthermore the Act would have to provide for shareholders to have a right to a lease of a portion of the building in proportion to their shareholding and the Board itself would have to have a right to a lease for Harbour Offices.

It would also have to be borne in mind that if shares in the Company were to be offered to the public for subscription, that the rentals derived from the new building would have to be such as to ensure an attractive return on investment.

(Sgd) C.R.Hutchinson

Auckland, 28th February, 1958.

E
EXTRACT FROM
PROPERTY COMMITTEE
24 MAR 1958

12. RE-DEVELOPMENT LITTLE QUEEN STREET AREA - WINGATE & CO. LTD.
PREMISES

A report was considered from the General Manager advising that the above Company intended selling its leasehold interest in the premises situated on Lots 57, 58 and 59 Little Queen Street and Lower Albert Street. It was considered most desirable that advantage be taken of the availability of this property and its purchase negotiated.

It was RESOLVED to recommend that approval be given for negotiations to purchase the Lessee's interest in Lots 57, 58 and 59 Little Queen Street, and the securing of a Valuer's report for use in the matter.

ADOPTED BY BOARD IN COMMITTEE AND REMAINED IN COMMITTEE
11 MAR 1958

Mr. Smith please note.

It appears unlikely that our Dept. will become involved except in considerations for the redevelopment of the whole block &/or rebuilding of Boards offices.

If alterations are required for letting of space or adaptation for Boards purposes I would expect our originating memo from some other Dept. J.P.

8 OCT 1957

3. LAND ISSUES : AUCKLAND HARBOUR BOARD & AUCKLAND CITY COUNCIL:

Report of the Acting Chairman dated 2nd October, 1957, stating that, at the request of the City Council, the Board's Sub-Committee met Council representatives for further discussion on those items on Tuesday, 1st October, 1957; that an amicable exchange of views took place and the following summary set out briefly the ground covered on each item, with recommendations for future action where required.

1. Victoria Park:

That the existing lease had still some 30 years before expiration and, further, that future requirements indicated possible changes in this area, e.g. roading to Harbour Bridge, etc, and it was felt that steps to conclude arrangements could be deferred until conditions became clearer. It would be desirable if a policy were adopted so arranging tenancies of those sections on the perimeter of the Park which are at present leased that it would be practicable at a later stage for those areas to be incorporated in the Park if desirable. The Council will make proposals on this latter aspect in the near future.

He recommended that consideration be deferred accordingly, the City Council and/or the Board to re-open the issue at such time as may be convenient.

2. Gladstone Building:

This transaction had been linked with that of Victoria Park. Should the Board's proposals in regard to Lower Queen Street redevelopment be proceeded with, then the Board would probably be interested in seeking the resumption of this property.

It was recommended that the matter be deferred pending further approach by the Board but, meanwhile, that the City Council record the Board's intentions in this area and their likely effect on Gladstone Building.

3. 28 Quay Street:

The City Council was still examining the problem of street widening to serve the bus terminal and new parking building, and did not desire meanwhile to disturb the present situation.

It was recommended that this matter be left until the City Council advises further, but Council to record that, if the premises are not required for such purpose, it would consult the Board before any revised arrangements occurred.

For the benefit of Members, the Acting Chairman of the Board briefly outlined the discussions which took place with the Auckland City Council on the issues contained in the report and was complimented by the Chairman of the Committee on the manner in which the negotiations were conducted.

It was RESOLVED to recommend that the report be adopted.

*Mr Smith to note
J.I.*

ADOPTED BY BOARD IN COMMITTEE
15 OCT 1957

*remained in
Committee*

4. Reclaimed Land South of Fanshawe St. Bridge Approach Road:

Both the City Council and the Harbour Board were anxious that this area should be satisfactorily dealt with and it would seem generally are in agreement that the areas be suitably landscaped.

It was recommended that the Board offer to lease the area at a nominal rent to any Authority prepared to carry out this essential treatment. City Council to take the matter further with the Bridge Authority.

5. Bath Site, Curran Street:

It is understood that this scheme was under re-examination and that the baths might now be sited at Pt. Erin Park. The City Council will advise the Board of any revised proposals. If such proposals include requirements on the Bridge reclamation at Westhaven, consideration would require to be given to provision of alternative area for aquatic purposes.

The City Council will advise its intentions in due course.

6. Pollen Island:

It was emphasised that, having regard to all the circumstances, this matter should be finalised forthwith on the lines of the Board's original suggestion.

Council is willing to sell the property to the Board and will make a final decision as to price in the near future.

7. Reserve Contribution & Sub-division:

This matter is to be further examined, probably an opportune time being when Hobson Bay proposals are clarified.

It was recommended that action be deferred meanwhile.

8. Re-development, Queen Street:

The Board is at present having examined the legal and other complications of this overall proposal and, when further progress has been made, will again approach the City Council.

9. Port and City Boundaries:

Before any decision in principle could be reached, there are a considerable number of points of detail to be examined. To progress in this matter it is recommended that the matter be examined by the appropriate officers of the Auckland City Council together with the Auckland Harbour Board, and that further reports be submitted.

10. Parking Site, Pakenham Street:

The Council was awaiting further information from the lessees involved and could then advise the Board in the matter.

11. Fanshawe Street, Lots 2 and 4:

The Council was examining possible uses for this block and further advice would be given shortly.

12. Lots 24 and 25, Victoria Street West:

A definite proposal suggesting occupation at commercial rental has been submitted to Council. It was likely that Council's reply would suggest a policy for dealing with this and other commercial properties on the fringe of Victoria Park until the time is opportune for their inclusion in the Park as one group.

The Acting Chairman stated that, with the trend of events, it would not be necessary to continue to deal with those items as a group, individual action being more appropriate in most cases.

Members were asked to approve of the action taken in this matter and to adopt the recommendations as set out.

For the benefit of Members, the Acting Chairman of the Board briefly outlined the discussions which took place with the Auckland City Council on the issues contained in the report and was complimented by the Chairman of the Committee on the manner in which the negotiations were conducted.

It was RESOLVED to recommend that the report be adopted.

