



SPECIALIST ASSESSMENT – PROPERTY DEGREE OF DIFFICULTY CRITERION

**PALMERSTON NORTH REGIONAL FREIGHT HUB MULTI
CRITERIA ANALYSIS AND DECISION CONFERENCING
PROCESS**

PREPARED FOR KIWIRAIL

June 2020



CNI FREIGHT HUB

PHASE 2 – MULTI CRITERIA ANALYSIS

PROPERTY CRITERIA

CNI FREIGHT HUB

PHASE 2 – MULTI CRITERIA ANALYSIS – PROPERTY CRITERIA

INTRODUCTION

Author's Credentials

This Property assessment has been completed by Dale Philip (KiwiRail: Development Manager – Acquisitions and Sales, Property). Dale is a LINZ Accredited Supplier for the Acquisition of Land for Public Works and the Assessment of Compensation under the Public Works Act 1981.

Information Provided and Relied Upon

This assessment has relied on the following information:

- List of eight possible sites;
- Information from the following websites: Property-Guru, LINZ Data Service, ArcGIS, LINZ Land Online, Maori Land Online, Palmerston North City Council and Manawatu District Council.

Purpose of the Assessment

The purpose of this document is to support the evaluation of possible sites for the future Central North Island Freight Hub. The present document reflects the Property Criteria assessment, which is one of the Multi Criteria Analysis (MCA) measures. The following comparative assessment of the long list site options reflects only the property criteria and shouldn't be considered without the analysis of the other criteria.

This report is a comparative assessment of long list site options to inform the MCA workshop #2.

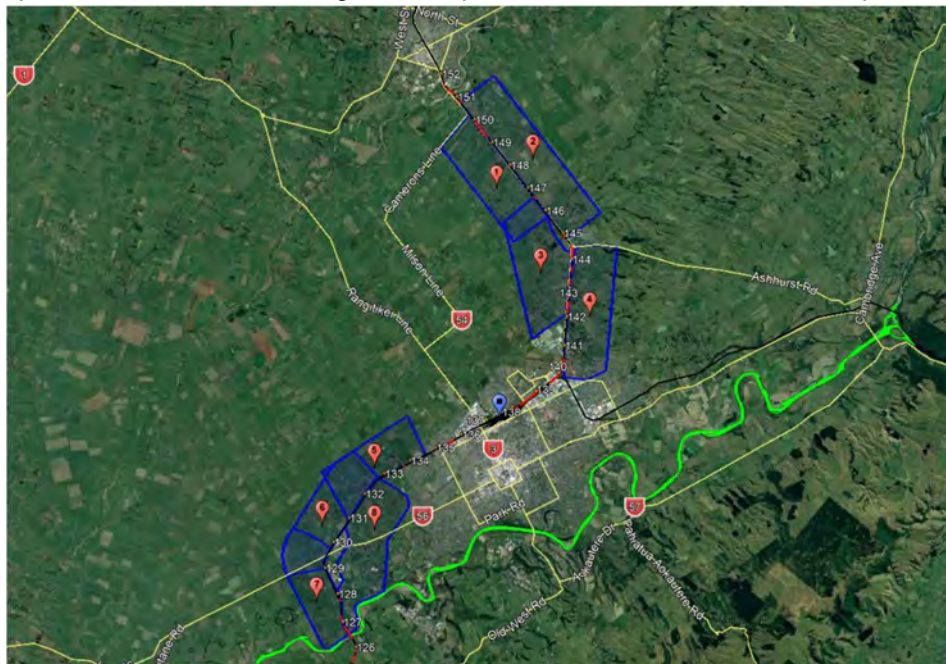


Figure 1: Possible locations for CNI Freight Hub

For the purpose of the present document the eight possible sites were named:

1. Site 1 (Bunnythorpe – North West)
2. Site 2 (Bunnythorpe – East Side)
3. Site 3 (Bunnythorpe – West (Airport))
4. Site 4 (Bunnythorpe – East)
5. Site 5 (Longburn – North)
6. Site 6 (Longburn – North West)
7. Site 7 (Longburn – West (River))
8. Site 8 (Longburn – South East)

CRITERIA BEING ASSESSED

A property criteria assessment would normally assess each of the possible sites against specific sub criteria as listed below:

- Number of property owners affected;
- Identification of Maori Freehold Land
- Indicative land value
- Land held for special purposes

Due to delays getting the shape file for the 8 selected sites and large size of each of the selected sites, the following sub criteria was not considered/reviewed at this stage. These sub criteria will instead be considered as part of the Detailed Site Analysis (Stage 3):

- Complexity of property negotiations
- Existing covenants and ancillary land interests (easements and access)
- Indirectly affected properties
- Land with existing resource consents that have not been given effect to
- The current KiwiRail site

Each of the sub criteria were evaluated for each possible site and assessed accordingly to the scoring criteria. The numeric scoring criteria is related to the difficulties of each site.

Score	Criteria		
	Benefits	Impact	Difficulty
	<ul style="list-style-type: none"> • Rail • Economic 	<ul style="list-style-type: none"> • Tangata whenua values • Natural environment (terrestrial and freshwater) • Noise and vibration • Heritage • Visual and landscape impacts • Community Cohesion • Fit with (regional) strategies / plans 	<ul style="list-style-type: none"> • Engineering degree of difficulty • Connectivity • Property degree of difficulty • Resilience -Hazards • Cost
1	High Benefits	Low Impact	Low Difficulty
2	Medium High	Medium Low	Medium Low
3	Medium	Medium	Medium
4	Medium Low	Medium High	Medium High
5	Low Benefits	High Impact	High Difficulty

Table 1: 5-scale numeric score adopted

As presented in Table 1, lower scores represent lower difficulty for property, so the sites with an overall lower score should be selected for the Detailed Site Analysis (Stage 3).

