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Freeholding of Council Endowment Land Policy

Purpose and Scope

1. To describe the process to freehold (sell) Council-owned land which is subject to Domain or Municipal Endowment ground leases.
2. The Council owns land originally acquired by endowment from the Crown. Council owns the freehold interest in the land. The lessee (tenant) owns the leasehold interest in the same land.
3. This policy applies to land subject to Domain or Municipal Endowment ground leases (listed in Schedule 1 and 2 below).
4. This policy does not apply to any other Council-owned land or buildings.

Principles

5. The Council uses the income from the Domain Endowment (listed in Schedule 1) to maintain or improve reserves, purchase land in the name of the Crown as Recreation Reserve, or purchase land in the name of the Council for the purposes of the Hamilton Domain Endowment Act 1979.
6. The Council uses the income from the Municipal Endowment (listed in Schedule 2) for municipal purposes.
7. The Council encourages lessees to freehold the land. Ground leases typically yield low returns. The Council can benefit ratepayers by obtaining a greater return by placing the proceeds of sale in higher yielding investments.

Policy

8. The Council will freehold Endowment Land on application from the lessee.
9. Freeholding of **Domain Endowment** land shall proceed at 100% of the Current Market Value of the land based on independent valuation. The value may be contestable by arbitration.
10. Freeholding of **Municipal Endowment** land shall proceed at 100% of the Current Market Value of the land based on independent valuation OR the Lessors Interest Value based on independent valuation, whichever is the greater. The value may be contestable by arbitration.
11. The applicant lessee will pay all the Council's reasonable costs in the matter.
12. The sale proceeds shall be immediately credited to the relevant Endowment Fund.

Monitoring and Implementation

13. The Chief Executive will monitor the implementation of this policy.
14. The policy will be reviewed every three years, or at the request of the Council, or in response to changed statutory requirements, or in response to any issues that may arise (whatever comes first).

Schedule 1: Domain Endowment Leasehold Land

Property Reference	Property Address	Legal Description	Land Area
10002	297 Ulster Street	Lot 1 DPS 12212	2157.5m ²
10017	189 Fox Street	Lot 7 DPS 1200	675m ²
10020	5 Henry Street	Lot 8 DPS 2099	759m ²
10026	5 Cotter Place	Lot 8 DPS 4051	679m ²
10027	126 Fox Street	Lot 4 DPS 5647	718m ²
10029	103 Dey Street	Lots 7 & 8 DP 34426 and Lot 1 DPS 82950	1457m ²
10030	101 Naylor & Dey Streets		

Schedule 2: Municipal Endowment Leasehold Land

Property Reference	Property Address	Legal Description	Land Area
20017.001	145-149 Ward Street	Lots 14 & 15 DP 17135	791m ²
20017.002	145-149 Ward Street		
20017	151-155 Ward Street	Lots 16 & 17 DP 17135	971m ²
20019	179 Ward Street	Lots 23 & 24 DP 17135	592m ²
20015	258 Fox Street	Lot 13 DP 35611	558m ²
20016	12 Wiremu Street	Lot 9 DPS 5418	830m ²
20023.001	77 Norton Road	Lots 3, 4 & 6 DPS 8955	1668m ²
20023.002	79 Norton Road	Lot 5 DPS 8955	614m ²