
**MEMORANDUM OF UNDERSTANDING
RELATING TO LAND EXCHANGE**

The Guildford Timber Company Limited (GTC)

and

Upper Hutt City Council (UHCC)

("The Parties")

MEMORANDUM OF UNDERSTANDING

1. BACKGROUND AND PURPOSE OF MEMORANDUM

- 1.1. This memorandum sets out undertakings and principles agreed between The Guildford Timber Company Limited (GTC) and Upper Hutt City Council (UHCC) relating to a proposed series of related matters and transactions which, at its core, involves a land exchange between the parties.
- 1.2. The land subject to the proposed land exchange is as follows:
 - 1.2.1. Part of the land currently owned by GTC and its wholly owned subsidiary company located on the ridge southwest of Silverstream and Pinehaven which is to be transferred to UHCC, shown marked 'A' on the plan attached as Appendix 1.
 - 1.2.2. The land currently owned by UHCC known as 'Silverstream Spur' which is located at the lower end on the ridge southwest of Silverstream and Pinehaven which is to be transferred to GTC, shown marked 'B' on the plan attached as Appendix 1.
 - 1.2.3. The balance of the land currently owned by GTC and its wholly owned subsidiary company located on the ridge southwest of Silverstream and Pinehaven which is to be retained by GTC, shown marked 'C' on the plan attached as Appendix 1.
- 1.3. This memorandum is framed in the context of ensuring that the land exchange transactions will either involve or facilitate the following:
 - 1.3.1. Provide access to land owned by GTC and its wholly owned subsidiary company to create the opportunity to subdivide and develop the land for residential purposes;
 - 1.3.2. Help ensure that UHCC meets the long term direction and priorities for urban development and growth set out in the Land Development Strategy Upper Hutt;
 - 1.3.3. Enable access to UHCC land to facilitate the opportunity for new public reserve land to be created/developed;

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- 1.3.4. Provide protection and enhancement of the forest cover for the purposes of stormwater control and management of the Pinehaven Stream catchment;
 - 1.3.5. Ensure protection of the hill backdrop and forest cover which strongly contributes to the landscape character of the area; and
 - 1.3.6. Provide the opportunity for new public reserve land that would foster natural and heritage values, as well as provide strategic opportunity for the area to become an outdoor recreation attraction.
- 1.4. The purpose of this memorandum is:
- 1.4.1. To provide the Parties with an opportunity to express their mutual intention regarding the proposed land exchange transactions but without legally committing to these transactions until such time as the Parties have had an opportunity to carry out further investigations;
 - 1.4.2. To outline the development aspirations of GTC and the responsibility of UHCC in relation to its respective obligations under the overarching legislation, particularly the Local Government Act 2002, the Resource Management Act 1991 and the Reserves Act 1977; and
 - 1.4.3. To set out how the Parties will establish and maintain a positive, co-operative and enduring relationship.
- 1.5. The Parties share a mutual interest and benefit in achieving these overarching goals.

2. NON-BINDING MEMORANDUM

- 2.1. UHCC and GTC acknowledge and agree that:
 - 2.1.1. the terms of this memorandum do not constitute an offer which is capable of acceptance by any party; and
 - 2.1.2. this memorandum constitutes a statement of intent but is not intended to create binding legal relations or constitute or form

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part of any legally binding contract or representation having legal effect.

3. FURTHER NEGOTIATION

3.1. The Parties will use this memorandum as the starting point for further investigation and the basis for negotiating substantive binding legal documentation that will carry out the mutual intention of the Parties as expressed in this memorandum. As such, the parties agree to pursue their mutual intention for a period of not less than 18 months following signing of this memorandum.

3.2. To this intent, the Parties agree to:

- 1.1.1. work cooperatively and in good faith;
- 3.2.1. provide relevant information to the other party upon request;
- 3.2.2. provide reasonable access to a party's land and personnel to the other party;
- 3.2.3. meet regularly to discuss relevant issues and negotiate appropriate outcomes; and
- 3.2.4. abide by the relationship principles set out in clause 5.1 of this memorandum.