Each of the sub criteria were scored according to the defined scoring criteria.

Sub Criteria	Scoring Criteria												
<p>a) Number of Property Owners Affected</p> <p>The number of property owners within a site has been used to consider the potential difficulty to negotiate the acquisition of land. This assumes that the more owners to negotiate with, the greater the time and cost to secure the land.</p> <p>The number of owners were used as a measure instead of the number of titles, as some owners have multiple titles which make up their property.</p>	<p>The scores used range from 1 to 5 and are scaled evenly between the highest and lowest number of owners affected. 1 = (Low difficulty) being the site(s) with the lowest number of affected land owners, and 5 = (high difficulty) being the site(s) with the highest number of affected land owners.</p> <table> <tr> <th>Number of Owners per Site</th><th>Score</th></tr> <tr> <td>0-32</td><td>1</td></tr> <tr> <td>33-64</td><td>2</td></tr> <tr> <td>65-96</td><td>3</td></tr> <tr> <td>97-128</td><td>4</td></tr> <tr> <td>129-160</td><td>5</td></tr> </table>	Number of Owners per Site	Score	0-32	1	33-64	2	65-96	3	97-128	4	129-160	5
Number of Owners per Site	Score												
0-32	1												
33-64	2												
65-96	3												
97-128	4												
129-160	5												
<p>b) Identification of Maori Freehold Land</p> <p>The identification of Maori Freehold Land has been used to consider sensitive Maori land within each site.</p>	<p>The scores are either 1 = no Maori Freehold Land identified, or 5 = if Maori Freehold Land is identified.</p> <table> <tr> <th>Maori Freehold Land within Site</th><th>Score</th></tr> <tr> <td>No</td><td>1</td></tr> <tr> <td>Yes</td><td>5</td></tr> </table>	Maori Freehold Land within Site	Score	No	1	Yes	5						
Maori Freehold Land within Site	Score												
No	1												
Yes	5												
<p>c) Indicative Land Value</p> <p>The rating value of all the affected properties within a site have been added to give an indicative land value. Due to time constraints, a market value for each site could not be assessed.</p>	<p>The scores used range from 1 to 5 and are scaled evenly based on the range between the highest and lowest total land values. 1 = (Low difficulty) being the lowest value site(s), and 5 = (high difficulty) being the highest value site(s).</p> <table> <tr> <th>Adjusted Land Cost (\$M) per Site</th><th>Score</th></tr> <tr> <td>41-55</td><td>1</td></tr> <tr> <td>56-70</td><td>2</td></tr> <tr> <td>71-85</td><td>3</td></tr> <tr> <td>86-100</td><td>4</td></tr> <tr> <td>101-115</td><td>5</td></tr> </table>	Adjusted Land Cost (\$M) per Site	Score	41-55	1	56-70	2	71-85	3	86-100	4	101-115	5
Adjusted Land Cost (\$M) per Site	Score												
41-55	1												
56-70	2												
71-85	3												
86-100	4												
101-115	5												
<p>d) Special Purpose Land¹</p> <p>The number of special purpose properties within a site was considered as it may result in additional complexity and cost.</p>	<p>It was found that there was between 1 and 3 special purpose properties within each of the sites. The scores used were 1 = 1 special purpose property, 3 = 2 special purpose properties, and 5 = 3 special purpose properties within a site.</p> <table> <tr> <th>Special Purpose Land per Site</th><th>Score</th></tr> <tr> <td>1</td><td>1</td></tr> <tr> <td>2</td><td>3</td></tr> <tr> <td>3</td><td>5</td></tr> </table>	Special Purpose Land per Site	Score	1	1	2	3	3	5				
Special Purpose Land per Site	Score												
1	1												
2	3												
3	5												

Table 2: List of Property sub criteria and scoring criteria

To take into consideration the different impacts of the sub criteria listed, a 'significance' factor was considered. The different weights assigned to each sub criteria reflect its importance and allow a better understanding of each site for the property criteria.

The 'weight' was assessed based on how each of the sub criteria could create difficulties when acquiring the land.

¹ Special Purpose Land is where there are specific public activities currently being undertaken on the land that may be difficult to relocate, for example a school, cemetery, power substation, aerodrome

Weight	Justification for Weight	Sub Criteria
4	The number of different property owners affected by a project increases the difficulty and complexity of securing land. This then leads to additional time and funding being required, and so this has been given a high weighting.	a) Number of Property Owners Affected
4	Maori Freehold Land can complicate and extend negotiations and therefore has been given a high weighting	b) Identification of Maori Freehold Land
2	The indicative cost of a site has been given a medium weighting. High value land will affect the site selection; however it is possible to secure additional funding or place the proposed Freight Hub on the lower value land within a site. Because the variance of land values within a site are not that significant only a medium weighting is applied.	c) Indicative Land Value
1	Special Purpose properties could be relocated or avoided, so has been given a low weighting.	d) Special Purpose Land

Table 3: List of Property sub criteria, attributed weight and justification

ASSUMPTIONS

Land Area

The 8 sites were found to have different total land areas that ranged from 492 hectares to 874 hectares. This difference in site size represents a 78% increase from the smallest to the largest site. So that all the sites could be considered on the same basis without the difference in land size influencing the results, an average site size was used (being 643 hectares). The average site size was used when considering the 'Number of Owners per Site' and the 'Total Rating Value per Site'. Each of these sub criteria were simplified down to a per hectare rate for each site and then multiplied by the average site size so that the results could be more accurately compared.

Titles

For simplicity, it has been assumed that if only part of a title is within a site, then the whole of that title has been considered as being required. As per the 'Land Area' assumption (above), because the sites are analysed on a per hectare basis and then applied to the average site size, the inclusion of this additional land is not considered to impact the overall assessment.

