

**Supplementary items to the following meeting:**

<b>Meeting</b>	Kaipara District Council
<b>Date</b>	Wednesday 23 May 2018
<b>Time</b>	9.30am
<b>Venue</b>	Northern Wairoa War Memorial Hall, Dargaville

## Open Agenda: Supplementary Items

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Jason Marris

**General Manager Governance, Strategy and Democracy**

1601.22

Cagenda 23 May 2018 supplm vol1

## **Membership**

Chair: Mayor Jason Smith

Members: Deputy Mayor Peter Wethey  
Councillor Anna Curnow  
Councillor Victoria del la Varis-Woodcock  
Councillor Julie Geange  
Councillor Libby Jones  
Councillor Karen Joyce-Paki  
Councillor Jonathan Larsen  
Councillor Andrew Wade

**File number:** 2303.19.01 **Approved for agenda**   
**Report to:** Council  
**Meeting date:** **Wednesday 23 May 2018**  
**Subject:** **Draft Long Term Plan 2018/2028: Deliberations and decision-making**  
**Date of report:** 10 May 2018  
**From:** Jason Marris, General Manager Governance, Strategy and Democracy  
**Report purpose**  **Decision**  **Recommendation**  **Information**  
**Assessment of significance**  **Significant**  **Non-significant**

### Summary

Council asked for feedback on its Long Term Plan (LTP) 2018/2028 Consultation Document “A bright future” over the period 05 March 2018 to 05 April 2018. 268 people provided Council with feedback, with 86 of these using the online platform. Council held two formal hearings and three public briefings to inform these deliberations.

This report asks Council to make formal decisions, by topic, which can then be used to finalise the LTP 2018/2028. The next item on this agenda is the Draft LTP 2018/2028 document, which has been drafted based on the current recommendations by topic.

### Recommendations

*That Kaipara District Council:*

- 1 *Receives the General Manager Governance, Strategy and Democracy’s report “Draft Long Term Plan 2018/2028 Deliberations and decision-making” dated 10 May 2018, and its Attachments 1 to 15, dated 10 May 2018; and*
- 2 *Believes it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with the provision of s79 of the Act determines that it does not require further information prior to making a decision on this matter; and*
- 3 *Receives all Submissions, including Late Submissions, provided to inform the Draft Long Term Plan 2018/2028 and thanks all submitters for their time and effort; and*
- 4 *Requests the Chief Executive to respond to all those persons/organisations that provided feedback including the responses to feedback points as noted in Attachments 1 through 15 to the above-mentioned report.*

### Reason for the recommendations

Council must deliberate and make decisions to finalise the Long Term Plan 2018/2028.

### Reason for the report

To enable Council to deliberate and make decisions on the feedback received to the Draft LTP 2018/2028.

## Background

### *Consultation*

To inform the Draft LTP 2018/2028, Council is required to use the Special Consultative Procedure set out by the Local Government Act (2002).

Council asked for feedback on its LTP Consultation Document "A bright future" which was adopted for consultation on 28 February 2018. The formal feedback period commenced Monday 05 March 2018 and closed on Thursday 05 April 2018. Council held drop-in sessions in Dargaville, Omamari Beach, Tangiteroria, Maungaturoto, Mangawhai, Kaiwaka, Te Kopuru, Kaihu and Paparoa in March 2018. Council also provided two opportunities for people to present their feedback in person, one at Dargaville, and the other at Mangawhai on 10 April and 16 April 2018 respectively.

268 people provided Council with feedback. Of this number, 86 used the online submission process.

### *Issues and Options*

Staff prepared fifteen Issues and Options papers exploring the feedback received and recommending approaches for Council's consideration. Any issues raised during the feedback process are addressed in the individual attachments to this report. These papers, identified below and attached to this report cover the following aspects:

- **Attachment 1** Mangawhai Community Plan
- **Attachment 2** District Plan
- **Attachment 3** Reserve Contributions
- **Attachment 4** Forestry Targeted Rate
- **Attachment 5** Sporting Facilities
- **Attachment 6** Mangawhai Harbour Restoration Targeted Rate
- **Attachment 7** Mangawhai Community Wastewater Scheme
- **Attachment 8** Transportation
- **Attachment 9** Flood Protection Te Hapai
- **Attachment 10** Other Issues Raised
- **Attachment 11** Tangowahine District Drainage Scheme
- **Attachment 12** A Thriving Kaipara
- **Attachment 13** Rates Penalties and Incentives
- **Attachment 14** Source Documents - Changes
- **Attachment 15** Pensioner Housing

An Issues and Options paper was prepared for the 2018/2019 Fees and Charges, which is separate to the LTP decision-making process. Fees and Charges will be a separate report presented to the June 2018 Council meeting for decision, and is not included in this item.

Council held two public briefings, on Wednesday 02 May and Thursday 03 May 2018 to discuss, determine if any further information was required, and provide direction. Another public briefing was held on Thursday 17 May 2018, to further discuss and provide direction, in order to inform the deliberations and decision-making on the LTP 2018/2028.

### ***Decision-making***

The 15 Issues and Options papers are **Attachments 1 – 15** of this report. Each paper has the staff recommendation and it is proposed that Council work its way through each of the 15 attachments at the meeting, making decisions relating to each issue before moving onto consideration of the next issue.

There is nothing particularly prescriptive or specific in local government legislation relating to LTP decision-making. Instead the general principles and requirements contained in the Local Government Act 2002 (LGA) apply around understanding options, views and impacts on the community and significance of the decisions being made.

Section 93(8) states that local authorities must, in preparing and adopting a LTP, have regard to s78 relating to community views in relation to decisions. Specifically, s78(1) requires a local authority to give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, a matter. This simply means that Council must take community views into account when making its decisions. The feedback received during the consultation on the LTP, the Issues and Options papers, the hearings and public briefings were designed to ensure Council can perform its decision-making role.

### **Issues**

Any issues raised during the feedback process are addressed in the individual attachments to this report.

### **Factors to consider**

#### ***Community views***

Staff have considered and included the feedback Council received when it consulted on its LTP Consultation Document 'A *bright future*'. In making a decision in relation to a particular issue it is appropriate that Council firstly identifies the range of views that exist in relation to that issue and then determines how it may wish to proceed as a result of considering those different views alongside advice received from staff.

#### ***Policy Implications***

None of the changes proposed in the attached reports trigger Council's Significance and Engagement Policy. Any proposed changes are the result of feedback received through the consultation process.

#### ***Financial Implications***

In making decisions on a particular issue Council should consider the costs and benefits of the different options which exist for addressing each issue. Where financial implications attach to the proposed changes, these are addressed in the individual attachments.

#### ***Legal/delegation implications***

There is a requirement for Council to give due consideration during its deliberations to the feedback received during the consultation period. Council may also seek further advice or comment from staff or another person during the deliberations process if it wishes. Council has the authority to make decisions on these matters.

## Options

Council can reject, amend or approve any of the proposed recommendations. The Draft LTP 2018/2028 would then be altered, under delegation, to reflect the decisions made during this meeting.

## Assessment of significance

All of the proposed decisions are the result of the formal consultation process as part of the LTP. This is undertaken according to legislative guidelines and Council's Significance and Engagement Policy.

## Next steps

The Draft LTP 2018/2028 is on this Council agenda as the next item. This has been compiled based on the recommendations contained within the Issues and Options papers in this report. Council is being asked to adopt the Draft LTP 2018/2028 in principle for Audit review, incorporating the decisions made at this item. If there are any changes made during the decision-making on the Issues and Options papers, staff will amend the Draft LTP 2018/2028 (approved by delegation to the Mayor and Chief Executive) prior to the LTP being provided to Council's Auditors. The Final Long Term Plan 2018/2028 will be placed on the Council agenda for adoption at the 28 June 2018 Council meeting.

## Attachments

- 1 Mangawhai Community Plan
- 2 District Plan
- 3 Reserve Contributions
- 4 Forestry Targeted Rate
- 5 Sporting Facilities
- 6 Mangawhai Harbour Restoration Targeted Rate
- 7 Mangawhai Community Wastewater Scheme
- 8 Transportation
- 9 Flood Protection Te Hapai
- 10 Other Issues Raised
- 11 Tangowahine District Drainage Scheme
- 12 A Thriving Kaipara
- 13 Rates Penalties and Incentives
- 14 Source Documents - Changes
- 15 Pensioner Housing

## Issues and Options: Mangawhai Community Plan (MCP)

### 1 Recommendation

That the Kaipara District Council:

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the commencement of implementation of the Mangawhai Community Plan in 2018/2019; and*
- 3 *Approves funding the implementation of the Mangawhai Community Plan through debt; and*
- 4 *Agrees that the cost of the debt, interest and principal, is shared 20% district-wide general rate and 80% by Mangawhai ratepayers as a differential rate levied on all the land that is located within the Mangawhai Harbour Restoration area;*
- 5 *Approves the removal of the statements regarding New Zealand Transport Agency funding from pages 24, 25, 26, 27, 28 and 30 of the Mangawhai Community plan*

#### **Reason for the recommendations**

Initiating implementation earlier than later supports community sentiment and ensures funding allocation.

### 2 Introduction

#### **A Bright Future (Long Term Plan Consultation Document) said:**

Mangawhai is growing and as such there is considerable pressure on the infrastructure. Council needs to be proactive in managing this growth and ensuring the costs are spread fairly across both the users and between present and future ratepayers. The Mangawhai Community Plan (MCP) outlines projects in the area that will assist in managing this growth. The community were asked to give feedback on how best to fund the first three years of projects proposed in the MCP, namely:

- increasing connectivity through slow streets and walking and cycling projects;

- development of blue and green infrastructure;
- facilitation of key development projects; protecting the coastal character; and
- offering housing and lifestyle changes.

### 3 Our options

The document asked two questions;

1. Do you support implementation of the MCP commencing in 2018/2019?
2. If so, which approach to funding do you favour?

#### Option 1

The funding requirement for implementing the plan (over the 10 years of this LTP) is met by raising debt throughout the district. The cost of the debt, interest and principal, is paid by district-wide general rates. By year three this is an additional cost of \$112,000 per annum. Under this option general rates increase by 0.1% in the first year moving to 0.4% in year three. In general the cost to ratepayers indicated for year three will continue for years four through to 10.

#### Option 2

The funding requirement for implementing the plan (over the 10 years of this LTP) is met by raising debt. The cost of the debt, interest and principal, is shared: 20% district-wide general rate and 80% by Mangawhai ratepayers. The general rate increase is less than 0.1% in all years. The outlay to Mangawhai ratepayers commences at 0.1% and increases to 0.7% in year three.

#### Option 3

Funding requirements (\$2.453 million) met from the Mangawhai Endowment Lands Account fund. Meaning there is a decrease in MELA fund capital of approximately 50%.

#### Option 4

Under option 4, Council would delay the implementation of projects, from its current three year plan, to beyond 2021. This would spread the rates increases of Option 1 or 2 from 2021 to 2024.



#### 4 What the Feedback Indicated

Do you support implementation of MCP commencing 2018/2019?

Yes	No	Neutral
45	11	0

- Feedback is predominately in support of implementation commencing in 2018/2019.
- Concerns raised by those opposed included:
  - A desire for more public consultation;
  - More costing information needed;
  - Funding options unsatisfactory; and
  - A perception that Mangawhai is benefiting unevenly within the District

#### 5 Need for Change

Mangawhai is growing very rapidly and the Community has been and will continue to express high levels of frustration about the length of time that the MCP is taking to be implemented.

#### 6 Options and Assessments

##### Implement in 2018/2019

This ensures that the MCP projects are initiated upfront in the current LTP funding cycle.

##### Do not implement until 2021

This will allow any required increases in rates to be spread over a longer period. However this risks further frustration within the community about the tardiness of its implementation and has the potential for growth

#### 7 What the Feedback Indicated

Which approach to funding do you favour?

This question had a good level of responses with a number of submitters opposing to the use of MELA and a preference for the debt to be paid 80% from Mangawhai ratepayers and 20% district wide. The table below indicates the number of submitters in favour of the listed options.