*Mr Smith to note
J.S.*

ADOPTED BY BOARD IN COMMITTEE + remained in
15 OCT 1957
Committee

EXTRACT FROM MINUTES
GENERAL PURPOSES COMMITTEE

19 AUG 1957

7. LOWER QUEEN STREET DEVELOPMENT:

Report of the General Manager dated 14th August, 1957, stating that the Auckland City Council had forwarded for information Plan No. 10776/1 prepared by the Council's Chief Architect and showing a comprehensive scheme for development of the block bounded by Customs, Queen, Albert and Quay Streets; that it was stated that the plan represented a general idea only of the type of development that could transform that part of the City to the practical benefit of the Board, the City and the business community, and form a gateway worthy of the City; that the plan could provide a basis for preliminary discussion and until more definite accommodation requirements were assessed the proposal comprised the following :-

- (1) A shopping block built around an open arcade court, yielding a maximum shopping frontage perimeter, with service access under the open court.
- (2) An office building of, say, 13 stories and necessary basements. This would accommodate the Harbour Board and other occupants.
- (3) Ample shopping concourse for free circulation of the public around the block.
- (4) Two-level parking facilities for approximately 118 cars.

In addition to accommodating the present occupancy of the site, but deducting the non-conforming uses, there would be an increase of floor space of 90,000 sq.ft. The general result would be a more open, well-lighted block of buildings, a gain of open space and adequate parking facilities. The site occupancy ratio was in conformity with Town Planning principles; that it would be appreciated that such a scheme would need the fullest examination and initially it would be necessary for the Board to review all the implications to any such proposal. He recommended at this stage, therefore, that it be agreed -

- (a) To seek an opinion on the legal implications that would arise;
- (b) That the property and engineering aspects of this proposal be further examined in detail.

It was RESOLVED to recommend that the report be adopted.

Mr Smith,

ADOPTED BY BOARD IN COMMITTEE

re-announced in
Committee

Please collaborate with 27 AUG 1957

Property Officer as necessary,

J.T.

8th August, 1957.

THE CHIEF ENGINEER

THE GENERAL MANAGER

REDEVELOPMENT OF LOWER QUEEN STREET - ALBERT
STREET LOCALITY

With reference to my stencilled report on the above project, dated 8th August 1957, I would bring to your notice the following points:-

1. My report arises out of recent discussions with the Chairman and out of a request from the Property Officer for assistance by way of appreciating the engineering factors.
2. In my opinion any precipitous publicity of such an intention based on a pictorial representation, and without a detailed factual and economic survey and plan, would result in great harm being done and would considerably delay the realisation of the project.
3. The preparation of such a scheme will involve a good deal of time for competent staff (engineering, architectural, property and planning) and if good progress is desired staff, once committed, should not be transferred to other work. It is very likely too that, when the Board's staff has completed their preliminary examination, the services of a consulting Town Planner will be required to prepare the final project.
4. In conclusion I suggest that the necessary Property staff be made available to pursue this project in conjunction with my engineering and architectural staff.

RAJS:HEB

CHIEF ENGINEER TO THE BOARD

8th August, 1957.

The General Manager,
AUCKLAND HARBOUR BOARD

REDEVELOPMENT OF LOWER QUEEN STREET -
ALBERT STREET LOCALITY

The redevelopment of this area has been briefly considered from time to time during the past twenty or thirty years and schemes of varying scope have been prepared by the Board, by the Council and by architectural students.

In November 1956, following discussions between the Chairman and the then Mayor, the City Engineer's Department made a brief study of the project and prepared a preliminary scheme for the redevelopment of this locality, but the economic aspects of such a scheme have not yet been fully examined. The basis of this scheme is to replace the present collection of small individual titles and unrelated buildings (many of which are of poor quality) with a large multi-storey structure providing shops, offices, car parking and open and courtyard space. The area affected is Queen Street to Albert Street from Quay Street to Customs Street.

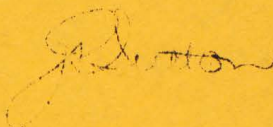
Such a scheme, of which there could be many versions, is very desirable and would provide a fine entrance to the City. The most suitable version would be that which combined aesthetic appeal with economy in construction, practicability in programme and utility for the City's commerce.

The area of land available, assuming that Little Queen Street were closed, is some $2\frac{1}{2}$ acres and its estimated freehold value is about £1,000,000. The Board and the Council (Gladstone Building) are the only freehold owners in this block the remainder of the land being in eighteen separate leases most of which are due for revaluation in 1965/66. The annual ground rent revenue received by the Board on current valuation is some £11,000 which, it is anticipated, would be increased to £20,000 in 1967.

This is an extremely valuable piece of land of which considerably better use could be made both aesthetically and commercially and its redevelopment as outlined above would lend considerable dignity to the City and could be expected to return a handsome dividend to the Board.

The planning of such a redevelopment project requires that all aspects be considered and that the plan be truly comprehensive. The preparation of a pictorial representation alone is not sufficient but rather should it be accompanied by proposals setting out its economic stability, commercial application and financial practicability.

In conjunction with the Property Officer I recommend that the Engineer and Property Officer be authorised to proceed further with the examination of this project with a view to having prepared an outline scheme of redevelopment for discussion with existing property holders.

A handwritten signature in dark ink, appearing to read "J. Dutton". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

CHIEF ENGINEER TO THE BOARD

Copy

LAND ISSUES : AUCKLAND CITY COUNCIL

The attached summary sets out the material put forward by Board representatives on 9th October 1956. Discussion then was indecisive in some matters as is recorded in the notes of discussion taken by the Secretary and Town Clerk.

In addition to the items previously discussed it is proposed that three further matters be examined, viz -

- (a) Parking : Pakenham Street East area
- (b) Parking building site : South side Fanshawe Street
- (c) Lots 24/5 Victoria Street West : Basis for Council to take possession.

In making this fresh approach to the various matters comment is made under each separate heading -

1. VICTORIA PARK

It is possible that some confusion has arisen through linking discussion with Gladstone Building and 28 Quay Street. It is as well for issues regarding each property to be looked at separately before any consideration is given to offsetting of one against others.

Essential data as to the Park and values is -

- (i) This land is at present zoned for commercial use and total freehold value of park and abutting land is estimated at £500,000.