Cost

This analysis has used the rating values for each of the properties to give an indicative total value of each site. Where the rating value has included other titles outside a site, the rating value has been scaled based on the square metre rate to exclude these additional land areas. The review did not consider which land contained any improvements, and so the improvement value was split over the total land area.

The rating valuation dates for Palmerston North City Council are September 2018 and August 2016 for Manawatu District Council. Quotable Value information shows that in 2017 land values in the Manawatu District (excluding Palmerston North) rose 15.4% and in 2018 rose 11.5%. This gives a total 2-year adjustment of 27%, which has been applied to all of the Manawatu Rating Valuation figures.

The cost assessment also only considers the rating values for each site and excludes any acquisition, relocation or business loss costs which would be payable under the Public Works Act. This cost assessment should only be used to compare each of the sites and should not be used for funding purposes.

Information

This assessment has relied on information from the following websites and assumes that all the information on these sites is correct.

- Property-Guru, LINZ Data Service, ArcGIS, LINZ Land Online, Maori Land Online, Palmerston North City Council and Manawatu District Council

EXCLUSIONS

Additional sub criteria

The following sub criteria was not considered/reviewed. These sub criteria will be considered as part of the Detailed Site Analysis (Stage 3):

- Complexity of property negotiations
- Existing covenants and ancillary land interests (easements and access)
- Indirectly affected properties
- Land with existing resource consents that have not been given effect to

Roads

This assessment has not considered any roads that are affected within a specific site. It assumes that any road affected will be realigned/relocated within the selected site as part of the project. The cost analysis therefore excludes any cost to acquire and relocate these roads.

Current site

The current site has been excluded from the property assessment on the basis that no additional land has been identified outside KiwiRail's current land ownership. It is recommended that the current site is considered in the Detailed Site Analysis (Stage 3) so that we can consider the cost and implications for acquiring additional land at our existing site.

Zoning

No consideration has been given to the existing zoning of any of the land within a site.

Utility Services

No consideration has been given for any utility services such as gas pipelines and transpower lines which may pass through a site. The Detailed Site Analysis (Stage 3), will identify and consider the possible impact of these utility services.

COMPARATIVE ASSESSMENT

The eight sites were evaluated based on the four sub criteria, and these are summarised in Table 4 below.

Site	Ownership Score	Maori Land Score	Cost Score	Special Purpose Land Score	Total Score (Unweighted)
Site 1 (Bunnythorpe – North West)	1	5	1	3	10
Site 2 (Bunnythorpe – East Side)	2	5	2	3	12
Site 3 (Bunnythorpe – West (Airport))	4	1	3	5	13
Site 4 (Bunnythorpe – East)	5	1	4	5	15
Site 5 (Longburn – North)	2	1	1	3	7
Site 6 (Longburn – North West)	1	1	1	3	6
Site 7 (Longburn – West (River))	1	1	1	1	4
Site 8 (Longburn – South East)	5	1	5	5	16

Table 4: Site Assessment

Table 5 shows each site's weighted score and the final score for each site.

Site	Weighted Score ²	Final Score ³	Difficulty
Site 1 (Bunnythorpe – North West)	2.6364	4	Medium High Difficulty
Site 2 (Bunnythorpe – East Side)	3.1818	5	High Difficulty
Site 3 (Bunnythorpe – West (Airport))	2.8182	4	Medium High Difficulty
Site 4 (Bunnythorpe – East)	3.3636	5	High Difficulty
Site 5 (Longburn – North)	1.5455	2	Medium Low Difficulty
Site 6 (Longburn – North West)	1.1818	1	Low Difficulty
Site 7 (Longburn – West (River))	1.0000	1	Low Difficulty
Site 8 (Longburn – South East)	3.5455	5	High Difficulty

Table 5: Site Score

The property criteria identifies 3 sites which are deemed to have the lowest degree of difficulty. These three sites are:

- Site 5 (Longburn – North)
- Site 6 (Longburn – North West)
- Site 7 (Longburn – West (River))

² The Weighted Score is calculated using the weights from Table 3. These weights are multiplied by each of the sub criteria scores (shown in table 4) and then divided by the sum of the total weightings.

³ The Final Scores are calculated by dividing the difference between the highest and lowest weighted scores by 5 to get an evenly distributed range for the 1-5 scores (see table).

Weighted Score Range	Final Score
1.000-1.509	1
1.510-2.018	2
2.019-2.527	3
2.528-3.036	4
3.037-3.545	5

Addendum to the Workshop 2 Property Criteria Assessment

Reason for the addendum

The reason for this addendum is to provide a:

- record of area option 9; and
- further assessment of the area options with the masterplan layout applied

Area option 9

In the pre Workshop 2 Report completed for the Property Criteria Assessment it was recommended that KiwiRail's current site (Option 9) be considered in the Detailed Site Analysis (Stage 3). However, at Workshop 2, the experts for the rail criteria determined that Option 9 was fatally flawed from a rail perspective and the workshop participants agreed that Option 9 would not be taken forward for further assessment. Accordingly, the property Detailed Site Analysis for Option 9 was not undertaken.

Further assessment

During Workshop 2, participants acknowledged that having a specific site to assess within the areas identified could potentially result in changes to the scores presented at Workshop 2.

As a result, after Workshop 2, the masterplan was applied to the area options assessed in Workshop 2, and sites within those areas identified. The rail connection was included on the refined options, and the implications for connecting to the North Island Main Trunk line were identified.

There are two layout options for areas 1 and 2 (Options 1a, 1b, 2a, 2b). Three layouts were originally developed for area 3, however only one layout was taken forward for assessment because the others did not meet the project objectives. Area 4 could only accommodate one layout option. There were significant constraints at the ends of areas 5 and 6, therefore the parts of these two areas without the constraints were combined to create site 5.

