

Out of scope

From: Kerrie Young <Kerrie.Young@kaingaora.govt.nz>
Sent: Wednesday, 20 March 2024 2:24 PM
To: David Kolien <David.Kolien@kaingaora.govt.nz>; Paul Commons <Paul.Commons@kaingaora.govt.nz>; Mike Hayward <Mike.Hayward@kaingaora.govt.nz>; Nicola Pinfold <nicola.pinfold@kaingaora.govt.nz>; Alex Taylor <alex.taylor@kaingaora.govt.nz>; Michael Knowles <Michael.Knowles@kaingaora.govt.nz>; Andy Calnon <Andy.Calnon@kaingaora.govt.nz>; 9(2)(a) @kaingaora.govt.nz
Cc: Angela Blair <Angela.Blair@kaingaora.govt.nz>; 9(2)(a) @kaingaora.govt.nz; 9(2)(a) @kaingaora.govt.nz; 9(2)(a) @kaingaora.govt.nz; Steve Worsley <Steve.Worsley@kaingaora.govt.nz>
Subject: RE: 162-168 Kaikorai Valley Rd (Aaron Lodge) - Record of Decision to Divest

Thank you David,

And everyone else for your input and guidance over the past years, but we agree that in the local context it is best to divest the two titles under these circumstances.



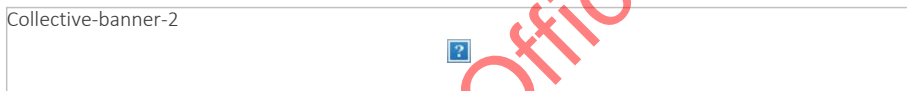
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Collective-banner-2



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From: David Kolien <David.Kolien@kaingaora.govt.nz>
Sent: Wednesday, March 20, 2024 2:00 PM
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Subject: 162-168 Kaikorai Valley Rd (Aaron Lodge) - Record of Decision to Divest

Kia ora All

Thank you for meeting 9(2)(a) and me earlier today to consider the options for Aaron Lodge. I&P has been unable to produce a redevelopment Project Brief that our delivery teams, C&I or HDS, consider can be delivered below prescribed cost thresholds. Increasing construction costs since the acquisition of the property in July 2021 together with various risks and hazards, including, but not limited to, stormwater retention/treatment, flooding, raised finished floor levels, council road layout changes, earth retaining structures, soil contamination and a buried tank, have resulted in a higher than expected cost estimate to redevelop the property. We are also incurring ongoing costs to keep the property such as rates, security and maintenance, and we have received minimal income from SDHB and NZ Police.

We have a relatively healthy FY25 pipeline for Dunedin and confidence our target of 100 extra homes will be achieved based on the status of projects already in the pipeline. After our discussion on the 'pros and cons' to keep or sell the property, it was agreed we should sell the property with the two lots being sold separately.

The slides presented during the meeting have been edited based on feedback and are attached for the record. We will commence the divestment process and keep you informed of progress.

Ngā mihi
David



David Kolien

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