- (ii) Divided in to Lessors and Lessees interests the total is made up as follows -

A.H.B. Interest	£160,000
A.C.C. Interest (in Park)	£320,000
Commercial Lessees Interest	<u>20,000</u>
	<u>£500,000</u>

- (iii) The Board's current revenue from the area is £2,045 p.a. but potential revenue when ground rents are reviewed is £23,000 p.a.

- (iv) The present favourable lease of the Park was granted ~~gratuitously~~ to the City Council when the Board in 1937 extended the tenure (due to expire in 1953) for a further 34½ years to 1987 at the same low rental of £666.4.0.p.a.

- (v) Council's use of the Park is restricted to recreation purposes and the equity of £320,000 is therefore theoretical only and not saleable at that figure.

- (vi) Large value increases in the area are inevitable in the future and in 30 years may well have doubled from present day figures.

- (vii) Any owner would be reluctant to part with the freehold of an area with such tremendous potential value in case circumstances unforeseen at the present time warrant a change of use permitting commercial exploitation, unless a very substantial premium above present day values could be secured.

- (viii) In Council's undisclosed planning scheme the area is shown restricted to recreation use. If this is confirmed the Board, quite apart from other dealings, would be entitled to claim compensation in the order of £160,000 plus goodwill that could be established.

- (ix) The Board in 1955 asked Council for information as to zoning roading and re-development proposals in the Freeman's Bay area generally so that the pattern of long term development there would be known before any final commitment was made. This data is not yet available in any final form.

2. GLADSTONE BUILDING

The freehold value of this property is estimated at £91,500 comprised of land £68,000 and improvements £23,500. Gross Revenue earned is £6,800 p.a. and after outgoings are met something under £4,000 is left.

The property was acquired by Council for purpose of street improvements. The buildings on the site are a wasting asset, inadequate for the site and the main interest of a purchaser would be there fore in the land potential.

3. 28 QUAY STREET

The value of this property is -	land	£9,200
	impmnts.	14,500
		<u>£23,700</u>

The property is leased by Council to the Auckland Metropolitan Drainage Board at £460.p.a. plus rates and insurance. All interior improvements converting the premises from a store to offices have been made by the Drainage Board. Full rental value is £1,500 p.a. plus rates etc.

Council acquired the property for street widening along with the adjoining section which is in use as a road outlet to the Transport terminal.

GENERAL COMMENT : If dealing on a freehold basis Council's assets of Gladstone Building and 28 Quay Street are worth £115,200 and the Board's equity in Victoria Park area is £160,000 a difference of £44,800.

Such a basis of exchange would be too favourable to Council as to present day value and would not take into account the future potentialities of the Victoria Park area.

Accordingly the proposals tabled in October last were suggested - a long lease with reservations to enable the Board to regain outright ownership in the event of change of use.

Dealing on a revenue basis Council would, under the Board's proposals, be giving up income of about £4,000 p.a. to secure a lease at £1,000 p.a. over land with a present income of £2,000 p.a. and potentially worth - if present values are sustained - £23,000 p.a. as from 1987.

4. RECLAIMED LAND SOUTH OF FANSHAWE STREET APPROACH TO HARBOUR BRIDGE

At the previous discussions representatives agreed, in principle, that this area should be set aside as a reserve and suitably landscaped and that the Bridge Authority was the proper body to undertake this work. Council was to pursue the matter further with the Harbour Bridge Authority and advise the outcome of the matter in due course.

5. BATH SITE OFF CURRAN STREET

The Board has agreed to a 99 year lease at 1/- p.a. over an area of 5½ acres of harbour bed, with the reservation that access to the site is not to interfere with access to and from Westhaven.

6. POLLEN ISLAND

At the previous discussion his Worship the Mayor asked that this matter be held over meantime pending a general settlement on outstanding major issues. The Mayor indicated that if the Board and Council could come to a general agreement on matters under discussion he would be willing to recommend transfer of Pollen Island for nominal consideration.

6. POLLEN ISLAND (Cont.)

It should be noted that in 1953 the Board agreed that provided Council obtained adjoining land from the Crown the Board would consent to transfer the Council for recreational development tidal lands of 19 acres on either side of Meola Peninsula. It was laid down that this matter was not to be completed until such time as satisfactory agreement has been reached regarding acquisition by the Board of Pollen Island. The Board repeated this condition in 1956 in consenting to the "Marina" proposal at Meola Creek.

7. RESERVE CONTRIBUTION ON SUBDIVISION

At the previous discussions the Mayor stated that except where it was desirable to set aside reserve areas in situ, he would favour an arrangement whereby the Board could be granted some measure of relief in the matter of cash contribution in lieu of land. Such an arrangement he thought would be limited to defined reclamation areas, and further consideration would have to be given in connection with such major projects as Hobson Bay. It was agreed that the Board had a case for generous treatment and the Mayor stated that he would be prepared to recommend to Council accordingly.

8. REDEVELOPMENT : QUEEN STREET TO LOWER ALBERT STREET

Preliminary discussions have been held at Officer level, a tentative sketch prepared and survey started as to land usage in the area.

9. PORT AND CITY BOUNDARIES

Previously His Worship the Mayor agreed that while the Board's proposals had a great deal to commend them he would like the matter to be examined in the first instance by his officers to put a full report before Council as to the implications. It was agreed that the Board's officers would supply the Town Clerk with any further data required.

10. HOBSON BAY

Previously it was agreed that the special duties section of Council's Town Planning Division would be asked for a full report on the question of permitted land uses in the event of reclamation being proceeded with. Further discussions would take place after this technical report was available. The Chairman of the Board particularly stressed the need for determining the location of connecting roads between the Waterfront and

- A. South Eastern outlet
- B. Victoria Avenue
- C. Shore Road - Ayr Street intersection.

A copy of a report dated 9.5.57 by Council's Director of Works to His Worship the Mayor is available.

This report refers to possible uses when the area is reclaimed. Limited commercial and high density housing is suggested plus recreational educational and other uses complementary to City development as provided for in the District planning scheme under preparation. Piece-meal reclamation is not favoured. With the University site question still at large other decisive action cannot be taken yet.