Sites in areas 7, 8 and 9 were not identified as these areas were fatally flawed at Workshop 2.

Assessments

The following table 1 sets out the Property Criteria assessment and scoring for each of the site options

Site Option	Owner Score	Cost Score	Special Purpose Land Score	Final Score	Assessment
Option 1a	2	2	5	4	<ul style="list-style-type: none">- Medium/Low Number of landowners affected.- Low total Rating Value for the land.- Site score is impacted by the site including Taionui School.
Option 1b	3	2	3	3	<ul style="list-style-type: none">- Medium Number of landowners affected.- Low total Rating Value for the land.- Site score is better than option 1a as it avoids Taionui School.
Option 2a	1	1	5	2	<ul style="list-style-type: none">- Low Number of landowners affected.- Low total Rating Value for the land.- Site score is impacted by the site including Feilding Aerodrome.
Option 2b	1	1	3	1	<ul style="list-style-type: none">- Low Number of landowners affected.- Low total Rating Value for the land.- Site score is better than option 2a as it avoids the Feilding Aerodrome.
Option 3c	4	5	3*	5*/4*	<ul style="list-style-type: none">- High number of landowners affected.- High total Rating Value for the land.- Site adjusted to avoid Food Stuffs Property.- *The Final Score would change from 5 to 4 if the site is moved slightly to avoid the Council Water Bore.

Option 4	5	4	1	4	<ul style="list-style-type: none"> - High number of landowners affected. - High total Rating Value for the land.
Option 5	4	3	3*	4*/2*	<ul style="list-style-type: none"> - High number of landowners affected. - Medium total Rating Value for the land. - *The Final Score would change from 4 to 2 if the site is moved slightly to avoid the Longburn community Centre and Power Substation.

Basis for Calculation of the Scores

Each of the 3 criteria (Owner, Cost, and Special Purpose) were given a weighting. Initially, each of the 3 criteria were considered on the same basis (so given a weighting of 1). This weighting gave the following scores for each of the sites:

	Score
Site 1A	3
Site 1B	3
Site 2A	2
Site 2B	1
Site 3C	5*/4*
Site 4	4
Site 5	4*/2*

When undertaking a review of this outcome, I identified that Sites 1A and 1B had different complexities/difficulties although they were showing as having the same score. While the number of owners and cost were similar for the two sites, the special purpose score was different (Site 1A impacted Tainui School, and Site 2B did not). Because the School is owned by the Crown it cannot be compulsory acquired and therefore an agreement would have to be reached in order to secure the School land. This factor, created additional risk for site 1A.

So a higher weighting was therefore applied to the Special Purpose criteria of 1.25. Using the same method of calculation outlined in the workshop 2 report, this gave the following weighted scores:

	Owner Score	Cost Score	Special Purpose Score	Total Score	Weighted Score	
Weighting	1	1	1.25			
Site 1A	2	2	5	9	3.15	
Site 1B	3	2	3	8	2.69	
Site 2A	1	1	5	7	2.54	
Site 2B	1	1	3	5	1.77	
Site 3C	4	5	3*	12	3.92	
Site 4	5	4	1	10	3.15	
Site 5	4	3	3*	10	3.31	

The following Weighted Scoring table was used based on the range of weighted scores to produce the final scores outlined in table 1 above:

Weighted Scoring Table		
1.67 - 2.13	1	Low Difficulty
2.14 - 2.60	2	Low-Medium Difficulty
2.61 - 3.07	3	Medium Difficulty
3.08 - 3.54	4	Medium-High Difficulty
3.55 - 4.01	5	High Difficulty

Conclusion

The Workshop 2 Addendum is a supporting document to the Workshop 2 Report, and used the same scoring criteria, except for 'Maori Freehold Land', which was excluded as it was not identified within any of the 7 sites. The high-level scoring of 'Special Purpose Land' considered all Special Purpose Land as having the same degree of difficulty, however this was not usually the case in practice. The Special Purpose Land scoring in this assessment was therefore limited, and so further judgement needed to be applied to assist with determining the preferred 3 options for Property Degree of Difficulty.

Option 1a is found to impact Taionui School. The Crown cannot compulsory acquire land from itself, and so Taionui School land would only be able to be acquired by agreement, which creates risk for securing the required land for this option.

Option 2a impacts the Feilding Aerodrome which creates a large amount of risk and cost to the project.

In my opinion there are significant difficulties with acquiring Option 1a and 2a that have not been accurately reflected in the scores as a result of the high-level scoring scale. It is believed that seeking to acquire land containing a school or aerodrome would be a much more costly and complex process compared to acquisition of land containing utility assets such as a water bore. On that basis, Options 1a and 2a have been considered as having an additional degree of difficulty that is not reflected in their final scores. Therefore, despite Option 2a scoring a 2, it is my opinion that Options 1b and 5 have a lower degree of difficulty.

Options 4 and 5 both scored a '4' in relation to their degree of difficulty. However, the scores for Options 3c and 5 could be more favourable if the site footprint was moved slightly to avoid properties identified as being Special Purpose Land. For that reason, Option 5 has been ranked ahead of Option 4 as the third least difficult from a property perspective.

The property criteria found 3 sites which in my opinion have the lowest degree of difficulty. These three sites are:

- Option 2b
- Option 1b
- Option 5

KiwiRail: Palmerston North - Assessment Template Workshop 3

Property Degree of Difficulty

1. Introduction

Date: 15 November 2019

Author(s): Stephen Bird, Senior Property Consultant at The Property Group Limited; and
Yvonne Evans, Senior Property Consultant at The Property Group Limited

The following is a comparative assessment of short list site options prepared by The Property Group Limited (TPG) to inform the MCA workshop 3 for KiwiRail's future Palmerston North Rail and Freight Hub.