4. INTENTION OF THE PARTIES

4.1. The intention of the Parties regarding the land exchange outlined in this memorandum, as well as the post transfer actions that will be required prior to the development of a District Plan Change to rezone land identified as Site C, is as follows:

- 4.1.1. GTC is the owner of Site A and wishes to transfer this land into UHCC ownership. UHCC is to take ownership of Site A and be responsible for maintenance costs associated with its ongoing upkeep and subsequent rating requirements.
- 4.1.2. UHCC is the owner of Site B (commonly known as the 'Silverstream Spur') and wishes to transfer this land into GTC ownership. GTC is to take ownership of Site B and be

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responsible for maintenance costs associated with its ongoing upkeep and rating requirements.

- 4.1.3. GTC will retain ownership of Site C and will continue to be responsible for the land and for maintenance costs associated with its ongoing upkeep and rating requirements.

4.2. In reaching this understanding, the Parties have sought to address:

- 4.2.1. That Site B will be used, at least in part, to provide access to the wider residential development proposals on Site C and that Site A will be used for public open space purposes (such as a park).
- 4.2.2. GTC access arrangements to Site B from Council-owned land adjoining the Kiln Street paper road.
- 4.2.3. UHCC access arrangements to Site A from the Council-owned land adjoining Kiln Street paper road.
- 4.2.4. The recognition by GTC and UHCC of the prominence of Silverstream Spur (Site B) in the Pinehaven and Silverstream settings, particularly its potential contribution to visual, landscape and recreational amenity . GTC and UHCC acknowledge that re-zoning for residential purposes of Site B needs to take these values into account.
- 4.2.5. The commitment of UHCC to commence a District Plan Change process to rezone Site C and parts of Sites B for residential purposes.
- 4.2.6. The recognition by UHCC that possible adverse effects of urban growth which cannot practically be avoided, remedied or mitigated within Site C have the potential to be offset by the wider environmental and community benefits including reserves and other amenities which will be gained through formalising Site A as public land.
- 4.2.7. GTC's long association with the area and recognise GTC's sense of stewardship towards the land subject to this memorandum.

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5. RELATIONSHIP PRINCIPLES

5.1. GTC and UHCC agree to the following relationship principles in implementing this memorandum:

- 5.1.1. working in a spirit of co-operation;
- 5.1.2. ensuring early engagement on emergent issues in concerning the land;
- 5.1.3. operating on a 'no surprises' basis;
- 5.1.4. acknowledging that the relationship is an evolving, not prescribed, one;
- 5.1.5. respecting the independence of the Parties and their individual mandates, roles and responsibilities;
- 5.1.6. acknowledging that Parties benefit from working together and sharing their vision, values, knowledge and expertise; and
- 5.1.7. the highest level of collaborative engagement.

6. CAPACITY

6.1. In relation to the proposed land exchange transaction referred to in this memorandum, UHCC is acting its capacity as owner of the Site B land only. Nothing is implied as to issue of consents or other permissions required from UHCC or any other statutory or regulatory body, and all required statutory processes must be complied with in relation to the proposed land exchange.

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Executed as an agreement.

Date: 4 - 3 - 2016

Upper Hutt City Council by:

W.M. Guppy

.....
Signature of authorised person

WAYNE GUPPY

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Name of authorised person (print)

MAYOR

.....
Office held

Chris Upton

.....
Signature of authorised person

Chris Upton
Chief Executive

.....
Name of authorised person (print)

.....
Office held

The Guildford Timber Company Limited
by:

Ralph Goodwin

.....
Signature of authorised person

Ralph Goodwin

.....
Name of authorised person (print)