11. PARKING SITE : PAKENHAM STREET AREA

In 1956 the Mayor had an informal discussion with the Chairman of the Board concerning the problem of congestion in the City Markets area. He advised that Council intended to acquire the lessees interests in Lots 6/10 Pakenham Street East and sought information as to the possible Board reaction to such a step.

The possibility of Port development in the Pakenham Street basin was referred to but as the land is already committed by lease and it would be some time before this development progressed it was likely that off-street parking use would not be objected to meantime. It is reported that Council has been unable to make progress in the matter by negotiation and is considering proceeding under the Public Works Act.

12. LOTS 2/4 SOUTH SIDE FANSHAWE STREET

Council has been advised of availability of this area of about 1 acre and the suggestion has been made that it could be a suitable site for an off-street parking building.

13. LOTS 24/25 VICTORIA STREET WEST

These sections have been vacated by the Gem Foundry and the Board is willing to make them available for incorporation in Victoria Park at reduced rental. Council in reply asked that the matter be included in general negotiations. Subsequently it asked that use for parking refuse trucks be permitted as temporary measure at the same reduced rental.

LAND ISSUES AND GENERAL - AUCKLAND HARBOUR BOARD
AND AUCKLAND CITY COUNCIL

These notes are put forward by the Board's representatives for consideration by Council's representatives.

If any measure of agreement is reached reports can be made to the respective bodies with a view to further action as approved.

The items dealt with are -

1. Victoria Park, Gladstone Building and 28 Quay Street
2. Disposition reclaimed land south of Fanshawe Street approach road to Harbour Bridge
3. Proposed Bath Site off Curran Street
4. Pollen Island
5. Reserve contribution on subdivision
6. Re-development Queen Street to Lower Albert Street
7. Port Boundaries
8. Hobson Bay

1. VICTORIA PARK, GLADSTONE BUILDING AND 28 QUAY STREET

The proposals in connection with these properties have been further examined since the last meeting with Council representatives and valuation figures are now available, viz:-

Victoria Park

Lessors Interest (A.H.B.)	£102,760	
Lessees Interest (A.C.C.)		<u>£317,240</u>
		£420,000

Land abutting Park (leased commercially)

Lessors Interest (A.H.B.)	£56,000	
(present income £1,350 p.a. plus reversionary interests)		

£158,760

Gladstone Building

Land	£68,000		
Improvements	<u>£23,500</u>	£91,500	

28 Quay Street

Land	£9,200		
Improvements	<u>£14,500</u>	<u>£23,700</u>	<u>£115,200</u>

£43,560 difference

Using these figures it would be necessary for Council to pay a sum in the order of £43,000 in addition to transferring Gladstone Building and 28 Quay Street to acquire the Board's present interest in Victoria Park and adjacent land.

If a transaction took place on this basis Council would obtain considerable benefit owing to the manner in which the present interest in Victoria Park has been acquired.

However it is considered that the Board should not part with the freehold of the Park area in case circumstances unforeseen at the present time make it no longer possible for the area to be retained as a Park. In this event the very great value of the property should accrue to the Board.

It is suggested therefore that the Board grant extended lease tenure over the Park area with special reservations against such a contingency to apply, in return for transfer of Gladstone Building and 28 Quay Street with the latter property to be leased back to Council for a fixed term.

The following is recommended -

- (a) That in consideration of Council transferring Gladstone Building and 28 Quay Street to the Board, Council be granted a new lease over Victoria Park until 1987 with right of renewal for 68 years (i.e. for 99 years in all).
- (b) Rental to be £1,000 p.a. during the whole term of the lease.
- (c) Council to have the right if exercised within the current term of each renewable lease (i.e. by 1971 to 1973) to have the 20 commercially used lots (13/14, 24/40 and 52) abutting the Park, included in this main lease, with no increase in rental, when existing lessees interests are acquired or improvements paid for and each site is physically incorporated in the Park.
- (d) The Board to assist Council to obtain possession of tenanted properties (Lots 13/14, 24/6) for inclusion, in a similar manner.
- (e) Council's use of the land to be restricted to park and recreation purposes.
- (f) In the event of the whole or part of the land being required or used for any other purpose the lease of the whole or such part to cease accordingly and compensation, revenue or other benefit derived therefrom is to belong to the Board.
- (g) Council to agree that the area occupied by transit houses will be re-used for recreation purposes in a similar manner to the area leased from the Board within the same time limit as for the commercially leased sections.
- (h) To be stated in the lease that the Board recommends that on expiration of the term of 99 years the lease shall be renewed for a further term of 99 years on a concession basis.
- (i) 28 Quay Street which may still be required for street widening purposes to be leased to Council for 21 years at a rental of £400 per annum.
In the event of the property being required for street widening during this period the Board to be compensated for the value of the land but to make no claim for any interest in the improvements.

2. DISPOSITION OF LAND TO BE RECLAIMED SOUTH OF FANSHAWE STREET
APPROACH ROAD TO THE HARBOUR BRIDGE

An outline plan of proposed works is available.

Council previously requested that the area when reclaimed be transferred to it for addition to Pt. Erin Park.

The work has yet to be carried out and detail result is subject to final agreement with the Bridge Authority as to its permanent requirements and settlement of boundary adjustments with foreshore owners. The matter of removal of clubhouses and boatbuilding premises will also need to be clarified.

Owing to the availability of dedicated road access at various points the area will have value. From a civic viewpoint however it would appear that the area should be set aside as a reserve and suitably landscaped. The Board would expect that the value or equivalent area should be offset against other liabilities to Council, e.g. provision of reserves elsewhere.

It is considered premature for any final commitment to be made at this stage, although the principle of use as a reserve can be agreed subject to lease of the land for a long term on a concession basis, the Board to be given credit, as determined, for the concession made in other land dealings with the Council.

3. PROPOSED BATH SITE (5 $\frac{1}{2}$ acres) OFF CURRAN STREET

There will be no difficulty in arranging for this site to be set aside for baths purposes. In accordance with policy already followed however, the Board would grant a long-term lease, not vest the freehold. A term of 99 years at 1/- per annum is suggested.