This report follows on from the property assessment work undertaken and presented by KiwiRail at Workshop 2 on 25 September 2019 and the further Workshop 2 property addendum assessments also completed by KiwiRail.

Prior to attending Workshop 2, TPG received the property assessment report prepared by KiwiRail. TPG attended Workshop 2 and also received (on 9 October 2019) a copy of KiwiRail's property addendum assessment comprising site plans and scoring information.

TPG's assessment for Workshop 3 has relied on the following information:

- Plans showing all land titles directly affected by the three shortlist sites (attached)
- The affected titles have been determined from overlay of shapefiles for the three shortlist sites issued by KiwiRail on 30 October 2019.
- Information from the following sources: Property Guru, LINZ Data Service, ArcGIS, LINZ Land Online, Maori Land Online, Palmerston North City Council and Manawatu District Council.

The following information was not available for this assessment

Overview plans (pdf) were received on 8 November 2019 indicating proposed new roading routes. Details of the property impact/land requirements for these proposed new roads were not available at the time of this assessment and have not been included in the Property Degree of Difficulty analysis.

Information on any other land requirements outside the site footprint, such as new easements for relocated utilities was not available at the time of this assessment. It is possible that relocated utilities may be placed within in the road corridor. If not, easements would be required.

2. Constraints identified in each site

Site	Constraints - What They are	Where they are in the site (refer attached plans)	Significance of the constraint
Option 2	<ul style="list-style-type: none"> • Potential contamination (research station, animal health and disease) • Hydro parcel (waterway) • Taonui Feilding aerodrome – multiple interests and reinstatement practicality and potential contamination 	<ul style="list-style-type: none"> • Near the southern end of the site (Property 7) • Adjoins north side of Taonui Road, adjoins Property 13 • Northern end of site (Property 8, 1, 19) 	<ul style="list-style-type: none"> • Timing, cost and risk (moderate) • Timing, cost and risk (minor) • Timing and cost risk (major)
Option 3	<ul style="list-style-type: none"> • Buildings on Foodstuffs site – it is assumed the rail footprint will avoid building(s). • Middle line proclamations and easements in gross registered on some titles for gas line • Easements in gross in favour of Powerco 	<ul style="list-style-type: none"> • Southern end of site (Property 26) • Location yet to be confirmed • On boundary frontage of Railway road (Property 2) and off Roberts Line (Property 26) 	<ul style="list-style-type: none"> • Timing and cost (major) • Utilities review to consider • Utilities review to consider
Option 4	<ul style="list-style-type: none"> • Middle line proclamations registered on some titles for gas line 	<ul style="list-style-type: none"> • Gas easements located on properties north of Richardsons Line, bisecting the site (Cnr Property 56, Property 16) 	<ul style="list-style-type: none"> • Utilities review to consider

Middle line gas proclamations, gas easement in gross and Powerco easements in gross have been identified on some land titles, as noted in the above table. Not all utilities will have registered interests as they may also rely on unregistered statutory rights (such as the Transpower lines through Site 2A). Whilst noted as a constraint in the above table (as a result of the registered interest), the physical location and constraints for all utility services is outside the scope of the property assessment.

3. Criteria being assessed

3.1 To evaluate the Property Degree of Difficulty, the following were considered:

- Number of property owners
- Complexity of Acquisition
 - Number of Titles
 - Ownership Type
 - Complexity of Encumbrances/Other Interests
 - Land Use

Approach to the assessment

Number of Property Owners has been determined from the land title data.

Land titles identified for each site have been selected from:

- Those titles directly affected by the site footprint (edged red on attached plans), based on GIS overlay; and
- Titles immediately adjoining each site (edged yellow on attached plans) in common ownership with directly affected titles which form part of an outright purchase.¹

Ownership Type has been determined from the registered proprietor details on the title information and viewing Maori LandonLine. Private, Crown and Council ownership structures are seen as least to moderately complex. Maori freehold land is deemed the most complex, due to ownership structure and Maori Land Court approval/process.

Complexity of Encumbrances has been determined by sourcing a list of memorials recorded on each title. Individual memorial documents have not been searched, however the list of memorials has been reviewed to determine whether any obvious restrictions exist that would increase the complexity of acquisitions.

Land Use has been determined on a per Land Title basis, by applying professional judgement based on desktop information (rating data) and verification where possible from drive-by inspection. The land use categories and their expected complexity are summarised in the table below.

Use	Complexity
Lifestyle	Medium low
Rural Grazing	Medium low
Commercial/Industrial Undeveloped	Low
Commercial/Industrial Developed	Medium high
Commercial – Air Transport	High
Utilities/Special Purpose	Medium high

¹ Where part of property is directly affected, and the impact is considered sufficiently significant, we have assumed total purchase of the owner's entire property (including immediately adjacent land titles which are run/utilized as part of the owner's operation/holding).

Assumptions:

The assessment assumes:

Road Closures: All three sites contain local authority roading networks within them which need to be legally closed. Agreement will be required from the local authorities for the closures and consideration will need to be given as to whether the road stopping action will be completed under the Public Works Act 1981 (PWA) or the Local Government Act 1974 (LGA). As the roads are “through roads”, the local authorities may request that the stopping be completed under the LGA, which requires a public notification process.

The risk with the LGA is that it requires public notification, with an objection process that may result in the matter being referred to the Environment Court. The risk with the PWA is that even if adjoining landowner is obtained, LINZ must still agree to the gazettal action. The local road issues may be able to be treated as a simple PWA legalisation matter, if these project effects are included in the Rail designation.

In any event, the risks associated with the legality issues of the road closure/diversion are assumed to be the same across all three options.