1. Raising debt – district-wide general rates	2. Raising debt – 80% Mangawhai, 20% district-wide	3. Mangawhai Endowment Lands Account fund	4. Delayed implementation projects within MCP
3	20	10	11

## 8 Need for Change

The MCP was adopted subject to suitable funding sources being confirmed two questions were posed, the first being should the MCP be implemented. 80% of the 56 submissions supported commencing implementing of the MCP. On the question of financing options, 33 submitters indicated their preferred funding option of which 10 supported use of MELA. A further 40 rejected use of MELA but did not always indicate a preferred funding alternative.

## 9 Options and Assessments

### 9.1 Raising debt – district-wide general rates

**Advantage;** spreads the costs to the district and assumes a strong and growing Mangawhai is good for the whole district in the long run.

**Disadvantage:** perception that benefits accrue to local community but district pays the costs, community requested the work but it will be subsidised by balance of the district.

### 9.2 Raising debt – 80% Mangawhai, 20% district-wide

**Advantage;** the majority of costs are borne by the community requesting implementation of the plan and primarily benefiting from it.

**Disadvantages;** will mean an increase in Mangawhai rates via a targeted rate.

### 9.3 Mangawhai Endowment Lands Account fund

**Advantage;** MELA fund is able to be used for this purpose and avoids the need for targeted rates to be introduced and additional rates burden of general rate payers.

**Disadvantage;** MELA fund is reduced and may lead to reduced distributions to community groups and consequential resident dissatisfaction.

### 9.4 Delayed implementation projects within MCP

**Advantages;** any financial impact on rate payers spread over a longer term.

**Disadvantage;** fails to address urgent community needs driven by growth

## **10 Other Feedback Provided**

Submissions on the Mangawhai Community Plan can be found at the end of the report.

## **11 Financial Implications**

Financial implications are traversed in the Consultation Document. Predominantly it is a question of whether the cost of implementing the Plan falls on the district or the Mangawhai community.

## **12 Fit with the Long Term Plan**

The recommendation is consistent with draft LTP.

## **13 Other Policy Implications**

Possible changes required to the District Plan and budgets.

## **14 Conclusion Drawn**

Community responses received support the immediate implementation of the MCP. There is some support for a targeted Mangawhai rate to fund the implementation. There is opposition to the use of MELA, however many opposed to use of MELA offered no other alternative funding option. Council officers still believe that use of MELA is the best option but note that we will need to overcome or address the concern that community groups will receive significant reductions in grants from this fund.

## **15 Further Information**

*What effect do all the options have on the quantum of rates for each ratepayer?*

Refer to Rates Modelling

*What is the catchment area to be rated?*

For simplicity it was considered that an existing targeted rate catchment should be used. Mangawhai has several including those for stormwater and wastewater. The targeted rate area for the Mangawhai Harbour Restoration Targeted Rate was selected as being the most appropriate. A map showing the catchment area is attached. For the 2017/2018 rates there are approximately 4337 properties in the area.

Should the implementation of the MCP be approved and 80% (or any other %) funded by Mangawhai ratepayer's officers recommend a differential be used rather than a land value based targeted rate. The fiscal impact on ratepayers will be the same but a differential is easier to administer and less restrictive on Council.

*What would the funding options look like if we used 25% of MELA or the income only (first three years?)*

The income from the fund is about \$50,000 pa. Using this to fund capex not significant therefore we have not modelled this option.

For completeness we include a summary of the various funding options that have been discussed.

All are compared against the baseline which is the financials in the LTP consultation documentation.

draft

	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>
<b>Baseline No MCP projects</b>				
General rates \$,000	21,291	22,281	23,718	25,575
Increase on previous year		4.65%	6.45%	7.83%
<b>Impact of introducing MCP projects</b>				
<u>MELA accessed to 50% of capital</u>				
General rates \$,000	21,291	22,281	23,718	25,575
Increase on previous year		4.65%	6.45%	7.83%
Increase to general rates over baseline		-	-	-
<u>MELA accessed to 25% of capital</u>				
General rates \$,000	21,291	22,302	23,771	25,660
Increase on previous year		4.75%	6.59%	7.95%
Increase to general rates over baseline				
\$,000		21	53	85
%		0.10%	0.14%	0.12%
<u>No MELA Funding</u>				
General rates \$,000	21,291	22,302	23,787	25,687
Increase on previous year		4.75%	6.66%	7.99%
Increase to general rates over baseline				
\$,000		21	69	112
%		0.10%	0.21%	0.16%
<u>No MELA Funding</u>				
<u>20:80 district:Mangawhai split</u>				
General rate	21,291	22,285	23,731	25,597
Increase to general rates over baseline		4.67%	6.49%	7.86%
\$,000		4	13	22
%		0.02%	0.04%	0.03%
Additional rate to Mangawhai levied as a differential			11	
\$,000		17	56	90

*How the \$1.033 m of DC income derived and what is the sensitivity to growth.*

KDC has an extensive financial model for the calculation of development contributions as outlined in the Development Contribution Policy, a supporting document for the LTP. The model allows for projects to be added or deleted. The relevant MCP projects were added to the model to derive the additional DC income generated.

No specific sensitivity analysis was undertaken. Appendix 2 to the policy, Assessment of Significant Assumptions, included this statement.

Assumption	Level of Uncertainty	Potential Effects
The rate, level and location of growth will occur as forecast in the rating growth projections accompanying the Long Term Plan	High	Lower than forecast growth will result in a significant under-recovery of Development Contributions revenue

*What is the public good component for other services or activities in the area?*

Public/private good analysis was part of the Long Term Council Community Plan process last used for the 2009/2019 plan. We are not aware of or being able to identify any more recent analysis undertaken by KDC.

In the 2009/2019 LTCCP assessment of activities relevant the MCP are:

	Economic Allocation	Funding Mechanism
Public Toilets		
Private	0%	0%
Public	100%	100%
Parks and reserves		
Private	38%	5%
Public	62%	95%
Stormwater		
Private	100%	10%
Public	0%	90%

Roading, walking & cycling		
Private	50%	50%
Public	50%	50%

Stormwater costs are recovered 10% from general rates across the district and 90% by targeted rate on reticulated areas.

The debt incurred for the construction of the MCWWS was allocated 29% to the district and 71% to current and future connections.

#### *Time frame of debt to fund MCP projects*

Under all options it has been assumed the debt would be incurred over next three years. The actual level of public borrowing and timing of drawdown will depend on Council's cash flows particularly development contribution receipts and capital expenditure. Cost of funding will fall in the range of 4.71% to 4.94%. All public debt is repaid over 20 years from drawdown.

Using 50% of MELA

Over the term of the MCP programme public debt will increase by up to \$2.5M as the internal borrowing from the fund is repaid. There will be no increase to Council's cost of funding as interest paid to MELA will be diverted to external funders.

Using 25% of MELA

Over the term of the MCP programme public debt will increase by \$1.25M as the internal borrowing from the fund is repaid. There will be no increase to Council's cost of funding as interest paid to MELA will be diverted to external funders.

Up to \$1.25 M will be borrowed.

MELA fund not accessed

Over the term of the MCP programme public debt will increase by up to \$2.5 M.

MELA fund should be considered as a source of funding for the MPC in year 4 onwards. This would require community education on the purpose of the MELA funds and then further consultation on accessing MELA for MCP project implementation.

## **Mangawhai Community Plan**

### **A Bright Future (Long Term Plan Consultation Document) said:**

Give us your feedback on the Mangawhai Community Plan.

## 16 Our options

Adopt the proposed Mangawhai Community Plan.

## 17 What the feedback Indicated

Do you support implementation of MCP commencing 2018/2019?

Yes	No	Neutral
45	11	0

- Feedback is predominately in support of implementation commencing in 2018/2019; and
- Those in opposition concerns include:
  - No real public consultation;
  - Not fully costed and funding options unsatisfactory; and
  - Too much money going to Mangawhai.
- Community also gave feedback on some of the projects in the Mangawhai Community Plan, supporting walking and cycling projects, agreeing that the area is growing rapidly and in favour of the green/blue network.

## 18 Need for Change

Council officers note that there is reference to NZTA funding on several of the project pages. Council officers suggest these be removed from the document where NZTA funding is not applicable. This is to ensure clarity that only transportation projects are subject to NZTA funding and not all others.

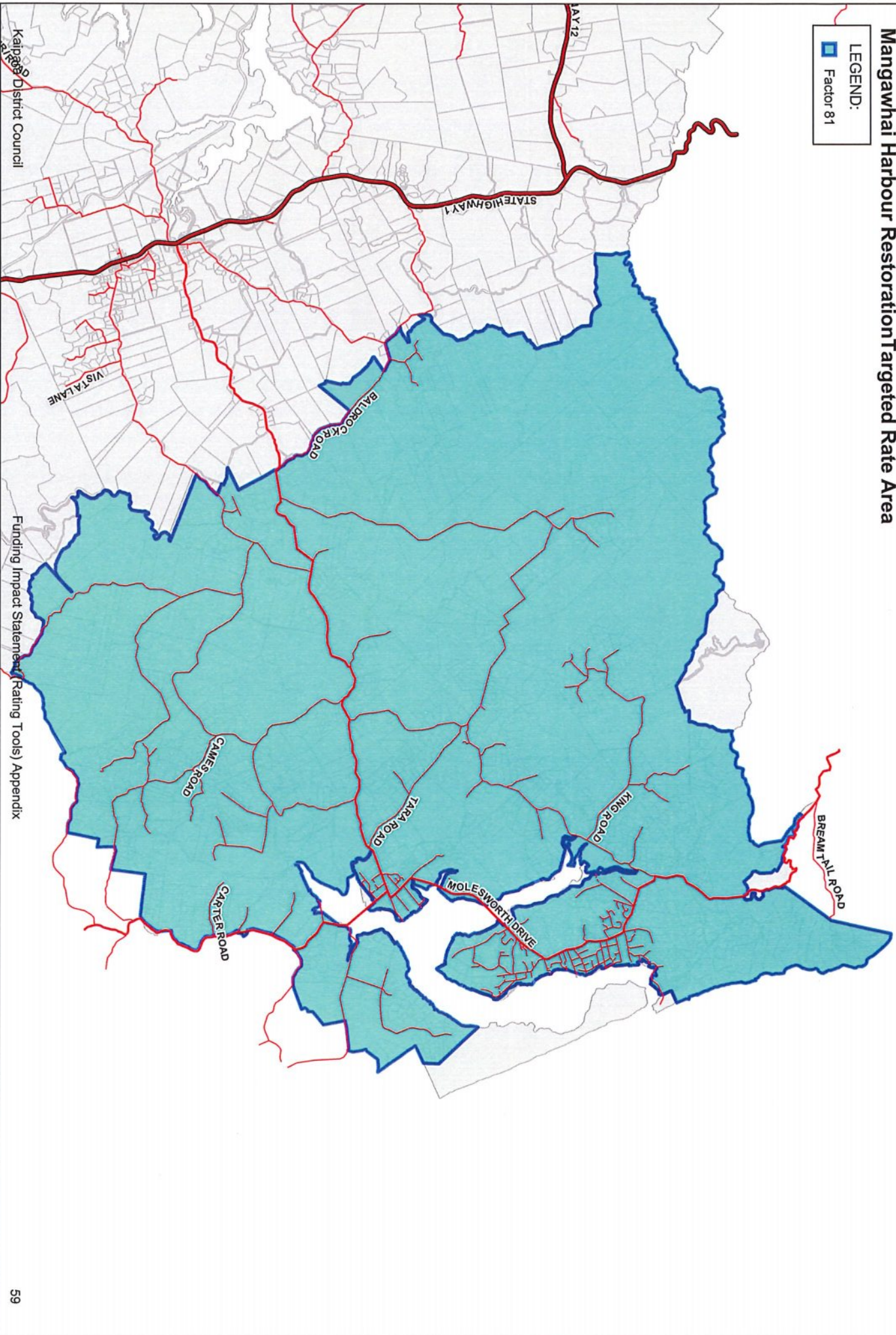
## 19 Conclusion Drawn

Adopt the Mangawhai Community Plan and remove the statement about NZTA funding from various pages.