In addition to the Board's usual requirements regarding reclamation works, road access will have to be provided so as not to interfere in any way with access to and from the Board's boating facilities at Westhaven. It may also be necessary that the layout be arranged so that a strip of land along the outer seawall is set aside for general use as a breastwork with steps provided from the harbour.

4. POLLEN ISLAND

In view of the Board's action in foregoing any claim to reversionary interest in the Shelly Beach baths (estimated at £8,000) and other concessions proposed in these negotiations, it is suggested that transfer at nominal consideration (say £1) would be reasonable so that this long standing matter may be finalised.

5. RESERVE CONTRIBUTIONS REQUIRED ON SUBDIVISION

For some time the Board has felt that it should be given special consideration in this respect.

The Board has made a substantial capital outlay to provide public amenities and recreation facilities by creation of boatharbours and on-shore facilities. Operation of these facilities from year to year is also a costly item.

Overall the Board has undertaken an extensive commitment in a manner not approached in the recreational sphere by any other public body or private land owner, and if in addition land areas are to be made available to the City on generous terms it would appear reasonable that the Board be free from the obligation of making a reserve contribution when land is subdivided. This might require amending legislation by arrangement between the two bodies.

6. RE-DEVELOPMENT : QUEEN STREET TO LOWER ALBERT STREET

A co-ordinated scheme was considered some years ago. The Board would support any move to bring about a worthwhile improvement in this area. Co-operative action would be required between private enterprise, Council and the Board.

Would Council make a survey of present use and have its architectural staff prepare an outline scheme to test the practicability and as a basis for discussion.

7. PORT AND CITY BOUNDARIES

The Board recently discussed this question in a preliminary way.

It is the Board's opinion that an area of land behind the wharves is necessary to administer a Port the size of Auckland, and generally speaking the Board considers it should control and administer as a wharf all that land between the existing wharves and the north side of Quay Street.

The Board's intention would be to have declared as wharves in terms of the Harbours Act land abutting its wharves and being used for port purposes. These areas would then be enclosed and administered by the Board and a request would be made to Council to close any dedicated roads in the areas. The question of rate adjustments in view of responsibility for services to these areas would have to be discussed between the Board and Council.

The areas under consideration are -

1. Eastern Reclamation : King's Wharf approach to Eastern Breakwater north of Quay Street
2. Pakenham Street Lighter Basin area
3. Area adjoining Wynyard Wharf
4. Reclamations Okahu Bay and Westhaven Boat harbours

It is requested that the principles involved be considered from Council's viewpoint so that further discussion can take place.

8. HOBSON BAY

The Board's present thinking on the subject of Hobson Bay is outlined in the Chairman's statement of 24th September 1956.

It would appear that the Town Planning Authorities should give immediate consideration to the development and permitted land use of the area as it is useless to pursue the matter very far without these most important factors having been determined.

The Board is giving thought to the type of plant required to do the reclaiming by stages on a long term basis.

Auckland Harbour Board

NOTES FOR CONFERENCE BETWEEN AUCKLAND HARBOUR BOARD AND AUCKLAND CITY COUNCIL REPRESENTATIVES ON LAND ISSUES

Committee Room, Town Hall, 2.15.p.m. Wednesday, 19th June, 1957.

1. On 24th August 1954 the then Mayor, Mr. J.H. Luxford, appeared before the Board in Committee and gave a brief resumé of Council's proposals for Victoria Park and adjoining areas and stated that Council desired to acquire the freehold of all that area bounded by Victoria Street West, Beaumont Street, Fanshawe Street and Halsey Street.
2. After a report on the matter from the Property Committee, the Board on 21st September 1954 resolved that the Auckland City Council be advised -
 - (a) That the Board is prepared, on receipt of firm indication as to the Council's zoning, re-development and roading intentions in the Freeman's Bay area generally, to consider negotiating with the Council an exchange of the Victoria Park Area for Gladstone Building and 28 Quay Street, together with other land or money adjustment that might be equitable under the circumstances, and
 - (b) That it is to be clearly understood that transfer of any Victoria Park area is to be subject to legislation vesting the area for recreational purposes.
3. On 21st December 1954 Council put forward the following proposals -
 - (a) That the Auckland Harbour Board be advised that Council is not able to re-transfer to the Board the property at No.28 Quay Street, as Council expects to use this property at some future time in connection with -
 - (1) The proposed parking building to be constructed at the Municipal Transport Terminal, and
 - (2) The general use of the Terminal after provision has been made for new accommodation for additional buses.
 - (b) That the Auckland City Council is willing in the event of the Board agreeing to transfer Victoria Park to the Council to declare the land to be a Public Reserve, within the meaning of The Reserves and Domains Act 1953, pursuant to Section 13 of the said Act.

(Note : It must be understood, however, that a portion of Victoria Park yet to be determined may have to be reserved for roading purposes in connection with access to and from the Harbour Bridge approaches.)
 - (c) That in view of the small difference in values from a community point of view as between the properties owned by the Council and Victoria Park when the equity of the Auckland Harbour Board in Victoria Park is based at 4 1/2 per cent. which is a figure which has been adopted by the fair rents Officer in computing rentals under Glasgow leases, the Board be requested to agree to the exchange without any monetary consideration, and that Council is willing to transfer Pollen Island to the Harbour Board as part of the consideration.
 - (d) That the Board be advised that Council realises that at some future date it will be responsible for compensating the lessees and tenants of properties on the Victoria Street frontage of Victoria Park.

