

Response to NZ Herald article – property purchases

The below is the full statement provided to the NZ Herald when it made enquiries for a story (published 5 May 2015) regarding the potential purchase of a property for the proposed Redoubt Road-Mill Road upgrade.

The proposed Redoubt-Mill Road upgrade project has been developed over a number of years, with a range of route options investigated and consulted upon with the community and potentially affected property owners.

All potentially directly affected property owners received a letter in November 2014 advising Auckland Transport had applied for a Notice of Requirement and inviting them to a one on one meeting to discuss the project and possible impact on their property.

The letter advised that “Auckland Transport does not intend to purchase properties until after the designation is confirmed. However we may consider earlier purchases in cases of hardship or on compassionate grounds on a case by case basis.”

Although properties will not be purchased for the proposed project until the designation is approved, at a meeting in December 2014 Mr and Mrs Koumaki requested that their property be purchased early due to their personal circumstances.

At that meeting the purchase process, including the purchase price assessment was discussed.

The Koumakis then provided information to Auckland Transport in January 2015 for early purchase to be considered and approved. They were advised by phone and letter in early February that the application had been successful and the process would begin. They were also provided with information on the property purchase process, a guide for landowners regarding compensation under the Public Works Act (attached), advised they were entitled to seek their own individual valuation and how any variation on price could be resolved by an independent body.

Auckland Council Property Limited then began managing the purchase process in response to the Koumakis request for early purchase.

A valuation was sought and initial offer was only made because of this request and there is no compulsion or pressure to sell.

The Koumakis and others requesting early purchase can choose not to sell at any point. Auckland Transport will withdraw from the purchase if they no longer want to sell early.

It may be up to six years until properties need to be purchased, assuming the designation is approved so owners are not under great time pressure.

Early purchases are being considered in a small number of cases because we recognise some people have circumstances that mean they are unable to wait until after the designation is approved.

We recognise this can be a stressful process, provide as much information and be as flexible and understanding as possible when dealing with owners.

Staff endeavoured to engage in good faith negotiations at all times with the Koumakis and be respectful of the couple's situation.

Purchase prices are required by law to be at market value. To agree a price, a report is obtained from a registered valuer, the property owner is also advised to get an independent valuation and advice. These form the basis of negotiations, which the property owner can withdraw from at any time.

Auckland Transport will pay reasonable fees for reports relevant to the negotiations.

The planned \$300m upgrade of the key transport link is necessary because about 22,000 new homes are planned in the area, which will double traffic volumes. The current road is also unsafe, with four deaths and 283 crashes over four years.

The proposed alignment for the upgrade is not confirmed as it is subject to the Notice of Requirement process, which is currently open for public submissions. Following submissions there will be a public hearing by independent commissioners to consider Auckland Transport's application.

A property acquisition programme will only begin if a designation is confirmed.