# Mangawhai Harbour Restoration Targeted Rate Area

LEGEND:  
■ Factor 81



## Issues and Options: District Plan

### 1 Recommendation

*That Kaipara District Council:*

- 1 *Notes the feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the allocation of \$2,500,000 in the first three financial years and \$4,820,000 for the remaining seven years of the 2018/28 Long Term Plan to undertake a comprehensive review of the District Plan; and*
- 3 *Notes that the budget allocated for reviewing the District Plan will be spread over the term of that Plan.*

#### **Reason for the recommendations**

A properly resourced review will produce a District Plan that is current and effective in the face of existing and future social, cultural, economic and environmental opportunities and challenges.

### 2 Introduction

#### **A Bright Future (Long Term Plan Consultation Document) said:**

Council's District Plan started being developed in 2006 and became operative on 01 November 2013. Since this time the district has changed significantly.

Council believe that the district would benefit from commencing an active and comprehensive review of the District Plan.

In the budgets however, only limited funding has been provided for. At the current level of funding, a review would only be partial and the expectations of the community may not be met. To increase the scope of this review and to bring this work forward, budgets would need to be increased.

### 3 Our options

We asked the public the following questions:

1. Should Council investigate a review the District Plan and allocate funding for the necessary activity?
2. Do you think there is a need for re-zoning land for future growth?
3. Where do you think these areas may be?

#### Options we considered, rejected and why:

Three options were considered. Status Quo or current practise of minimal and generally reactive changes to the District plan. This option was rejected as it does not allow for growth and is more costly in the long term. A full scale plan review was also considered however it is likely to be costly and need to use substantial external resource. The preferred option is to undertake the plan review largely using in-house resource and staged over the next 3 years. We will resource accordingly in order to complete the work. We will also require expenditure on GIS data, section 32 analyses and supporting technical assessments as necessary, as well as Mana Whenua, stakeholder and community engagement. We will need the most current data, robust technical assessment of any proposed changes and essential feedback processes.

### 4 What the Feedback Indicated

#### Should Council review the District Plan and allocate funding to do so?

Yes	No	Don't know
26	1	1

Feedback is overwhelmingly in support of an increased allocation of funding to implement a comprehensive review. One submitter recommended that this should be undertaken in-house and not by external consultants.

### 5 Need for Change

To continue reviewing the plan with current funding limitations will be at the longer term detriment to the currency and effectiveness of the District Plan. Current budgets provide for \$330,000 per annum for the next three years. Council officers do not believe this will cover expenses for the necessary tasks required for a review.

## 6 Options and Assessments

### 6.1 Undertake a more comprehensive plan and fund accordingly

The Policy Team, including the District Planner, will be dedicated to the review:

- seeking consultants' expertise for the strategic prioritisation of tasks;
- GIS mapping and data analysis; and
- if needed technical and legal advice and peer review of proposed changes.

### 6.2 Do not increase funds to undertake a review

This option would not allow enough money to be spent on a comprehensive review, limiting the value and effectiveness of the District Plan.

## 7 What the Feedback Indicated

**Do you think there is a need for re-zoning for future growth and if so where?**

Yes	No	Maybe
36	1	1

Places suggested for re-zoning included:

- Dargaville e.g. by the speedway, rural areas, between Hokianga and Awakino Roads, Mt Wesley/Duck Creek/ Mangawhare area;
- Maungaturoto;
- Mangawhai;
- Kaiwaka;
- Paparua;
- Baylys Beach;
- Pahi e.g. Te Pahi River Drive;
- Tinopai; and
- Area bordered by Devich/Lower Tara/Cove/Brynderwyn.

## **8 Need for Change**

Kaipara District Council has a responsibility to ensure any re-zoning of the region's landscapes takes into account the need for the region's natural resource assets to be viable for future social, cultural, economic and environmental needs as populations increase. This will require Council to consider re-zoning in terms of land carrying capacity, air quality, water quantity and quality. This raises specific zoning issues, related to, for example:

- food security and the protection of rural productive soils;
- protection of character, amenity values and industrial or housing developments that may have an adverse effect on air or water quality, the peace and enjoyment associated with rural living, etc.;
- pollution of the Kaipara and Mangawhai Harbours and water ways;
- landscape values and significant natural areas and habitats; and
- health and safety of communities living in hazard-prone areas e.g. floodplains, erosion-prone areas.

## **9 Options and Assessments**

### **7.1 Re-zone land for future growth**

This may be an option in certain areas as an outcome of a comprehensive District Plan review.

Understanding current risks, threats and sustainable development opportunities requires an assessment of existing spatial data and other information. Identifying if and where re-zoning could best be applied in the region is an integral part of conducting a review and can only be proposed once all layers of the necessary data are applied to a range of datasets.

### **7.2 Retain current zoning in the District Plan**

This is unlikely to meet the future needs and pressures the region is facing. Development on a case by case resource consent basis is time consuming, expensive and does not provide certainty for communities and businesses.

## **10 Financial Implications**

Consistent with prior years, only a base level of funding was budgeted in the draft LTP of \$330,000 to undertake the District Plan work.

#### Fast Start Option:

Given the need for a more comprehensive fast start of the review we believe an additional allocation of \$670,000 for each of the first three years is needed (ie equating to a total of \$1M per annum). To cater for appeals and to allow a small contingency, years 4 to 6 should also have \$670,000 additional funding.

#### Steady Start Option:

To remain within the proposed rates consulted on (ie 5.45%) a steady start option is available which allocates an additional \$170,000 for the first year and an additional \$670,000 for years two through to year six, dropping to an addition \$500,00 in year seven and then returning to previous levels for year eight to ten (ie equating to \$500k first year, \$1M in the second through to the six year, \$830,000 in year seven, and returning to \$330,000 for the remaining years). This has been modelled in the financial scenario. The “steady start” option is anticipated to extend the implementation timeframe of the District Plan review by 6 months from that able to be achieved by the “fast start” funding option.

The additional funds are required for:

- community consultation;
- Mana Whenua participation;
- spatial mapping and data analysis;
- scientific and technical input;
- legal reviews;
- economic research;
- public hearings and environment court adjudications;
- training, communication and document production; and
- publication costs and digital tool development.

## 11 Conclusion Drawn

There is overwhelming support for a comprehensive District Plan review. Council officers believe that the most cost effective way of undertaking this is to resource the majority of the work internally. Given the desire by the community for the District Plan review to progress faster, additional funds are required. A “fast start”

would increase the percentage of rates which were consulted on. A “steady start” keeps the costs of the review within the rates percentage consulted on but extends the review timeframe by approximately 6 months.

## 12 Further Information

### 1. Advantages and disadvantages of a comprehensive and rolling reviews, (accompanied by definitions).

A ‘Rolling Review’ of the District Plan involves a section by section review of the contents of the District Plan, each proposed section involving a notification process and potential Appeal and Hearing. A comprehensive review assesses the Plan in its entirety and will involve consultation on a draft plan which potentially only involves notifying the Plan as a whole with any subsequent appeals being run at the same time.

(SWOT Analysis; B&A Urban Environmental, 2018)

Comprehensive Plan Review	
<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Issues considered collectively and holistically</li> <li>• More cost-efficient due to combining hearings and consultation processes</li> <li>• Enables better integration between plan chapters</li> <li>• Straightforward administratively</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Can be seen as unnecessary depending on the quality of the current plan</li> <li>• District context may mean that there are not driving pressures requiring a total overhaul</li> <li>• Risk that the review loses momentum, leaving provisions without final decisions for some time</li> <li>• Long term issue is that the entire plan would become due for review all at once</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Presents opportunity to drastically rethink current resource management approaches</li> <li>• Enables complete revamp of plan structure</li> <li>• Could encourage efficient processes due to pressure on resources</li> </ul>	<p style="text-align: center;"><b>Constraints</b></p> <ul style="list-style-type: none"> <li>• Can be difficult to resource</li> <li>• The RMA gives effect to both the existing and proposed provisions, which can result in a complex planning framework</li> </ul>

Rolling Plan Review	
<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Workload is spread out over a longer period</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p>



<ul style="list-style-type: none"> <li>• Can leave tidy-ups and less critical items for later</li> <li>• Reviews can be undertaken in a strategic order to minimise interference with existing projects</li> </ul>	<ul style="list-style-type: none"> <li>• Can make a holistic and integrated approach substantially more challenging</li> <li>• Risk of inconsistency between public and private plan changes</li> <li>• Inherent overlaps may require submissions on private plan changes</li> </ul>
<b>Opportunities</b>	<b>Constraints</b>
<ul style="list-style-type: none"> <li>• Dealing with single issues at a time can mean more effective engagement</li> <li>• Enables prioritisation of issues where there is the greatest need</li> <li>• Reviews can be based on current information</li> </ul>	<ul style="list-style-type: none"> <li>• Not suitable when the majority of plan provisions are set to expire at the same time</li> <li>• Submitter engagement can be confusing and hard to follow</li> <li>• Additional costs associated with repeating the same hearing and consultation processes</li> </ul>

#### Approaches taken by some other Councils

1. Timaru, Nelson, Far North and Central Otago District Councils – Full plan review.
2. Queenstown Lakes District Council – Full plan review but carried out in four stages.
3. Christchurch City Council – Full plan review but carried out in three stages.
4. Whangarei, Gisborne District Councils – Rolling plan review.

#### How will staff manage risks to blow out of budget and endeavour to keep work within budget?

- Drafting our own section 32 reports
- Collaborating with other Councils and gaining access to their s32 reports, legal opinions, draft plan changes and sharing in expertise and consultancy costs on shared issues
- Currently conducting an information analysis to assess what datasets, research reports we have and where information gaps are
- Priorities and strategies for review identified in a workshop on 7 May providing clear direction, roles and responsibilities
- Preliminary work done already completed on some key areas e.g.
  - S.32 reports, PC4 draft changes, NRC hazard mapping, omnibus changes (technical errors) identified

#### 2. Staff resources and budgeting options (are accounted for) to deliver review

- Additional staff resource and/or consultants will be paid for from the \$1m annual budget.
- External expertise identified at this stage includes an ecologist, economist, legal and GIS specialists.
- Our preference would be for at least one more dedicated DP person internally to save on consultant costs.



### 3. Implications on reviewing re-zoning work first, including timeframes, financials and impact on this LTP

If a full comprehensive review is undertaken, this could be done in a staged approach, allowing issues related to re-zoning and assessment of current rules to be first priority. The costs would be managed within total budget. The Land Use and Development Strategy Chapter is the first section we would assess as all other chapters fall under this overarching policy chapter. Over the next 3 months we are assessing this chapter internally with the aim of having some key questions, necessary maps and datasets prepared to facilitate community consultation in 4-6 months. We will aim to have a draft chapter in 12 months time by June 2019 for Council to consider in terms of policy setting for the comprehensive review.

### 4. Fixed cost approach to budget, does it include contingencies and costs for appeals?

The first three years budget does not include any appeals or contingency costs.

A comprehensive review involves notifying the Plan as a whole in the 3<sup>rd</sup> year of the LTP with any subsequent appeals running into latter years. It is estimated that a further \$3m (i.e. \$1m per annum) should be allowed for years 4-6 for appeals and a small contingency.

### 5. What proposed Plan Changes are part of this review, and how does the timetable for these changes fit into a comprehensive review?

2016-2017 Proposed changes as per previous LTP commitments	Progress	How does these changes fit in with comprehensive review timeframe
<b>Plan Change 4: Fire Rule</b>	Mediation in progress. A draft settlement agreement to be presented to FENZ on or before 28 May 2018.	If no hearing and agreement reached between KDC, FENZ and s.274 submitters, changes could be documented as draft and be ready for notification as part of whole review.
<b>Plan Change 5: Coastal Environment &amp; Natural Character</b>	Policy team assessing datasets, reports, research we have access to and where information gaps remain.	Changes could be documented as draft and be ready for notification as part of whole review.