Director

.....
Office held

The Guildford Timber
Company

2.3.2016

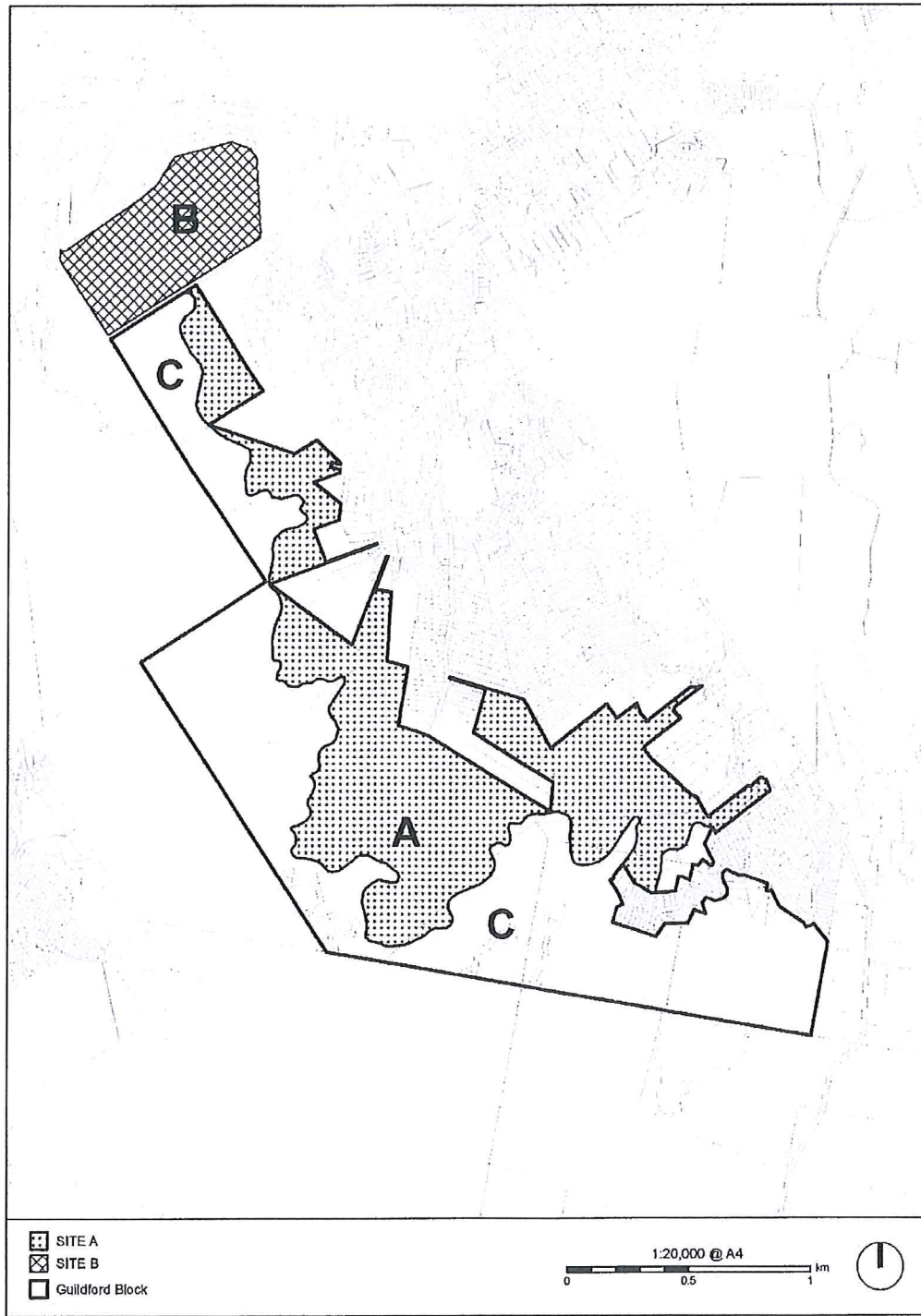
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APPENDIX 1

Land subject to this Memorandum of Understanding

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POTENTIAL LAND TRANSFER SITES