

## 2007 and 2008 - from masterplans to landswap attempts

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Another extract from Ngunguru Sandspit: Values, community and property on the Northland coast:

[Where respondents are quoted in this report, they are assigned pseudonyms.]

...I think, personally, it will be a DOC reserve in five years time.

Lawrence referred here to relatively long-standing discussions around a 'landswap' between Landco and DOC, whereby the Ngunguru sandspit (and potentially the adjacent forested land) would be exchanged for Crown-owned land elsewhere that had development potential but lower conservation value. Should that land have lower economic value than the Ngunguru site, the difference could be made up in cash. The Landco representatives explained that this idea originated with a specific proposal that land at Ngunguru be 'swapped' for an undeveloped site to the south, at Bream Bay:

We saw this piece of land on the way up [to Ngunguru, from Auckland] which again is coastal, but is less significant, if you like, than the spit. So we came up with some ideas, and a couple of us even approached DOC in that regard, for a specific swap (Oscar).

When this suggestion failed to gain Ministerial approval in mid-2007, Landco and DOC entered less prescriptive discussions, centred on the idea that the sandspit could be "transferred into public ownership" (Oscar) in exchange for one or more parcels of land, not necessarily at the coast, supplemented if necessary by monetary compensation. This led to a detailed national search for land currently in Crown ownership that could be involved in such an exchange. This progress in the landswap idea was confirmed by a DOC representative:

The landswap we've put a huge amount of energy into. There was a proposal for a part of Bream Bay, that Landco came to us with originally. We got to the point where I'd held discussions with a number of key agencies like District Councils ... and I'd had two hui involving the iwi, and they were pretty uncomfortable with the idea. But it was also at the point where the economic downturn really started to bite.... Therefore what's the point of swapping one difficult site for another one? So at that point the landswap changed. We worked with other government agencies to see if we could find suitable land [elsewhere], and we were unsuccessful (David).

As Oscar related, the search for alternate sites in public ownership proved "very complex and very tricky" – given that "central government's divested most lands of value anyway", and much of the remainder is subject to Treaty of Waitangi claims. Accordingly, it did not progress to a second specific proposal. The detailed discussions and investigation around the landswap did, however, lend considerable weight to the notion of the sandspit remaining undeveloped, and entering public ownership. This continued to appeal to Landco, whose plans for the site were temporarily on hold, as of late 2008:

Really strongly we're still on plan A [transfer of the spit to public ownership]. I mean, we've made it really clear to everyone that we're not doing resource consents, we're not trying to, we're not even thinking about it, we're not sitting down and having plan B meetings. I'm sure at some stage in the future we'll have to.... So maybe in six months' time if we're not getting any further or if the Ministry [DOC] turns around and says, "Hey guys, we're not interested" ... we'll have to have a Plan B discussions (Lydia).

While consideration of the landswap was protracted, it was interpreted as worthwhile from Landco's perspective. This was in part because of the likelihood of an exchange occurring ("we wouldn't be wasting our time and energy on it, if we didn't think it was a go" – Lydia), but also because it presented an interesting 'test case' regarding the willingness of government to purchase a highly-valued natural landscape currently in private ownership:

Part of the process we're going through is actually testing how important this is, nationally. ... If the government's willing to buy it, say for example they buy it outright at market price, that gives a clear indication that it is nationally important. If they're not, it's an indication that it's not nationally important (Oscar).

The landswap option, then, had evolved from a very specific idea about exchanging the Ngunguru sandspit for a large parcel of coastal land elsewhere in Northland, to a more general (and more conventional) discussion about how the site might be transferred to public ownership in return for adequate compensation for the current owner. Such a transfer did not necessarily require Crown-owned land, or detailed negotiations with DOC, but rather a prompt and definitive public commitment to the site:

Lydia: I do feel we are kind of getting up to a point where if a decision [can be] made now, it will, and I think the locals know this too ... it's a tipping point, really. ...

Q: Right. It's sort of coming to that decision time?

Lydia: I think so, I mean, ... you do need to get to a point where if the government isn't willing to buy it and if the Regional and [District] Councils aren't willing to push for that, and the people aren't willing to get behind that, and the people of New Zealand aren't willing to get behind that...

Among a substantial proportion of the respondents speaking in opposition to development of the sandspit (or at least to the November 2006 proposal), there was a belief that the site was more difficult to develop than its owners initially appreciated, and that a landswap (or other arrangements leading to it being transferred into public ownership in return for adequate compensation) would therefore be to Landco's benefit:

I think you could argue that a lot of what Landco have done recently is just a ploy to try to keep the valuation up and put pressure on someone to buy it off them. Because ... Landco has just been landbanking over the last ten years, and ... got sold a dump by the other guy who couldn't develop it either (Dennis).

It's not a good site to develop, in my opinion. The spit's been breached twice in living memory and that's exactly where they propose to put this village. With sea level rise and more extreme weather events, I think it's a foolish place to develop. But anyway, that's their business, but I think that if they got the right swap that they would go for it (Lawrence).

The bulk of the sandspit is extremely fragile and therefore commercially unusable in any conventional way (in other words, by the plonking of buildings on it). ... Landco can keep pretending the land is commercially valuable, and keep asking ludicrous sums for its purchase [and] that keeps it locked up in its landbank (Trevor)

Questions of motivations and fair value aside, there was very broad support among respondents for the concept of public ownership of the sandspit, as a mechanism for protecting significant public interests from private development. The general view, as articulated by Xavier, was that "the case is strong for sandspit reserves – because otherwise we won't have any. We will have the Omaha-isation of sandspits throughout New Zealand!"

(Chapter: "Proposed landswap and aspirations for a reserve", pages 33-35)

[View the report \(PDF, 357 KB, 62 pages\)](#)