	We think we can handle the Coast and Natural Character ourselves, provided we have the GIS capacity ( currently discussing this with IT and NRC)	
<b>Plan Change 6: Outstanding Natural Features</b>	Currently scoping the work needed for this area.	Changes could be documented as draft and be ready for notification as part of whole review.
<b>Plan Change 7: Significant Natural Areas</b>	<p>Policy team are currently engaging in regular discussions with NRC and other TAs</p> <p>The three TA's policy planners have agreed to work together to develop the Plan Changes to give effect to the RPS on the SNA (ecological areas).</p> <p>Far North will develop a programme using a project matrix which we can adopt. This will be considered by KDC by mid-June 2018.</p> <p>It is intended to implement the project in 3 stages with a budget allocated to each stage.</p> <p>We will need ecological expertise and will ask for expression of interests and estimates before we go to the market to determine the exact brief and cost.</p> <p>The cost will be spread amongst the participants. Land Area, Population/ ratepayer base, area covered by natural bush or combinations.</p> <p>Population – then WDC will pay most, area – then Far North will pay most – planners from all 3 TAs are thinking of the best method. NRC are also involved and may assist with funding.</p>	Changes could be documented as draft and be ready for notification as part of whole review.

<b>Plan Change 8: Coastal Hazards</b>	<p>Maps completed. We will need consultant to gain professional confirmation that we have complied with RPS requirements.</p> <p>WDC will share their s.32 on coastal hazards.</p>	<p>Changes could be documented as draft and be ready for notification as part of whole review.</p>
<b>Plan Change 9: Reverse Maneuvering</b>	<p>Draft s32 report has been prepared (by Opus), needs to be finalized, peer reviewed, presented to Council. Iwi have feedback that they have no issues with proposed changes.</p>	<p>Changes could be documented as draft and be ready for notification as part of whole review.</p>
<b>Plan Change 10: 300m separate distance from intersection of SH and Local Road (13.10.7)</b>	<p>Draft s32 report has been prepared, needs to be finalized, peer reviewed, presented to Council. Needs support from NZTA.</p>	<p>Changes could be documented as draft and be ready for notification as part of whole review.</p>
<b>Plan Change 11: Removal of Community Outcomes</b>	<p>Draft s32 report has been prepared, needs to be finalized, peer reviewed, presented to Council.</p>	<p>Changes could be documented as draft and be ready for notification as part of whole review.</p>
<b>Plan Change 12 (Technical errors and anomalies):</b> <ul style="list-style-type: none"> <li>• 12A: 300m separation distance from Commercial Zone (Rule 13.10.8)</li> <li>• 12B: Reserve Management Units</li> </ul>	<p>Draft s32 report has been prepared, needs to be finalized, peer reviewed, presented to Council.</p>	<p>Omnibus changes could be documented as draft and be ready for notification as part of whole review.</p>

<ul style="list-style-type: none"> <li>• 12C: Industrial Zone Rule (Dwellings)</li> <li>• 12D: Mapping Errors (Te Kopuru and Dargaville)</li> <li>• 12E: Designations (underlying zoning)</li> </ul>		
<b>Plan Change 13: Mangawhai Community Plan</b>	Awaiting LTP decision. Policy team in discussions with other KDC teams to ensure policy, planning, roading and infrastructure works are strategic.	Changes could be documented as draft and be ready for notification as part of whole review.
<b>District Plan Review regarding other RPS matters</b> <ul style="list-style-type: none"> <li>• Historic heritage</li> <li>• Renewable electricity generation</li> <li>• Tangata Whenua strategy</li> </ul>	<p>This review will determine whether any further changes are needed to the DP to give effect to the RPS.</p> <p>This review is being incorporated into Monitoring Strategy work.</p> <p>Heritage and archaeological datasets being downloaded on to system and discussions with Environs Ltd and Mana Whenua planned in the next 2 months.</p>	Changes could be documented as draft and be ready for notification as part of whole review.
<b>Monitoring Strategy</b>	Currently being worked on.	Strategy will help prioritise whole review.
<b>Efficiency and Effectiveness Review</b>	Currently being worked on.	Review will help prioritise whole review.

6. What happens in years 4-10 as there is currently no budget allocated. What is the approach then for years 4-10 given the above?

Fast Start proposal		Steady Startproposal
Y1	1000000	500000
Y2	1000000	1000000
Y3	1000000	1000000
Y4	1000000	1000000
Y5	1000000	1000000
Y6	1000000	1000000
Y7	330000	830000
Y8	330000	330000
Y9	330000	330000
Y10	330000	330000

draft

## Issues and Options: Reserve Contributions

### 1 Recommendation

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Adopts the Reserve Contribution (use of) Policy as consulted on in the Consultation Document for the Long Term Plan 2018/2028 effective from the 1 July 2018; and*
- 3 *Utilises the existing accumulated reserves funds based on a ratio of either:*
  - a. *80/20 consistent with the proposed new policy; OR*
  - b. *60/40 as provided for under the 2015/2018 LTP policy ratios of 60/40 contributions; and*
- 4 *Request that staff investigate the provision of alternate funding sources for the region's priority parks and other reserves on completion of the reviews of the Reserves and Open Spaces Strategy and the reserve management plans to ensure there will be sufficient funding for their respective capital works programmes.*

#### Reason for the recommendations

The policy has been consulted on via the Long Term Plan process. Feedback received was in support of a change in policy.

### 2 Introduction

#### A Bright Future said:

Reserve Contributions are collected from land owners through consent conditions when resource consents are approved. Their purpose is to offset the effects of growth, and the Resource Management Act requires them to be spent in reasonable accordance with the purpose for which they were received.

If funds collected in growth areas are not spent to develop existing and new reserve in those areas, this can lead to insufficient future facilities for growing populations.

Council is using the LTP process to consult on a proposed new Reserve Contributions (Use Of) Policy. The new policy has three key components;

1. The district is divided into four catchments.
2. 80 percent of the funds collected in each catchment is allocated to that catchment.
3. A contestable fund for local communities and Council's Parks and Reserves Team (including the three Park Committees) to apply for funding from the reserve contributions pool.

An issue signalled in the document is that should the new policy be adopted, Reserve contributions may not be able to continue to be used as the sole source of funds for implementation of the reserve management plans in these reserves. The draft budgets prepared for the consultation document were based on the existing policy split (60:40). The future impact on rates and debt levels of these options for the third year, should the new policy be adopted, is that Council would need to investigate funding options for each project on a case by case basis.

### 3 Our options

Council asked;

1. Do you support Council adopting the proposed policy?
2. If so, what option would you support to cover shortfall;
  - a. Slower implementation of RMPs in priority parks in low growth areas; or
  - b. Lower expenditure on reserves in low growth areas; or
  - c. The difference being covered by increased rates or debt?

### 4 What the Feedback Indicated

Should the Policy change to a 80:20% split

Yes	No	Neutral
67	13	0

Feedback indicates general support for the 80:20% split. Those in opposition are concerned the split creates inequity for low growth areas and gives an unfair advantage to Mangawhai. It is believed Council should aim to balance resourcing across the whole district.

## 5 Need for Change

The existing policy was approved by Council on 14 December 2014. The existing policy had three catchments: northwest of State Highway 12 (Northwest-Kaipara), between State Highway 12 and State Highway 1 (Mid-Kaipara) and east of State Highway 1 (Mangawhai-Hakaru). The existing policy has a 60%:40% split between spending in the catchment where it was collected (60%) and spending on reserves of district significance (40%). This also allowed for capital works to occur on parks considered to be of district significance. The 40% contributed \$100,000 to each of the three priority parks, being Kai Iwi Lakes (Taharoa Domain), Pou Tu Te Rangi/Harding Park and Mangawhai Community Park.

Kai Iwi Lakes (Taharoa Domain), Pou Tu Te Rangi/Harding Park and Mangawhai Community Park have RMPs or Master Plans in place. These are a contract with the community that outlines how Council will develop and manage these areas. Two of these priority parks are situated in low growth/development areas.

The current policy allows Council to generally apply funds in the locality in which they are generated, but where sufficient developed reserves exist, Council may apply up to 20% of the funds in other parts of the district.

The Reserve Contributions Committee considered the current policy and recommended that there now be four catchments. The result of this position is that capital funding for the three priority parks will now need to be funded from within their catchments.

Mangawhai Community Park sits within a catchment that has historically collected between \$90,000 and \$500,000 per year, with the last two years collecting over \$1 million per year. This is due to the high growth in this area. Therefore, Mangawhai Community Park is likely to have sufficient reserve contribution funds to continue to implement its Master Plan under the reviewed policy, provided development continues.

Kai Iwi Lakes and Pou Tu Te Rangi/Harding Park are in low growth area, and historically collected between \$12,000 and \$88,000 reserve contributions per year in this catchment. Therefore, these two parks are unlikely to have sufficient reserve contribution funds to continue to implement their RMPs under the reviewed Policy.

## 6 Options and Assessments

### 6.1 Status quo – keep the current split of Reserve Contribution spend at 60:40

The proposed change in policy may result in a significant change in how reserves are developed. That change may not meet the expectations of the community with regards to developing these parks in accordance with their RMPs and hence a potential significant drop in service levels planned for under the RMPs. When RMPs are developed, they go through a full public submission and hearing process, as set out under the Reserves Act 1977. The RMPs are, therefore, a contract with the community, because they have been developed in consultation with the community.



Kai Iwi Lakes and Pou Tu Te Rangi/Harding Park are also co-governed with iwi. Therefore, a change to the implementation of the RMP would affect Te Roroa, Te Kuihi and Te Uri o Hau. Consultation with iwi is recommended to be undertaken. The co-governance arrangement means they are in partnership with Council and a lack of consultation could potentially weaken those relationships. Due to the co-governance arrangements, iwi also have an interest wider than the general community.

The current policy ensures that there are sufficient funds to support priority parks that are not located within growth areas, like Kai Iwi Lakes. Mangawhai will continue to have funds spent on its reserves because 60% of contributions collected there will be spent there. In addition, one of the priority parks is the Mangawhai Community Park, so a proportion of the 40% contribution will also be spent in Mangawhai. This policy continues to redistribute rates raised in Mangawhai for reserves not necessarily accessed by Mangawhai residents.

## 6.2 Amend to 80:20 split in Reserve Contribution spend

This option allows money to be spent on parks of district-wide importance in areas where the rates are raised. The priority parks in other locations are of district-wide significance and even regional or national significance, such as Kai Iwi Lakes, and these will still receive a contribution and have an opportunity to seek other sources of funding. However other sources of funding are not guaranteed.

## 6.3 Other options

Apply all of the contributions to district-wide priority projects	Apply contributions only where they are raised
1	1

## 7 What the Feedback Indicated – Check – needs more clarity

### Options to deal with any shortfalls in funding

Slow the implementation	Fund within existing reserve funds	Increase debt via borrowing, service by increase in rates or future reserve contributions	Establish a contestable fund
5	5	3	5

Many responses did not answer funding options question. A range of responses show no clear indication. Equal numbers supported a slower implementation of RMPs, establishing a contestable fund for shortfalls and only funding reserves within existing reserves monies.

## **8 Need for Change**

The change of policy from 60:40 to 80:20 was triggered by a notice of motion, not as a result of any statutory review and was consulted on as a proposal under the LTP. It is a discretionary policy. The reason for the policy is to provide equity across the region and provide transparency as how these funds are distributed.

## **9 Options and Assessments**

### **9.1 Status quo – Implement RMPs based on current reserve contributions collected**

Parks are considered a priority for funding when they have district-wide significance. The three current priority parks are considered to fit this. Kai Iwi Lakes is a unique dune lake for all of New Zealand and attracts visitors from across the district, across the Region and across New Zealand. Mangawhai Community Park and Harding Park/ Pou Tu o Te Rangi are both of district-wide significance because they were identified as a Premier Parks in Council's Reserve and Open Space Strategy (ROSS). In addition, Harding Park/Pou Tu o Te Rangi is of district-wide significance because of Te Uri o Hau historic pa site located there.

### **8.2 Use alternative funding**

Memorial Park is recognised in Reserves and Open Space Strategy (ROSS) as a key reserve. It is a park of significance for the Northern Wairoa part of the district, rather than of district-wide significance. Similarly, Mangawhai Heads Reserve is of significance to the eastern parts of the district, rather than the whole district. In addition, Mangawhai Heads Reserve will benefit from contributions collected in Mangawhai.