Acquisition of Land for Road: Assuming the local authorities support road realignment options, we expect matters of project governance process and cost responsibility would be documented in an Agreement or MOU and that process for designation and land acquisition would be covered in this document. The land requirements for road have not been considered in the property assessment. *All three options require additional land outside of the rail footprint for road and there may well be differing degrees of complexity across the options associated with the road requirement. This has not yet been assessed.*

Acquisition of Land Interests (eg easements) for Utilities: the assessment assumes any relocated services, such as power or gas, will be accommodated within road reserve and that no further rights need to be acquired outside of the sites for utility easements.

Mitigation: It is assumed that access and continued operation to Foodstuffs can be accommodated with land exchange and access alterations.

Accuracy of data sources: We assume the data sources are correct.

4. Fatal Flaws

Site	Flaw Description (include image if appropriate to show spatial extent)	Explanation - why this is a fatal flaw
Option 2	No fatal flaws identified	
Option 3	No fatal flaws identified	
Option 4	No fatal flaws identified	

5. Comparative assessment

Summary

The scores are based on the following rankings:

Score	Difficulty
1	Low Difficulty
2	Medium Low
3	Medium
4	Medium High
5	High Difficulty

Number of Owners:

Option	Option 2A	Option 3	Option 4
Number of Owners	13	36	34

Number of Titles/Land Use:

Option	Option 2A	Option 3	Option 4
Number of Titles	20	59	34

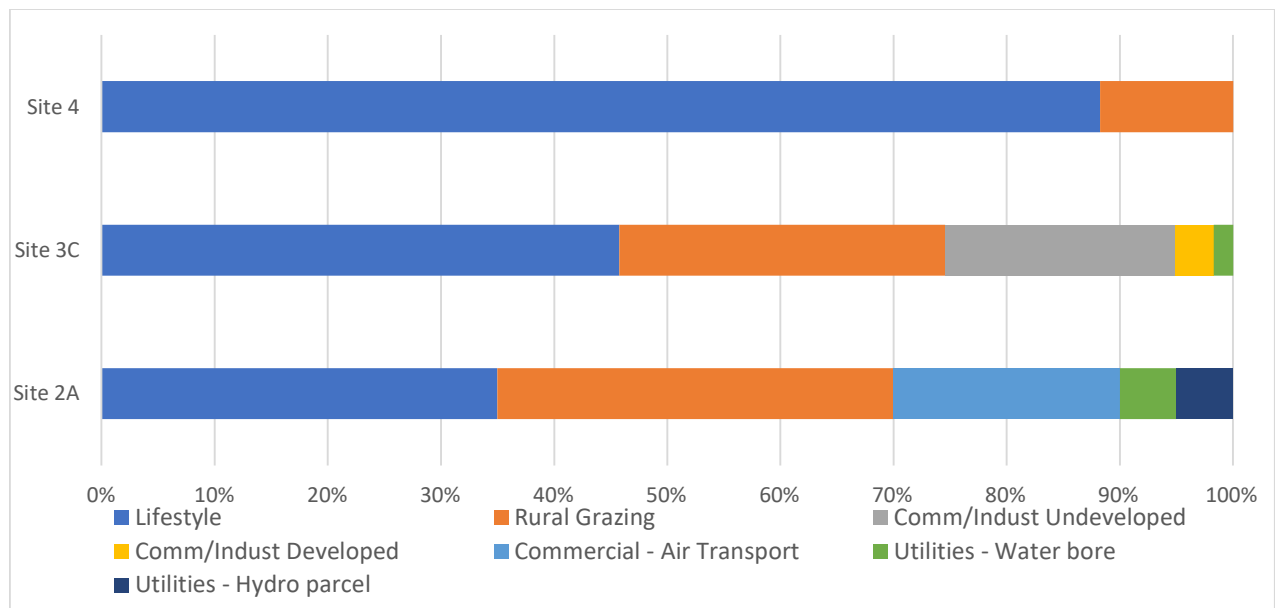
The above tables illustrate that options 2 and 3 contain landowners who own more than one title. In itself, this is not significant. However, the Land Use sub category below has been assessed on a per title basis. The different types of titled Land Use within each site are summarised below.

Land Use:

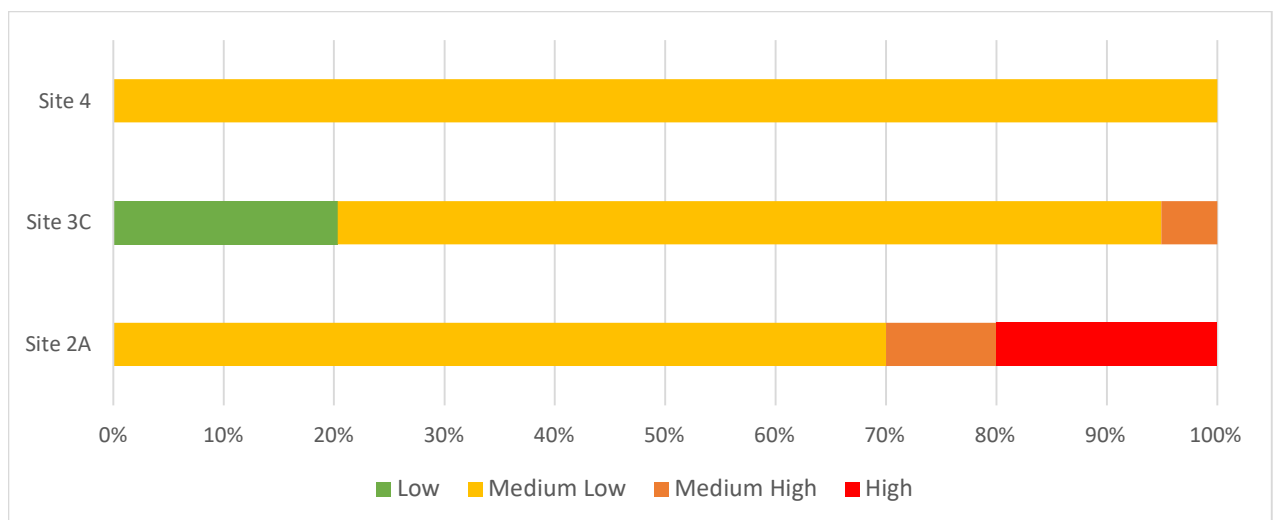
Land Use and risk has been considered from the following data, which is illustrated on the charts on the following page:

Land Use	Site 2A	Site 3C	Site 4	Risk
Lifestyle	7	27	30	Medium Low
Rural Grazing	7	17	4	Medium Low
Comm/Indust Undeveloped		12		Low
Comm/Indust Developed		2		Medium High
Commercial – Airport	4			High
Utilities – MDC water bore	1			Medium High
Utilities – Hydro parcel	1			Medium High
Total number of titles	20	59	34	

Land Use Type



Land Use Difficulty



Comment on Land Use Mix and Degree of Difficulty

- Site 4 is predominantly Lifestyle with some Rural Grazing; both viewed as “Medium Low” difficulty Land Uses.
- Site 3C contains more of a mixed Land Use, still predominantly lifestyle with some rural grazing, both viewed as Medium Low. Site 3C also contains some Unimproved Commercial/Ind (Low) and has two titles that are Improved Commercial/Ind Land Uses and Council water bore (Medium High).
- Overall whilst Site 3 has more mixed land use, the property degree of difficulty is considered similar to Site 4.
- The land uses within Site 2C contain a mix of Medium Low (lifestyle and grazing) and a water bore (Medium High). The airport is viewed as High degree of difficulty.

Encumbrances

The registered interests across each of the sites are fairly standard and viewed as Medium Low. There are gas easements/middle line proclamations through sites 3C and 4 and we understand Transpower lines run through Site 2A, which would rely on statutory protection. Utility relocation is not assessed in this report. Dealing with the registered easements in gross should be straightforward if utility relocation is supported by the relevant utility owner.

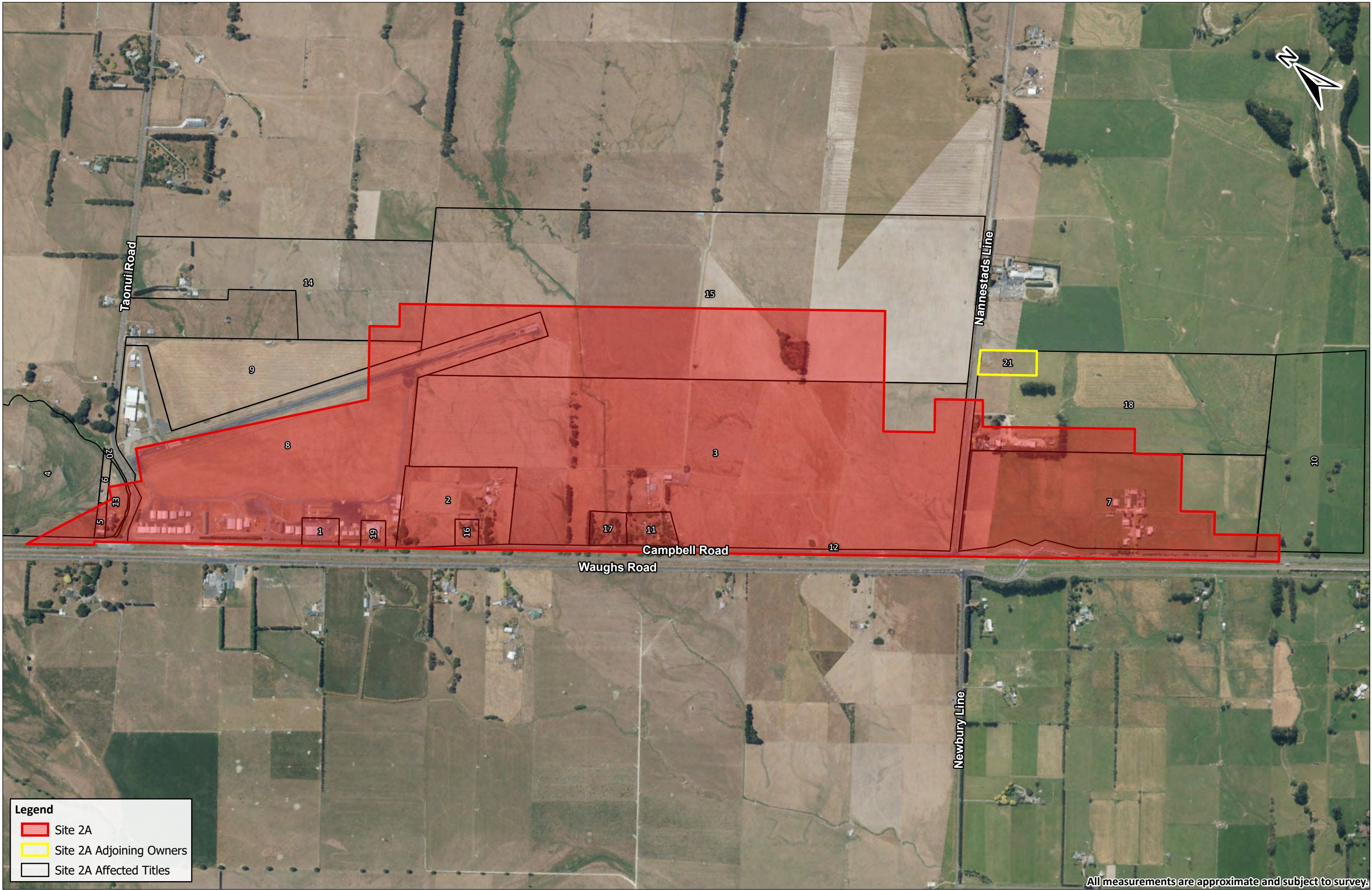
Site	Assessment of the option	Score
Option 2	<ul style="list-style-type: none">• Least number of owners.• However, contains a high risk special use property (Airfield) The score reflects the high risk of the Airfield property due to the potential complexity, cost and compensation issues involved including if the owner / airport operator seek to re-establish a replacement facility elsewhere.	5
Option 3	<ul style="list-style-type: none">• More owners than site 2.• Similar number of owners to site 4• Predominantly lifestyle with some mixed land use.• The higher risk land uses (all med high) comprise two commercially improved titles (have assumed both involve partial acquisition) and a water bore site.• The land use risk profile is similar to site 4• Overall, viewed similar in complexity to site 4.	3
Option 4	<ul style="list-style-type: none">• More owners than site 2.• Similar number of owners to site 3.• Predominantly lifestyle.• The land use risk profile is similar to site 4• Overall, viewed similar in complexity to site 3.	3