4. On 15th February 1955 the Board resolved that the Council be advised -
 - (1) That the Board is unable to agree to Council's proposals.
 - (2) That in the event of agreement, the Board would require the matter to be dealt with by special legislation appropriate to the circumstances of the case.
 - (3) That the background information as to Council's zoning, roading and re-development proposals in Freeman's Bay area generally, is required before negotiations can progress.
 - (4) That the Board is not satisfied at this stage, that the difference in values is so small that the Board could agree to transfer without further monetary or other consideration.
 - (5) That the Board considers Pollen Island should be dealt with as a separate matter.
 - (6) That a small sub-Committee is prepared to discuss the matter further.
5. On 15th March 1955 Council advised that it had appointed a Sub-Committee and the Board resolved that its Sub-Committee comprise the Chairman of the Board
Chairman of the Finance Committee
Chairman of the Property Committee
Chairman of the Works & Traffic Committee.
6. At a meeting on 10th May 1955 discussion took place on the basis of the Board's decisions on 15th February 1955.
7. The main outcome of this meeting was an arrangement to obtain up to date commercial valuations of the Victoria Park area and Gladstone Building so that further study of the problems could be made.
8. After discussion with the City Valuer (who had changed during this period) Mr. S.E. Bennett submitted reports to the Board dated 15th March 1956 (2) and 18th September 1956 regarding the value of Victoria Park and Gladstone Building.
9. A further meeting was arranged between the Board and Council representatives on 9th October 1956.
10. It was decided that the scope of discussion be widened at this conference to cover various land issues concerning the two bodies, but on the understanding that no final commitments could be made as matters would have to be reported back to the Board.
11. The Board's representatives tabled notes under each of the following headings -
 - (1) Victoria Park, Gladstone Building and 28 Quay Street
 - (2) Disposition of reclaimed land south of Fanshawe Street approach road to Harbour Bridge
 - (3) Proposed Bath Site off Curran Street
 - (4) Pollen Island
 - (5) Reserve contribution on subdivision
 - (6) Re-development Queen Street to Lower Albert Street
 - (7) Port Boundaries
 - (8) Hobson Bay
12. The outcome of discussion was indecisive as a number of the issues required further examination.

13. A further conference has been arranged for 19th June 1957 and owing to the time lapse and change of personnel representing each body, it is necessary to fully summarise the present position, including -
 - (i) The notes tabled at the October 1956 conference;
 - (ii) The stage then reached on each item; and
 - (iii) To make further comment as appropriate.
14. In addition to the items previously examined a further three matters are proposed for discussion -
 - (i) Parking : Pakenham Street East area
 - (ii) Lots 2/4 : South side Fanshawe Street - possible site for off-street parking building
 - (iii) Lots 24/25 - Victoria Street West : Basis for Council to take possession.

VICTORIA PARK

15. At the previous discussion figures taken from the summary attached herewith were tabled, indicating, on a freehold basis at present values, that in addition to transferring Gladstone Building and 28 Quay Street to the Board, Council should pay £43,560 to acquire the Board's interest in the Park and adjacent land.
16. This basis was considered too favourable to Council, particularly with the circumstances in which the lease was granted by the Board in 1937 in mind.
17. It was again stated that the Board would not part with the freehold of the Park in case unforeseen circumstances make it no longer possible for the area to be retained as a Park.
18. In this event the full potential value of the property should accrue to the Board.
19. It was suggested therefore that the Board might grant extended lease tenure on special terms in return for transfer of Council's two properties.
20. The following proposal was put forward -
 - (a) That in consideration of Council transferring Gladstone Building and 28 Quay Street to the Board, Council be granted a new lease over Victoria Park until 1987 with right of renewal for 68 years (i.e. for 99 years in all).
 - (b) Rental to be £1,000 p.a. during the whole term of the lease.
 - (c) Council to have the right if exercised within the current term of each renewable lease (i.e. by 1971 to 1973) to have the 20 commercially used lots (13/14, 24/40 and 52) abutting the Park, included in this main lease, with no increase in rental, when existing lessees interests are acquired or improvements paid for and each site is physically incorporated in the Park.
 - (d) The Board to assist Council to obtain possession of tenanted properties (Lots 13/14, 24/6) for inclusion, in a similar manner.
 - (e) Council's use of the land to be restricted to park and recreation purposes.

VICTORIA PARK (Cont.)

20. (f) In the event of the whole or part of the land being required or used for any other purpose the lease of the whole or such part to cease accordingly and compensation, revenue or other benefit derived therefrom is to belong to the Board.
- (g) Council to agree that the area occupied by transit houses will be re-used for recreation purposes in a similar manner to the area leased from the Board within the same time limit as for the commercially leased sections.
- (h) To be stated in the lease that the Board recommends that on expiration of the term of 99 years the lease shall be renewed for a further term of 99 years on a concession basis.
- (i) 28 Quay Street which may still be required for street widening purposes to be leased to Council for 21 years at a rental of £400 per annum.
In the event of the property being required for street widening during this period the Board to be compensated for the value of the land but to make no claim for any interest in the improvements.
21. Essential data should be brought forward at this stage in connection with the Park area.
22. This land is at present zoned for commercial use and total freehold value of park and abutting land is estimated at £500,000.
23. Divided into Lessors and Lessees interests the total is made up as follows -
- | | |
|--|-----------------|
| Auckland Harbour Board Interest | 158,760 |
| Auckland City Council Interest (in Park) | 320,000 |
| Commercial Lessees Interest | <u>21,240</u> |
| | <u>£500,000</u> |
24. The Board's current revenue from the area is £2,247 p.a. but revenue when ground rents are reviewed could be £23,000 p.a. on present values alone.
25. Council's use of the Park is restricted to recreation purposes and the equity of £320,000 is therefore theoretical only and not saleable at that figure.
26. Large value increases in the area are inevitable in the future and in 30 years may at least double from present day figures.
27. Any owner would be reluctant to part with the freehold of an area with such tremendous potential value in case circumstances unforeseen at the present time warrant a change of use permitting commercial exploitation, unless a very substantial premium above present day values could be secured.
28. It is understood that in Council's undisclosed planning scheme the area is shown restricted to recreation use. If this is confirmed the Board, quite apart from other dealings, would be entitled to claim full compensation for any loss suffered by imposition of this restriction in use.
29. Gladstone Building - The freehold value of this property is estimated at £91,500 comprised of land £68,000 and improvements £23,500.
30. Gross Revenue earned is £6,800 p.a. and after outgoings are met something under £4,000 is left.
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VICTORIA PARK (Cont.)

31. Gladstone Building was acquired by Council for purpose of street improvements. The buildings on the site are a wasting asset, inadequate for the site and the main interest of a purchaser therefore would be in the land potential.