## **10 Other Feedback Provided**

A report on all submissions can be found at the end of the paper.

## **11 Financial Implications**

It is considered that the changes to the policy have significant budget implications

Reserve Contributions are collected at the time of subdivision. It is a source of revenue that is not from rates. Therefore, the spending of contributions has no financial implications on the general ratepayer.

Requests for additional spend on reserves will have an impact on the general ratepayer when it is for a replacement, renewal or is for maintenance, as this must be funded through the General Rate. Reserve Contributions can only be spent on new or improvements required as a result of the growth generated by the new development that made a contribution. Therefore any requests for spend on replacement, renewal or for maintenance must be considered very carefully by Council. If the request cannot be accommodated out of the existing budget, then additional budget must be allocated by Council if it agrees to the request.

To call on ratepayers to fund the project through either a general or targeted rate raises questions, especially as the projects have been identified as growth-related to be funded by reserve contributions.

The RMP projects increase and improve the assets in the community, therefore it is appropriate to use debt. The uncertainty of the level of future reserve contribution income suggests this may not be a suitable income stream from which the debt can be serviced. An alternative is for ratepayers to carry the serving cost. The activity costs will be increased to cover interest and repay the principal over 20 years with these costs covered by general or a targeted rate. A degree of equity is retained with future ratepayers (users of the improved facilities and possibly those causing the growth) contributing to the cost. This report recommends that alternate funding is included in the draft LTP 2018/2028 budgets.

## **12 Fit with the Long Term Plan**

Should the decision be to adopt an 80:20% split and retain current levels of service the LTP budgets would need to provide for more rate income or debt to fund the premier park expenditure for which sufficient financial contribution income would no longer be available. Continuing with the 60:40 split of spend of Reserve Contributions is consistent with the LTP.

## **13 Other Policy Implications**

There may be an implication for the review of the Reserves and Open Space Strategy currently being undertaken in 2018.

## **14 Conclusion Drawn**

Community responses received support an 80:20% split. How shortfalls should be funded are not clearly indicated. There is a sentiment that the change in policy reflects a lack of concern for low growth areas. However there is also a view that it opens up an opportunity for other areas like Kaiwaka to improve reserves for their communities and also allows high growth areas to retain funds for their residents.

## 15 Further Information

Five out of the 18 responses supported the establishment of a contestable fund.

The contestable process is outlined in the draft policy as follows:

### ***Public contestable funding round***

A public contestable funding round will be held on an annual basis for catchments where sufficient funds have accumulated to make the process worthwhile. Where there are sufficient funds Council will typically aim to distribute them within three years of collection.

During each round projects initiated by Council, and community groups within the catchment will be considered by the Reserve Contributions Committee. The Reserve Contributions Committee will then make recommendations to the full Council for approval.

All decisions on whether and how to distribute the funds will be at the sole discretion of Council and are final.

#### ***a) Contestable fund distribution***

There is a need for a high level of transparency and accountability for the spending of reserves contributions. To enable this standard to be met, accountability arrangements will be documented in a formal Contract between the community organisation receiving support and Council. The Agreement will be appropriate to reflect the nature and level of support given.

Funding will be implemented through a Contract which will outline:

- The project for which the funding was provided for;
- The conditions attached to the funding;
- Accountability requirements, including the methods to report back on the use of the funds; and
- The steps Council will take if progress is not as planned.

#### ***b) Timing of applications***

The timing of reserve contribution grants will be matched with the planning and budgeting cycles of the Council. In the first year of operation of this Policy Council will call for applications in February and release decisions by the end of May. In subsequent years, Council will call for applications in

June, and release decisions by the end of October. Should there be sufficient reserve contributions collected during the year Council may consider opening up a second funding round.

Decisions on reserve contributions distribution will be recommended to Council by the Reserve Contributions Committee, who has been given delegated authority from Council to make recommendations on applications. Council will then make the final decision. All grants entered into during the year will be reported in the Annual Report for that year.

Application forms will be made available on Council's website and at Council offices when the funding round opens.

**c) General assessment criteria**

Council will consider the following when assessing applications received for reserve contributions. These are general criteria which community organisations applying for support need to demonstrate in their applications.

**d) Consistency with the Reserve Contributions (use of) Policy**

Any application will need to be consistent with the eligibility criteria of section 5 of the Reserve Contributions (use of) Policy.

**e) Not-for-profit**

With the exclusion of any Council application, Council assistance will only be provided to legally constituted not-for-profit entities, and there should be a volunteer component to any non-Council applications.

**f) Financial reporting**

All applications must be accompanied by an audited or reviewed Statement of Financial Position for the previous financial year and a budget projection for the next financial year.

**g) Central government funding**

Community organisations that can receive funding from central government will be considered for grants, however no central government agency may apply for funding.

**h) Health and safety**

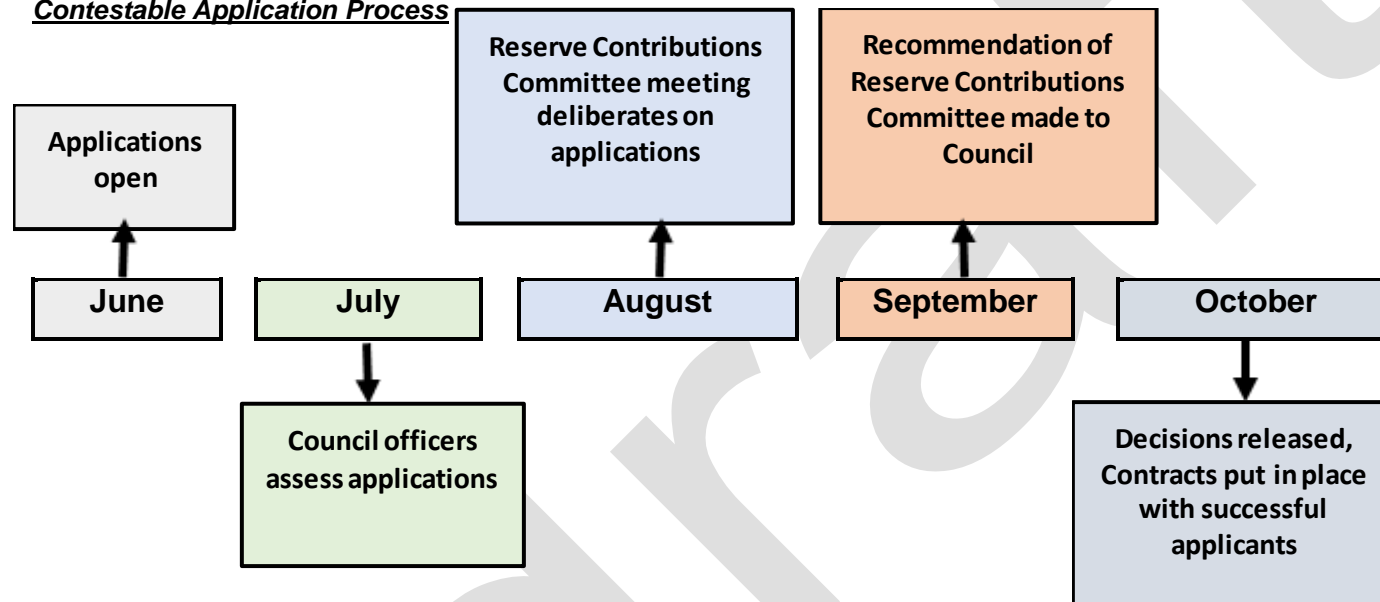
Applicants must comply with all health and safety legislative requirements.

***i) Accountability requirements***

All recipients under this Policy are required to enter into an Agreement or Contract with Council that outlines the terms and conditions of the approved assistance. Funds will not be provided until both parties have signed the Agreement or Contract, which will outline, among other obligations:

- The purpose and conditions of the assistance; and
- Accountability requirements, as determined by the level of assistance required.

**Contestable Application Process**



The funding implications of the proposed policy were discussed by the Reserves Contributions Committee and summarised as follows:

There needs to be a balance provided in how parks and reserves capital works are undertaken for both growth and high development areas and parks and reserves that are not within growth or high development areas. If Council agrees with the direction proposed in the draft Reserve Contributions (use of) Policy, then Council also needs to consider how they will fund parks and reserves in the low growth/development areas where funding from reserve contributions is likely to be limited.

The current Priority Parks (Kai Iwi Lakes (Taharoa Domain), Pou Tu Te Rangi/Harding Park and Mangawhai Community Park) will no longer have a guaranteed revenue to implement their Reserve Management Plans (RMPs) and develop these Parks. This currently is set at \$100,000 per year for each Park.

Mangawhai Community Park sits within a catchment that has historically collected between \$90,000 and \$500,000 per year, with the last two years collecting over \$1 million per year (Attachment 1). This is due to the high growth in this area. Therefore, Mangawhai Community Park is likely to have sufficient reserve contribution funds to continue to implement its Master Plan under the reviewed Policy, provided development continues.

Kai Iwi Lakes and Pou Tu Te Rangi/Harding Park are in low growth area, and historically collected between \$12,000 and \$88,000 reserve contributions per year in this catchment (Attachment 1). Therefore, these two parks are unlikely to have sufficient reserve contribution funds to continue to implement their RMPs under the reviewed Policy.

The Committee through this process should also make Council aware of the implications of the proposed Policy. The main implication being that Council needs to consider providing an alternate funding source for parks and reserves and for the three Priority Parks in the event that there is insufficient reserve contributions in the proposed catchments.

If there are insufficient reserve contributions to fund the implementation of the RMP, Council has two options:

- Slow the implementation of the RMP to match receipt of contributions; or
- Use an alternative source of funds.

Two major alternative sources of funding have been identified:

- Ratepayer funding through general or targeted rates; or
- Debt with servicing costs covered by rates or future reserve contributions.

The RMP projects increase and improve the assets in the community, therefore it is appropriate to use debt. The uncertainty of the level of future reserve contribution income suggests this may not be a suitable income stream from which the debt can be serviced. An alternative is for ratepayers to carry the serving cost. The activity costs will be increased to cover interest and repay the principal over 20 years with these costs covered by general or a targeted rate. A degree of equity is retained with future ratepayers (users of the improved facilities and possibly those causing the growth) contributing to the cost. This report recommends that the Committee recommends to Council that alternate funding is included in the draft Long Term Plan 2018/2028 (LTP) budgets.

It is considered that the changes to the Policy have significant budget implications, therefore it is recommended that the draft Policy be consulted on as part of the LTP consultation process.

Previous budgets:

The LTP 2012/2022 reveals a reserves capital budget of approximately \$270,000 per year. The sources of capital funding included a corresponding amount funded by way of development and financial contributions.

## Community Activities - Capital Expenditure Programme

For the period commencing:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
1 July 2012	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Community Activities</b>										
<b>Community Spaces</b>										
Reserves (Open Spaces)										
Playground Renewal	23									
Replacement/Upgrade of playground equipmt	25									
Reserves Acquisitions	270	278	286	294	304	312	321	330	341	353
Tinopai wharf steps and pile replacement	20									
Reserves (Open Spaces) Total	338	278	286	294	304	312	321	330	341	353



## Community Activities - Funding Impact Statement

For the period commencing:	Annual *	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	Plan	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
1 July 2012	2011-2012	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Capital funding</b>											
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	270	278	286	294	304	312	321	330	341	353
Increase (decrease) in debt	700	217	216	215	27	-98	-186	-172	-330	-389	-450
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump Sum Contributions	0	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding</b>	<b>700</b>	<b>487</b>	<b>494</b>	<b>501</b>	<b>321</b>	<b>206</b>	<b>126</b>	<b>149</b>	<b>0</b>	<b>-48</b>	<b>-97</b>

Prior to this it appears that \$100,000 per year was budgeted district-wide and funded by way of development and financial contributions.

Should the proposed policy be adopted, then the existing accumulated reserves funds for the two premier parks within the low growth catchments (i.e. Taharoa Domain and Pou Tu Te Ranging/Harding Park) could be used initially to fund the capital works.