Further information that would help differentiate the options:

Site 2A scores “5” because of the difficulty assessed as a result of the airfield. We would recommend discussion with the airport owner to determine their views and operational requirements to better understand the magnitude of complexity. With the least number of owners, this site could well rank higher if investigations with the airport owner determined a less complex property issue.

6. Mitigation

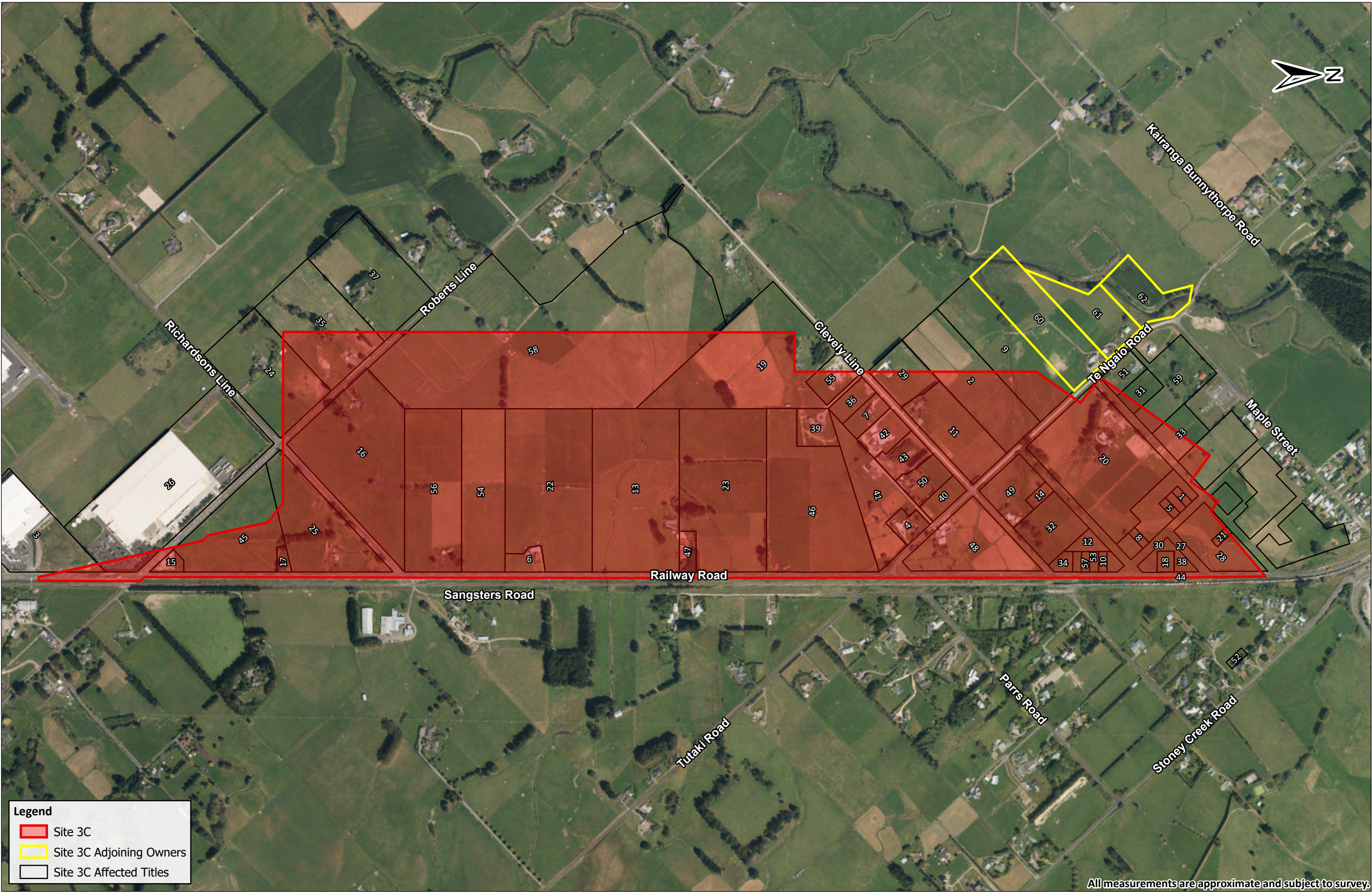
No mitigation issues identified regarding property acquisition outside of the footprint have been identified.



Legend

- Site 2A
- Site 2A Adjoining Owners
- Site 2A Affected Titles

All measurements are approximate and subject to survey.



All measurements are approximate and subject to survey.

