

# \$20m Okara land sale well under way, council declares

Northern Advocate 26th November 2010

by Rosemary Roberts

Whangarei District Council executive officers say the \$20 million sale of council-owned land at Okara for a big-box development is well under way, with the council contractually locked into the deal.

Group manager support services Alan Adcock and CEO Mark Simpson were responding to query from Cr Kahu Sutherland about "the state of play" on the sale to development consortium BWH Properties.

"If the sale doesn't go ahead it would have a huge effect on our finances," Cr Sutherland said.

Mr Adcock said there were three conditions attached to the sale; the developer's inspection of the property; the due diligence process, and the application for resource consent. The first two conditions had been met and BWH Properties had until June 30 next year to go through the consent process. At this

point the agreement would become unconditional "and will proceed".

"The ball is in their court to proceed and council is contracted to continue," he said [the developer has not yet applied for resource consent].

Council CEO Mark Simpson said the sale to BWH Properties represented extremely good value for the community and would prevent further retail fragmentation by building "a kernel" close to the city centre.

"The alternative is that market forces will attack and go to other places which will further fragment retail in the city and cause more traffic problems."

Mayor Morris Cutforth said "the media ... has been getting in the way of the Whangarei District Council's desire to see through the land sale".

"They have been trying to create conflict over the issue and they need to get their act together."

This contradicted a statement he made about the proposed sale immedi-

ately after his election last month, saying he would see if the Neil Group would be interested in revisiting its multi-million dollar plan for a retail precinct and boutique hotel in the Whangarei central business area. "If they are keen to do that we won't be going ahead with the Old Boys sale ... there isn't room for two developments," he said.

A district council statement making it clear that Mr Cutforth had changed his views since taking office was published in the *Northern Advocate* earlier this week.

Mayor and council believed a big-box style development was inevitable in Whangarei and that it was preferable to have the development at Okara rather than in peripheral suburban areas, it said.

Mayor Cutforth would offer every encouragement to Wayne Hill, who leads the development consortium, to help him complete the deal and build the new complex.