The review of the ROSS generally won't cover detailed funding options. This can be considered in more detail when reviewing the respective reserve management plans following the completion of the review of the ROSS.

## Issues and Options: Forestry Targeted Rate

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the extension of the Forestry Targeted Rate set to raise \$397,800 for the 2018/19 financial year, adjusted annually for inflation for each year of the 2018/2028 Long Term Plan.*

### Reason for the recommendation

The proposal is generally well supported by the community and would allow the associated roading programme to continue as planned.

### 2 Introduction

#### **A Bright Future (Long Term Plan Consultation Document) said:**

In the LTP 2015/2025 a targeted rate (the Forestry Roothing Rate) on exotic forestry landowners for the period 2015 to 2021 was introduced. This rate generates \$390,000 per annum and has been supplemented by NZTA financial assistance to provide additional funding to cover expenditure of \$1,000,000 per annum on our impacted roads.

Council is proposing to extend the lifetime of the targeted rate for each year of the LTP 2018/2028. Council would also like your views on whether the targeted rate should be increased. This targeted rate currently impacts 108 properties and the increase for inflation would add approximately \$0.000124 per dollar of land value to the targeted rate.

The document asked

1. Do you support the targeted rate being:
  - a. Continued over the 10 years of this LTP adjusted annually for inflation?

- b. Removed?
- c. Or increased, and if so, why?

Budgets in the draft plan have the rate continuing over the next 10 years, adjusted for inflation.

### 3 Our option

Extend the lifetime of the targeted rate for each year of the LTP 2018/2028 inflation adjusted. Impact on Ratepayers \$7,800 (exotic forestry landowners). Nil impact on debt

#### Option we considered, rejected and why:

Remove rate (and continue to fund necessary expenditure) - impact to ratepayers \$397,800 added to the general rate and Nil impact on debt:

The Forestry Targeted Rate is well supported by the community (72% of submitters for) and is an equitable means of recovering costs from the sector of the community that is requiring additional works on Council's roading network.

### 4 What the Feedback Indicated

**Do you support the targeted rate being continues over the 10 years and adjusted for inflations? Removed, or Increase?**

Retain rate, inflation adjusted	Increase rate	Remove rate
26 (55%)	8 (17%)	13 (28%)

Generally, comments made by those who indicated that they did not support the option chosen state that the Forestry Targeted Rate is inequitable.

Comparisons are drawn by the opponents to other heavy commercial users of the network such as dairy tankers. It should be noted that the 2017/2018 general rate levies for dairy land in the district is five times the general rate levies for exotic forestry land, whilst the area of dairy land is only 2.2 times that of exotic forestry land i.e. the dairy landowners are rated notably more than the exotic forestry landowners. The Forestry Targeted Rate is a means of reducing this gap which could also be achieved by a rating differential.

Regarding dust nuisance, a few dairy tankers a day throughout most of the year are also more acceptable by the residents than the notably higher daily volumes of logging trucks over a fixed period (ranges from months to years) during harvesting. Increasing the Forestry Targeted Rate to provide budget to undertake dust suppression on the more heavily used routes is also an option for Council's consideration.

A selection of comments from feedback can be found in the tables below.

### **Feedback for a continuation or increase**

Our road has a lot of damage from the trucks associated with the logging - not just the logging trucks but the heavy machinery being transported in and also Avoca Road gets used a lot by the heavy machinery transporters which damages our road considerably - are these companies paying any compensation for the damage they cause?
I think that the targeted rate should be increased at the same rate as the costs of construction and maintenance of roads increases, rather than simply the rate of general inflation.
I would like to see the rate targeted at the road users, but adjusted for scale (rather than just inflation). The Government's provincial investment funds are pro-forestry and Kaipara could be driving improved environmental and economic outcomes from this. I would encourage the Council to assess district wide potential for large scale forestry.
I think that increasing this rate should be accelerated (i.e. the next opportunity allowable under the normal consultative processes) and that the form of the rate should also be reassessed. While a simple land based rate is understandable, the rate should seek to be full cost recovery and should reflect the productive capacity of the land and the timing of the forests coming to harvest (i.e. using the roads). I would support the development of a full cost bearing forestry industry in the district, with the local roading cost being recognised early and funded by the land owners and forest investors ahead of the road deterioration. This should include an element of depreciation recovery for remote roads predominantly used for forestry.
I think this should be increased because: Roads are Council's bread and butter, you note a \$1M cost per year from this sector, which you plan to cover. BUT this does not address the very large cost this industry has caused pre 2015. For many years ratepayers have borne the burden of subsidizing this commercial activity. As you wisely note, the proposals have zero impact on the very large debt. Action 1. Increase the targeted rate by x% to at least 100% of KDC costs, to recover some of the substantial historical costs. 2. Apply a similar targeted rate to dairy tankers too, who also have been overly subsidized by general ratepayers for too long. 3. Require these heavy users to use State Highways, wherever practicable. (E.G. if a change in route results in less than a few minutes extra)
Given the identified contribution to wear and tear on the roads generated by the forestry industry it is appropriate that there be a rate targeted to those creating the issue. The rate should reflect the growth or decline (and impact) of the industry on the roads
Attempts at sensible forestry should be supported and the current unsustainable system made to pay for the costs it causes the community.
This is far too low and needs to be at least 3 to 4 times the rate. it is the logging trucks that is doing most of the damage to the roads.
User pays, in that if the Exotic Forestry landowners are primarily using and/or damaging the roads they need to have a fund targeted at repairs
support due to the expected increase in logging trucks on the road and the legacy that needs to be accounted for

### **Feedback against and increase, or total cessation**

As forestry owners, we hardly use the road. Only a few weeks at a time during planting, pruning and thinning. All up, 16 weeks in the last 23 years. We visit in February 2017, our first in 9 years. The trees are quietly doing their own while helping to clean the air in the district. There has been no maintenance done on Ovens Road since 1995 or 1996. The road gets far more use by the dairy farmers around the area. It is very hard to justify the targeted rates being charged to forestry owners on the premise that we use the road more. Can't be further from reality.
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Because of the forestry surcharge I will be selling my Forestry block as soon as it is harvested and will purchase land in Northland to replant as there is no Forestry surcharge in place there. I am not a bad citizen of Kaipara I plant trees which stabilise land ,protect water quality and sequester Carbon then I disappear for about 25 years and during this time I don't drive on Kaipara's roads or even drink a glass of their water, I just pay my rates. Other submitters have pointed out the comparative heavy use of roading by Dairy Farming and the fact that I will be indirectly paying for Road User Taxes applied to my haulage contractors as a contribution to roading plus paying 33% tax to the Government on any profit that I may make. I feel that forestry was a soft target during the times Kaipara was having financial problems. As a citizen I understand the need to contribute to society but I feel Kaipara could treat me in a more equitable manner.

We seek the total removal of the forestry targeted rate.

In overall terms:

- the forestry targeted rate is an unfair imposition on one singled out group of road users at the exclusion of all other road users,
- Logging trucks currently incur road taxes via (i) fuel taxes and (ii) road user charges.
- The forestry cycle involves logging once about every 27 to 30 years - therefore the forest owner uses the road for a short period of time within that cycle and then the roads are virtually not used again for another 27-30 years. A range of calculations illustrate that over this 27-30 year cycle on a per hectare basis that dairy farms truck movements are more than 3 times that of forestry.
- Dairy farm operations have milk tankers access their property along Council roads on a daily basis, once or twice a day for the majority of the year continuously year after year after year.
- In addition dairy farms have monthly fuel truck deliveries, regular feed delivery trucks, numerous supplies such as bulk magnesium, lime flour, animal feed meals, bulk fertiliser etc that would add up to substantial truck deliveries over a 27 to 30 year forestry cycle.

If targeted roading rates continue to be imposed on forestry properties then they must also be imposed on other properties that result in heavy use of roads, for example, dairy farms as outlined above. Or preferably, take the strategic measure to totally remove the inequitable, unfair forestry targeted rate.

I cannot see why Forestry owners should be penalized when there are many other primary producers which are not rated. All trucks pay road tax and spend much of their time on State highways which are maintained by Transit New Zealand not Kaipara Council. When my block is harvested there will be approximately 100 truck and trailer loads of logs taken off the property. Why should I pay a rate for 30 years for road use of 1 week during harvest when dairy farmers (who are not rated) have a truck and trailer unit at their property at least 300 days a year? I feel that it is unfair that one industry should be targeted. What do our normal rates cover anyway?

I feel this rate should be removed as there is absolutely no justification for it.

The Forestry Targeted Rate is very poorly aimed.

We have used 2 kilometres of council road for 17 days to harvest our forest. In that 17 days there were approximately 265 loads of logs driven down Wearmouth Road at a reduced speed limit of 30 kph. We requested that no loads were to be taken down the road when it was raining to protect the road as there were and still are corners with very little gravel which turn to slippery mud when wet. In our opinion the logging trucks did no significant damage to Wearmouth Road.

Therefore no need for the Forestry Targeted Rate on Our Property. Also we will not be using the road for logging for another 25 Plus Years. One of the stated aims of the Forestry Targeted Rate was that the money raised would be used to strengthen the roads used by logging trucks. We have paid our Forestry Targeted Rate but have seen no strengthening of Wearmouth Road and very little maintenance. We have therefore paid Kaipara District Council for a service that has not been provided to us. So therefore we are subsidising other forestry owners which is not fair and not correctly Targeted. We feel that those who have done the study to implement the Forestry Targeted Rate have failed to see the long term picture in a short term study. Yes we did have 265 loads go down the road in 17 working days, that's 15.58 truckloads in one day or 10.6 loads a year over 25 years. If our property was a dairy farm we would have had 18 loads of milk go out as milk tankers keep going rain, hail or shine. So over one year there would be approx. 300 loads of milk or 7500 loads over 25 years, we have had 265 loads of logs travel down the over 25 years. What damages the road more 265 loads of logs taken down the road only when the road is dry at 30 kph or 7500 loads of milk taken down rain, hail or shine with no self-imposed speed limit.

We feel that the Kaipara District Council has taken the soft option of imposing the Forestry Targeted Rate on 108 forestry property owners who are more likely to be absentee owners or corporate owners from both here in New Zealand or overseas than upset bigger groups of land owners for example 674 dairy property owners a lot of whom live within the Kaipara District.

We would like the Forestry Targeted Rate Removed for the following reasons. This rate discriminates against forest owners as there are other heavy vehicles that are using the same roads. For example Milk Tankers, Stock Trucks Tip Trucks.

In total I have 350 acres of Pinus Radiata in two separate block in the Kaipara District.

One block of 50 acres and another block of 300 acres, Kaihu and Maungatu.

Recently we cut down out 50 acre block yielding close on 6000 tonnes, a culmination of 28 years growth.

Over the last 28 years until milling it is fair to say that no heavy transport has been used in the upkeep of the block, if there has been, road user charges are applied anyway.

Light vehicles of course have visited and they also pay road user charges. When we milled our smaller block 2016/2017 our transport costs were a large proportion of our costs and as far as I am aware road user charges were paid for the transportation to the departure point. I think it is very unfair to single out one group of users approx. once every quarter century and see this as a great way to collect extra revenue. One wonders what the approach will be to the daily users of the road network, milk tankers, stock trucks, petrol tankers, tractors, fertilizer trucks and all other heavy road users.

I am totally opposed to the retention and extension and think that is an unfair imposition to forestry owners. Total removal would be a fairer outcome.

If the Council really does have a long term plan for Kaipara Council is should be looking at ways to encourage foresters to replant, creating jobs and a benefit to local areas. Our direct return to the local district when we milled was \$550000-00, logging, transport, Iwi, admin and infrastructure.

We have replanted but will have to look very closely at doing the same to our 90Ha block that will be milled 2018/2019. This venture should tip at least 1.5 to 2 million Dollars into the local community.

## **Feedback Other**

Equalise both Dairy and Forestry targeted rate.