32. 28 Quay Street

The value of this property is -	Land	9,200
	Improvements	<u>14,500</u>
		<u>£23,700</u>

The property is leased by Council to the Auckland Metropolitan Drainage Board at £460.p.a. plus rates and insurance. It is understood that all interior improvements converting the premises from a store to offices have been made by the Drainage Board. Full rental value is about £1,500 p.a. plus rates etc.

33. Council acquired the property for street widening along with the adjoining section which is in use as a road outlet to the Transport terminal.

GENERAL :

34. At the previous discussion Council's representatives sought a lease term of 999 years for the Park area.

35. No finality could be reached on this point or on the figures involved the matter was left over for further examination.

SUMMARY

36. If dealing on a freehold basis Council's assets of Gladstone Building and 28 Quay Street are worth £115,200 and the Board's equity in Victoria Park area is £158,760, a difference of £43,560.

37. Such a basis of exchange would be too favourable to Council as to present day value and would not take into account the future potentialities of the Victoria Park area.

38. Accordingly the proposals tabled in October last were suggested -- a long lease at a low rental with reservations to enable the Board to regain outright ownership in the event of change of use.

39. Dealing on a revenue basis Council would, under the Board's proposals, be giving up income of about £4,000 p.a. to secure a lease at £1,000 p.a. over land with a present income of £2,247 p.a. and worth - if present values only are sustained - £23,000 p.a. as from 1987.

40. At this stage the Board has stated principles that it would require to apply, has suggested an outline basis for dealing with the matter and it is considered that counter proposals should now be submitted by Council.

RECLAIMED LAND SOUTH OF FANSHAWE STREET APPROACH
TO HARBOUR BRIDGE

41. At the previous conference it was noted that the Bridge Authority's permanent requirements would have to be settled and the matter of removal of clubhouses and other structures clarified.
42. It was agreed in principle that the area generally should be set aside as a reserve and suitably landscaped and that the Bridge Authority was the proper body to undertake this work.
43. Council was to pursue the matter further with the Authority.
44. Mention should be made of the possibility of R.N.Z.N.V.R. headquarters site being extended and becoming permanent and a new approach by residents regarding leaving an open waterway to a beach off Shelly Beach Road.
45. At this stage it is a question of what action has been taken by Council in the interim and the best means to continue to follow it up.

BATH SITE OFF CURRAN STREET

46. Since the last conference the Board has agreed to a 99 year lease at 1/- p.a. over an area of 5½ acres of harbour bed, with the reservation that access to the site is not to interfere with access to and from Westhaven and the terms have been accepted by Council.
47. It would appear that Council now should develop detail plans to the Board's approval; the lease to be completed when the project is ready to proceed.

POLLEN ISLAND

48. At the previous conference it was put forward that in view of the Board's action in foregoing any claim to reversionary interest in the Shelly Beach baths (estimated at £8,000) and other concessions proposed in these negotiations, that transfer at nominal consideration (say \$1) would be reasonable so that this long-standing matter may be finalised.
49. The Mayor asked that this matter be held over meantime pending a general settlement on outstanding major issues. He indicated that if the Board and Council could come to a general agreement on matters under discussion he would be willing to recommend transfer of Pollen Island for nominal consideration.
50. It is considered that this matter should be finalised as previously suggested.
51. It should be noted that in 1953 the Board agreed that provided Council obtained adjoining land from the Crown the Board would consent to transfer the Council for recreational development tidal lands of 19 acres on either side of Meola Peninsula. It was laid down that this matter was not to be completed until such time as satisfactory agreement has been reached regarding acquisition by the Board of Pollen Island. The Board repeated this condition in 1956 in consenting to the "Marina" proposal at Meola Creek.

RESERVE CONTRIBUTION ON SUBDIVISION

52. At the previous conference it was stated that for some time the Board has felt that it should be given special consideration in this respect.
53. The Board has made a substantial capital outlay to provide public amenities and recreation facilities by creation of boatharbours and onshore facilities. Operation of these facilities from year to year is also a costly item.
54. Overall the Board has undertaken an extensive commitment in a manner not approached in the recreational sphere by any other public body or private land owner, and if in addition land areas are to be made available to the City on generous terms it would appear reasonable that the Board be free from the obligation of making a reserve contribution when land is subdivided. This might require amending legislation by arrangement between the two bodies.
55. The Mayor stated that except where it was desirable to set aside reserve areas in situ, he would favour an arrangement whereby the Board could be granted some measure of relief in the matter of cash contribution in lieu of land. Such an arrangement he thought would be limited to defined reclamation areas, and further consideration would have to be given in connection with such major projects as Hobson Bay.
56. It was agreed that the Board had a case for generous treatment and the Mayor stated that he would be prepared to recommend to Council accordingly.
57. It is now for the Council to let the Board know its official view toward this suggestion.

REDEVELOPMENT : QUEEN STREET TO LOWER ALBERT STREET

58. At the previous conference it was pointed out that a co-ordinated scheme was considered some years ago. The Board would support any move to bring about a worthwhile improvement in this area. Co-operative action would be required between private enterprise, Council and the Board. It was suggested that Council make a survey of present use and have its architectural staff prepare an outline scheme to test the practicability and as a basis for discussion.
59. It is understood that such a project would need an amendment to Council's Town Planning Scheme and that this could not be effected for 5 years time.
60. A preliminary sketch has been prepared and part of the area surveyed as to land usage in connection with preparation of Town Planning data.
61. This is essentially a long term project but now started should be taken to some definite stage in the near future so that it may be publicised and its practicability or otherwise established.