I would like to see some longer term thinking here about alternatives to logging trucks on our roads e.g. rail

## 5 Need for Change

The feedback received revealed the preferred option as described in the Consultation Document was well supported by the community (72% of submitters for). Therefore the recommendation is to proceed with the preferred option of extending the lifetime of the targeted rate for each year of the LTP 2018/2028 (inflation adjusted).

## 6 Options and Assessments

**Option 1 - Preferred Option - extend the lifetime of the targeted rate for each year of the LTP 2018/2028 (inflation adjusted)**

**Advantages:** The targeted rate levied on the exotic forestry landowners would continue for the life of the LTP with inflation adjustment. This would allow the associated Roding programme to continue as planned.

**Option 2 - Remove the targeted rate**

**Disadvantages:** We would need to increase rates and/or cut other services to fund the necessary expenditure by \$397,800 per year, or we would have to let the roads that are heavily used by logging trucks continue to deteriorate.

**Option 3 - Increase the targeted rate**

**Disadvantage:** This would increase the rates paid by the exotic forestry landowners. On legal advice received, it is believe that Council can, after considering all submissions on that topic, decide to increase the rate in accordance with any submissions supporting that option. This is an issue of fairness to those who have interest in the matter and who will have assumed the rate to be set at the current level (adjusted for inflation) unless good reasons for doing otherwise were provided through the submission process.

## 7 Financial Implications

By proceeding with the preferred option, there will be no adverse impact on the draft financial projections in the LTP.

## 8 Fit with the Long Term Plan

The preferred option consulted on fits with the current LTP and is well supported by the majority of the submitters.

## 9 Other Policy Implications

There are no other policy implications.

## 10 Conclusion Drawn

While there was some opposition to Council's proposed approach to the Forestry Targeted Rate, the matters raised do not create a compelling case for changing this approach.

## 11 Further information

Forestry adds to the social impact on community by providing jobs which offers economic benefit for the local towns via the purchase of accommodation, food, equipment, machinery, workwear, etc. The forestry crews can consist of anywhere between 7 – 12 people. The data from Infometrics 2017 state employment number for forestry and logging as 181 for the Kaipara District. These forestry crews are also supported by local business service people such as tyre technicians, hydraulic specialists, mechanics, engineers and forestry roading crews. As most of these people live in the District they in turn spend their wages on rates, food and general expenses in the local towns.

Forestry Roads by Activity      **Heavy Metalling - Unsealed rehabilitation**  
9/05/2018

2015-16 (Targeted Rate)	<b>AVOCA EAST RD Total</b>		\$ 755.87	Completed
	<b>AVOCA NTH RD Total</b>		\$ 69,430.95	Completed
	<b>BICKERSTAFFE RD Total</b>		\$ 43,210.54	Completed
	<b>KAIKOHE RD Total</b>		\$ 248,377.23	Completed
	<b>PAYNE RD Total</b>		\$ 6,512.52	Completed
	<b>PUKEHUIA RD Total</b>		\$ 378,217.67	Completed
	<b>WAIPARA RD Total</b>		\$ 72,555.69	Completed



			<b>\$ 819,060.47</b>	
2016-17 (Targeted Rate)	<b>AVOCA RD Total</b>		\$ 240,337.95	Completed
	<b>BULL RD Total</b>		\$ 61,191.50	Completed
	<b>HOUTO RD Total</b>		\$ 183,925.98	Completed
	<b>KIRIKOPUNI VALLEY RD Total</b>		\$ 198,465.68	Completed
	<b>OPUNA RD Total</b>		\$ 111,815.49	Completed
	<b>OUNUWHAO RD Total</b>		\$ 186,523.16	Completed
	<b>PASLEY RD/UPS AND DOWNS Total</b>		\$ 90,000.00	Completed
	<b>PUKEMIRO RD Total</b>		\$ 23,662.38	Completed
	<b>ARI ARI RD</b>		\$ 162,894.00	Completed
	<b>ARCADIA RD</b>		\$ 241,293.05	Completed
			<b>\$ 1,500,109.19</b>	
2017-18 (Targeted Rate)	<b>AVOCA RD</b>		\$ 178,000.00	Completed
	<b>WAIHUE RD STG1</b>		\$ 302,595.17	
	<b>WAIHUE RD STG2</b>		\$ 129,305.46	
	<b>BICKERSTAFFE RD</b>		\$ 172,436.28	
	<b>OPARAKAU RD</b>		\$ 111,690.69	Completed
	<b>POUTO RD</b>		\$ 775,573.56	Completed
	<b>WAIMATA RD</b>		\$ 57,571.14	Completed
	<b>MITITAI RD</b>		\$ 25,326.24	Completed
	<b>LUSK RD</b>		\$ 58,878.21	Completed
	<b>AVOCA NORTH RD</b>		\$ 54,257.80	Completed
	<b>MONTEITHS RD</b>		\$ 43,750.00	
	<b>MONTEITHS SOUTH RD</b>		\$ 81,250.00	
			<b>\$ 1,990,634.55</b>	
	<b>Forestry Road Total Spend (3 YR)</b>		<b>\$ 4,309,804.21</b>	

	<b>TARGETED RATE PORTION</b>		<b>\$ 3,000,000.00</b>	
	<b>BALANCE</b>		<b>\$ 1,309,804.21</b>	

#### Rural and Dairy valuations

We have asked the question of QV, but they are yet to respond.

The 2017 Revaluation Report provided to KDC from QV confirms rating valuations are based on sales data. The section on Dairy under key evidence QV make the following comment “ For better contoured properties sales are showing land values ranging from \$9,000 in the northern part of the district to \$19,000 per hectare in Ruawai with those properties on the southern boundary showing land values up to \$32,000 per hectare”.

Under Exotic Forestry this comment is made “ Pre-1990 forests showed land values .... ranging from \$850-1600 per hectare with steeper more remote blocks being significantly discounted. Post 1989 forests generally range from \$1,700-\$3,400 per hectare. Small blocks with lifestyle influence showing land values up to \$14,000 per hectare.”

#### Statement review

A review of the statement in Section 3 above “It should be noted that the 2017/2018 general rate levies for dairy land in the district is five times the general rate levies for exotic forestry land, whilst the area of dairy land is only 2.2 times that of exotic forestry land i.e. the dairy landowners are rated notably more than the exotic forestry landowners” is in fact incorrect. The initial assessment incorrectly assumed that the rates levied as detailed on Page 32 of the CD were exclusive of the forestry targeted rate. Excluding the forestry targeted rate from these totals reveals that the 2017/2018 rates levied for dairy land is in fact nearly twelve times the rates levied for exotic forestry land, whilst the area of dairy land is only 2.2 times that of exotic forestry land.

	<b>Forestry</b>	<b>Dairy</b>	<b>Pastoral</b>	<b>Total</b>	
Number of rating units	108	674	1,030	1,812	
Hectares	38,571	85,166	138,177	261,914	
%	15%	33%	53%	100%	
Land value	\$56,000,000	\$905,000,000	\$884,000,000	\$1,845,000,000	
Average land value / hectare	\$1,452	\$10,626	\$6,398		
		<b>2.21</b>	Dairy to Forestry land area ratio		
			<b>3.58</b>	Pastoral to Forestry land area ratio	
From CD, Page 32 (and incorrectly assuming they did not include the forestry targeted rate):					
Rates levied 2017/18	\$774,500	\$3,884,600	\$5,430,500	\$10,089,600	
%	8%	39%	54%	100%	
Add targeted rate	\$397,800	\$0	\$0		
Total	\$1,172,300	\$3,884,600	\$5,430,501	\$10,487,401	
%	11%	37%	52%	100%	
		<b>5.02</b>	Dairy to Forestry general rate take ratio		
			<b>7.01</b>	Pastoral to Forestry general rate take ratio	
From CD, Page 32 (and excluding the forestry targeted rate):					
Rates levied 2017/18 excluding forestry targeted rate	\$326,000	\$3,884,600	\$5,430,500	\$9,641,100	
%	3%	40%	56%	100%	
		<b>11.92</b>	Dairy to Forestry general rate take ratio		
			<b>16.66</b>	Pastoral to Forestry general rate take ratio	
Rates per hectare	\$ 8.45	\$ 45.61	\$ 39.30		

## Issues and Options: Sporting Facilities

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves a one-off grant of \$70,000 to Sportsville for the 2018/2019 financial year; and*
- 3 *Identifies Sportsville and MAZ as projects to be funded by the Northland Regional Council Regional Sporting Facilities rate; and*
- 4 *Continues to assist other sports, recreation and community facilities across the district where appropriate.*

#### Reason for the recommendation

Submitters and Council support these initiatives.

### 2 Introduction

#### A Bright Future (Long Term Plan Consultation Document) said:

Council is looking at how best to focus our limited financial and operational support on the district's recreational needs over the 10 year period of this Long Term Plan (LTP).

Kaipara is the home to numerous sporting clubs and activities. Council supports these groups and associations through a variety of avenues including applications under the Community Assistance Policy to support operating costs, administering the rural sports travel fund and providing operating grants outside of these frameworks such as the one paid to Kauri Coast Community Pool Trust.

### 3 Our options

- To give Sportsville a one-off grant of \$70,000;
- Use NRC Regional Sporting Facilities rate to support Sportsville and MAZ; and
- Support other facilities.

### 4 What the Feedback Indicated

#### 3.1 Do you support Sportsville receiving a one-off \$70,000 grant from the general rate?

Yes	No	Neutral
46	20	

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
Support Kauri Coast Community Pool	The Council currently provides an annual \$250,000 grant to cover operational costs plus \$40,000 for repairs and maintenance. The Kauri Coast Community Pool Trust are currently investigating options for covering the hydro pool.
Make Memorial Park a premier park	The Reserves and Open Space Strategy is currently being reviewed and the status of all parks will be reviewed.
Provide an annual operational grant	At this stage Council is just looking at the one-off grant of \$70,000. Council has a contestable community grant fund that this community group can apply for.
Have a district-wide plan around sporting facilities	Council will continue to work with the other Northland councils and Sport Northland on the Northland Sports Facilities Plan to ensure Kaipara is on the Northland plan for recreational facilities.
Provide parking at Memorial Park	Council recognises the need to provide additional parking at Memorial Park to cater for the increased use and budget for this is included in the draft LTP.
Support Kaiwaka	The Kaiwaka Town Improvement Plan has been developed with the community and is being worked through with Council, the community and other agencies such as NZTA.

Feedback Point	Officer's recommendations and/or responses
User pays system for Sportsville	Sportsville (Kauri Coast Recreational Society Inc.) are working with the different user groups investigating a user pays system.
Apply for Community Assistance Grant	Council will ensure Sportsville (Kauri Coast Recreational Society Inc.); along with other community groups, know about Council's Community Grant Fund when it opens in June.
Support Tinopai Activity Zone	This is a community-led project. Council has assisted this community group with community consultation, a licence to occupy and \$40,000 has been set aside to contribute to this project. We have also provided the community group with a project manager to assist them with this project. The community group is currently working on the concept plan and applying for funding.
Get external funding	Sportsville (Kauri Coast Recreational Society Inc.) has received approximately \$1.4m from external funding providers and will continue to apply.
Support further development at Mangawhai Community Park	Council will continue to support the Mangawhai Community Park through licences to occupy and grants. Currently there is budget of \$150,000 per annum in the draft LTP which is subject to the outcome of the Reserve Contributions Policy review.
Support cultural and arts activities	Council will continue to support local activities through licences to occupy and the grants.
Use Reserve Contribution Fund	This policy has been reviewed and consulted on in conjunction with the LTP. Both the current and draft policies support the use of the reserve contributions to be used on reserves across the district.

**Option 1:** Council provides Sportsville with a \$70,000 one-off grant.

**Option 2:** Council does not provide Sportsville with a one-off grant for \$70,000.

**Staff Recommendation:** Option 1.

The majority of submitters are in favour of this option. If NRC were to continue with the Regional Sporting Facilities rate, Sportsville is in the top six projects for Northland. NRC has an expectation that we would make a financial contribution to show our commitment to this project. This \$70,000 grant has been budgeted for in the Dargaville Placemaking LTP draft budget of \$180,000.