PORT AND CITY BOUNDARIES

62. At the previous discussion it was stated that the Board had recently discussed this question in a preliminary way.
63. It is the Board's opinion that an area of land behind the wharves is necessary to administer a Port the size of Auckland, and generally speaking the Board considers it should control and administer as a wharf all that land between the existing wharves and the north side of Quay Street.
64. The Board's intention would be to have declared as wharves in terms of the Harbours Act land abutting its wharves and being used for port purposes. These areas would then be enclosed and administered by the Board and a request would be made to Council to close any dedicated roads in the areas. The question of rate adjustments in view of responsibility for services to these areas would have to be discussed between the Board and Council.
65. The areas under consideration are -
 - (1) Eastern Reclamation : King's Wharf approach to Eastern Breakwater north of Quay Street
 - (2) Pakenham Street Lighter Basin area
 - (3) Area adjoining Wynyard Wharf
 - (4) Reclamations Okahu Bay and Westhaven Boat harbours.
66. It was requested that the principles involved be considered from Council's viewpoint so that further discussion could take place.
67. His Worship the Mayor agreed that while the Board's proposals had a great deal to commend them he would like the matter to be examined in the first instance by his officers to put a full report before Council as to the implications.
68. It was agreed that the Board's officers would supply the Town Clerk with any further data required.
69. This matter originates from the General Manager's report dated 17th July 1956 which was adopted by the Board on 31st July 1956. Fuller detail is available in this report.
70. It is now a question of obtaining Council's views on the principles involved.

HOBSON BAY

71. At the October conference it was stated that the Board's then thinking on the subject of Hobson Bay was outlined in the Chairman's statement of 24th September 1956.
72. It appeared that the Town Planning Authorities should give immediate consideration to the development and permitted land use of the area as it is useless to pursue the matter very far without these most important factors having been determined.
73. It was agreed that the special duties section of Council's Town Planning Division would be asked for a full report on the question of permitted land uses in the event of reclamation being proceeded with. Further discussions would take place after this technical report was available.

HOBSON BAY (Cont.)

74. The Chairman of the Board particularly stressed the need for determining the location of connecting roads between the Waterfront
- A. South Eastern outlet
 - B. Victoria Avenue
 - C. Shore Road - Ayr Street intersection.
75. A copy of a report dated 9th May 1957 by Council's Director of Works to His Worship the Mayor is available. This report refers to possible uses when the area is reclaimed. Limited commercial and high density housing is suggested plus recreational educational and other uses complementary to City development as provided for in the District planning scheme under preparation. Piece-meal reclamation is not favoured.
76. With the University site question still at large other decisive action cannot be taken yet.
77. It is as well to set out here the assurances which the Board stated to the University Site Conference, that it would require in the event of Hobson Bay being the chosen site -
- (i) An agreed zoning plan to allow the unreclaimed areas in Hobson Bay to be used for high density residential or commercial purposes if and when they are in due course reclaimed.
 - (ii) Approval of the proposed lay-out of the University area so that it will not conflict with future development.
 - (iii) The provision of road access to Tamaki Drive from the new University area at no cost to the Board.
 - (iv) The Auckland Harbour Board's approval to the method of reclamation proposed.
 - (v) The Auckland Harbour Board's approval to any dredging of the Harbour bed to provide filling for the reclamation.
 - (vi) Agreement by the University Council that should they later require increased reclamation they will agree to hold any further areas as ordinary commercial tenants of the Board.
 - (vii) Agreement by the City Authorities that if the area bounded by the line of the sewer in Hobson Bay is made available by the Board for University purposes that this area is to be considered as an offset to the Board's obligation for reserve contributions from future development.
78. Meantime it is necessary to await further developments in this matter.

PARKING SITE : PAKENHAM STREET AREA

79. In 1956 the Mayor had an informal discussion with the Chairman of the Board concerning the problem of congestion in the City Markets area. He advised that Council intended to acquire the lessees interests in Lots 6/10 Pakenham Street East and sought information as to the possible Board reaction to such a step.
80. The possibility of Port development in the Pakenham Street basin was referred to but as the land is already committed by lease and it would be some time before this development progressed it was likely that off-street parking use would not be objected to meantime.
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PARKING SITE : PAKENHAM STREET AREA (Cont.)

81. It is reported that Council has been unable to make progress in the matter by negotiation and is considering proceeding under the Public Works Act.
82. Council has asked for this matter to come up for discussion.

LOTS 2/4 ; SOUTH SIDE PANSHAWE STREET

83. These sections were, until recently, tenanted by the Leyland O'Brien Timber Co. They are now vacant and the Board has tentatively decided upon a method of leasing.
84. It was decided that before this action is taken that Council should be advised of the availability of this area of about 1 acre and the suggestion has been made that it could be a suitable site for an off-street parking building.
85. Council will have to examine the matter and advise its views.

LOTS 24/25 : VICTORIA STREET WEST

86. These sections abut Victoria Park and the Board advised Council on 29th June 1956 that it was prepared to make them available for incorporation in the Park at a reduced rental of £100 p.a. (in lieu of £300 p.a. the full rental value).
 87. Council in reply asked that the matter be included in these general negotiations.
 88. Subsequently it asked that use for parking refuse trucks be permitted as temporary measure at the same reduced rental, but the Board decided to defer a decision until this present discussion had been held.
 89. The Board's general feeling appeared to be that for any use other than recreation purposes full rental should be paid.
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ATTACHMENT TO CONFERENCE NOTE : LAND ISSUES - AUCKLAND HARBOUR
BOARD AND AUCKLAND CITY COUNCIL 19.6.1957.

The following summary sets out valuation figures agreed by the City Valuer and Mr. S.E. Bennett for the Board in respect to Victoria Park and Gladstone Building. The figures shown for 28 Quay Street are Government Valuation figures -

Victoria Park

Lessors Interest (A.H.B.)	£102,760	
Lessees Interest (A.C.C.)		<u>£317,240</u>
		£420,000

Land abutting Park (leased commercially)

Lessors Interest (A.H.B.)	£56,000	
(present income £2,247 p.a. plus reversionary interests)		
		<u>£158,760</u>

Gladstone Building

Land	£68,000	
Improvements	<u>£23,500</u>	£91,500

28 Quay Street

Land	£9,200	
Improvements	<u>£14,500</u>	<u>£23,700</u>
		£115,200
		<u>£43,560 difference</u>

The Agreed Capital Value of Victoria Park is arrived at on the sub-divisional value of the Park as an industrial area after allowing development expenses and contemplating a willing vendor.

It is pointed out by Mr. Bennett that the Lessees Interest is increased and the Lessors Interest conversely diminished in the above calculation on account of the nominal rent paid by the Council. Consequently the respective interests can be taken as correct only if Council is restricted for all time to using the land as a recreation area.