*What is the rate impact of the \$70,000 Sportsville grant?*

The grant is funded by general rates. General rates are split into two components; that assessed on land value and that charged on a uniform basis. For 2018/2019 the value based general rates are \$13,608,000. The sports grant \$70,000 is 0.51% value based general rates.

Removing the grant would reduce the total rates on Mangawhai residential property with a land value of \$430,000 by \$5 or 0.1%. The reduction for a \$79,000 Dargaville land value property would be \$1 or 0.1%

**3.2 Should NRC decide to continue with its Regional Sporting Facilities Rate, do you agree with funding the Sportsville and MAZ projects through it?**

Yes	No	Neutral
38	10	

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
Look at other parks	There is currently a review of the Reserves and Open Space Strategy and this will look at all the parks and reserves.
Use this money to pay debt	This NRC rate cannot be used to pay off debt.
MAZ will not be ready for Olympic training	Mangawhai Activity Zone will continue to be supported through their licence to occupy and Council grants.
Alternative funding streams should be used before rates revenue	External funding has been applied for and all the sports codes have contributed to this facility.
Milestone report before funding released	Staff will investigate a reporting process once the fund has been confirmed.
Local areas pay for their own assets	Thank you for your feedback. Your comments will be passed on to NRC for their consideration.

Feedback Point	Officer's recommendations and/or responses
Would they consider funding arts	This funding criteria is for sporting facilities.

**Option 1:** Council uses the NRC rate to support Sportville and MAZ.

**Option 2:** Council does not use the NRC rate to support Sportville and MAZ.

**Staff Recommendation:** Option 1.

Northland councils and Sport Northland have all worked in partnership on the Northland Sports Facilities Plan. This is the plan that has been used to prioritise the projects for Northland and for Kaipara.

Sport Northland, on behalf of Northland Regional Council (NRC), facilitated the development of the Northland Sports Facility Plan with the Kaipara District Council (KDC), Whangarei District Council (WDC) and the Far North District Council (FNDC). The plan includes a number of potential district sporting facility projects in the Northland region. Projects were prioritised based on the criteria of; social and economic impact, developer capability, financial sustainability, partnerships, functionality/adaptability, and planning stage. This plan has been used in preparation for consideration of continuing the Regional Recreational Facilities Rate as a funding source for these facilities. As part of the 2018/2028 Long Term Plan (LTP) NRC is now considering consulting on a Regional Sports Facilities Rate which is intended to build a fund that will contribute substantial capital grants toward projects only if they are in District Councils' LTPs.

The two KDC projects on this plan that have met the criteria are Sportville and MAZ. A third option of the Kauri Coast Community Pool is also on the list however they have not met all of the criteria. Over the next year, staff will continue to work with the Kauri Coast Community Pool towards meeting the criteria.

### 3.3 Do you agree with Council supporting other facilities? If so, which?

Feedback from submitters is that they would like Council to support other facilities. These are outlined in the two tables below:

#### Sport and Recreation Facilities

Feedback Point	Officer's recommendations and/or responses
The Kauri Coast Community Pool	Council currently provides an annual \$250,000 grant to cover operational costs plus \$40,000 for repairs and maintenance. The Kauri Coast Community Pool Trust is currently investigating options for covering the hydro pool.



<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
DHS Courts and Gym	The Ministry of Education is the governing body for schools. Schools can also apply for funding through external funders.
Kaiwaka Sports Association	Council are currently reviewing the licence to occupy for Kaiwaka Sports Association and will continue to support the Association through a licence to occupy and grants.
Rangiora Reserve	The local Port Curtis Cruising Club are currently consulting with local residents in preparation for developing a plan for this reserve.
Northland Sports Facilities Plan	Council will continue to work with the other Northland councils and Sport Northland on the Northland Sports Facilities Plan to ensure Kaipara is on the Northland plan for recreational facilities. Council will also continue to look at future development around the need for facilities in Mangawhai and across the district.
Reserves Contributions Policy	This policy has been reviewed and consulted on in conjunction with the LTP. Both the current and draft policies support the use of the reserve contributions to be used on reserves across the district.
Tinopai Activity Zone	This is a community-led project. Council has assisted this community group with community consultation, a licence to occupy and \$40,000 has been set aside to contribute to this project. We have also provided the community group with a project manager to assist them with this project. The community group is currently working on the concept plan and applying for funding.
Mangawhai Domain	The Mangawhai Domain is on private land however there is the opportunity to apply for Council's contestable funds.
Mangawhai Community Park	Council will continue to support the Mangawhai Community Park through licences to occupy and grants where appropriate. Currently there is budget of \$150,000 per annum in the draft LTP which is subject to the outcome of the Reserve Contributions Policy review Council also provides support to the Governance Committee and Advisory Panel.
Maungaturoto Skatepark	This is a community project on privately owned property, however Council will continue to support this group through grants if appropriate.
Maungaturoto View Street Park	Council has approved a licence to occupy for this land for the community to develop into a community space. This will be a community-led project.
Maungaturoto Country Club	This complex is on private land however Council will continue to support this Club through grants, where appropriate.

### Community Facilities

Feedback Point	Officer's recommendations and/or responses
Baylys Beach Community Centre	This is a community-led project on private land. However, we would encourage the community group to apply for Council's contestable funds, where appropriate.
Arts Centre in Mangawhai	Council is currently working with the Mangawhai Arts Group to finalise a licence to occupy for them to build an Arts Centre on the Mangawhai Community Park.
I site	This is not currently a Council function however staff are researching how Council can support this.
Reserves Contributions Policy	This policy has been reviewed and consulted on in conjunction with the LTP. Both the current and draft policies support the use of the reserve contributions to be used on reserves across the district.
Retirement Facilities	This is not the core business of Council however we would support any new business ventures.
Library	Council will continue to provide community libraries across the district through contracts for service. Council will also ensure future growth is allowed for with regards to the libraries.
Maungaturoto Centennial Hall	Council will continue to support the Hall Committee through a licence to occupy and through grants, where appropriate.
Arts	Council will continue to support local activities through licences to occupy and grants, where appropriate.
Shared working space	Council understands that co-working spaces are becoming common, particularly as a way to address an isolated, independent workforce.
Museums	Council will continue to support local activities through licences to occupy and grants, where appropriate.
Libraries	Council will continue to provide community libraries across the district through contracts for service. Council will also ensure future growth is allowed for with regards to the libraries.
Library Hall	The Library Hall is on private land however they have the opportunity to apply for Council's contestable funds.
Recreation for older people	Council can support recreation opportunities for older people through licences to occupy and grants, where appropriate.

**Option 1:** Council continues to support other facilities.

**Option 2:** Council stops supporting other facilities.

**Staff Recommendation:** Option 1.

Council will continue to support a number of facilities through licences to occupy and the opportunity to apply for contestable grants. The grants fund is deemed to be sufficient for now.

## **5 Need for Change**

The feedback received was predominantly in support of providing Sportsville a one-off grant of \$70,000, using NRC Regional Sporting Facilities rate to support Sportsville and MAZ and supporting other facilities which are all proposed in the LTP. Therefore the recommendation is to proceed with the plans as circulated.

## **6 Financial Implications**

All options in this paper have been budgeted for.

## **7 Other Policy Implications**

There are no other policy implications.

## **8 Conclusion Drawn**

That the community supports Sportsville and MAZ and other facilities across the district.

## Issues and Options: Mangawhai Harbour Restoration Targeted Rate

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the Mangawhai Harbour Restoration targeted rate be set at \$71.03 inclusive of GST for the 2018/28 Long Term Plan*
- 3 *Requests that staff include consultation in the 2019/2020 annual plan to increase the targeted rate to its original level believed to be around \$80.00 per property*

#### Reason for the recommendation

Accepts the sentiment of the submissions within the limits of current consultation.

### 2 Introduction

Currently the level of the targeted rate reduces each year so that the impact of growth means that a fixed amount of revenue is raised (\$267,000 p.a.). Under this approach the targeted rate for 2018/19 would be reduced to \$69.95 (incl. GST) per rating unit. Submissions were received requesting that the rate be maintained at the 2017/18 level (\$71.03 incl. GST) or increased back to its original level (\$80) to increase the amount of funding available through the associated grant. Our

### 3 Options

Hold the rate at \$71.03 and increase the income available for restoration work to about \$273,000 in 2018/2019.

#### Options we considered, rejected and why:

Increase the targeted rate to \$80.00 inclusive of GST. Rejected as not being consistent with issues consulted on in the LTP.

Decrease the rate in line with the proposal in the LTP consultation document. Rejected as submissions were in favour of not decreasing the rate.

### 3 What the Feedback Indicated

Should the Mangawhai Harbour Restoration targeted rate be reduced?

Yes	No
0	15

Submissions on this can be found at the end of this paper.

While there was not a specific question in the Consultation Document around the decrease of the Mangawhai Harbour Restoration Targeted Rate, a number of people submitted on it asking explicitly for an increase back to its original amount. In the officer's opinion we are unable to increase the targeted rate back to its original stated amount as we did not consult on an increase more than what is currently charged.

### 4 Need for Change

The Mangawhai Harbour Restoration (MHR) targeted rate reduces each year as the number of properties in the catchment increases providing a fixed income of around \$267,000 per annum. The rate and subsequent grant are in terms of an agreement between Council and the Mangawhai Harbour Restoration Society (Society).

Submissions were received recommending the income cap (\$270,000) be removed and the rate be re-set to the original level believed to be \$80.00 per rating unit. This would retain the purchasing power of the original level of the grant enabling the Society to undertake further needed works.

### 5 Options: Options and Assessments

**Option 1 - Status Quo – Reduce the rate**

The income be held at \$267,000 by reducing the targeted rate from \$71.03 to \$69.45.

**Advantages:** The fixed level of income is consistent with the agreement with between Council and the Society.

**Disadvantage:** The Society's opportunity to undertake further enhancement work is constrained as inflation erodes the purchasing power of the fixed income.

**Option 2** - Providing more income to the Society to undertake their work by returning the targeted rate to the original \$80.00 per rating unit. This would produce an estimated income of \$307,500. Although increasing the rate to \$80.00 per rating unit was not specifically consulted on legal advice has been received that following the LTP consultation process if Elected Members are of the opinion the community supports increasing the targeted rate they are able to do so.

**Disadvantages:** We have consulted on **reducing** the rate to achieve a fixed income. We have not consulted on **increasing** the targeted rate for each rating unit. The lack of consultation on an increase would disadvantage those who might be opposed to such an increase if it were adopted.

If there is a desire to return the rate to \$80.00 per rating unit or there about it could be undertaken by consultation in the 2019/2020 annual plan.

**Option 3:** Hold the rate per rating unit at \$71.03 increasing income for the Society by about \$6,000.

**Advantage:** this option meets the current consultation (whether or not to reduce the targeted rate) and provides some additional income for the Society, albeit limited, and leaves open the opportunity to consult on an increase in a future year.

## 6 Other Feedback Provided

No other feedback was provided.

## 7 Financial Implications

There are no financial implications for Council as it will grants to the Society actual targeted rates received.

## 8 Fit with the Long Term Plan

Maintaining the targeted rate at \$71.03 to provide more income for environmental activities is consistent with the LTP, as would be increasing the rate. The amount of the forgone decrease, \$1.58 per household would not affect affordability.

## 9 Other Policy Implications

The targeted rate is levied under an agreement between Council and the Mangawhai Harbour Restoration Society. Not reducing the targeted rate thereby increasing the Society's income should be discussed with them to gain their approval and if accepted the funding agreement appropriately amended.

## 10 Conclusion Drawn

It would be appropriate for Council to resolve to hold the Mangawhai Harbour Restoration rate at \$71.03 per property and to commensurately increase the grant to the Mangawhai Harbour Restoration Society.

## Issues and Options: Mangawhai Community Wastewater Scheme (MCWWS)

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the inclusion of \$20.05 million in the Long Term Plan 2018/2028 for the upgrade and extension of the Mangawhai Community Wastewater Scheme to accommodate new connections; and*
- 3 *Agrees that the \$20.05 million shall be funded through debt, and*
- 4 *Agrees that the growth portion of debt servicing and financing be levied on future connections with the associated revenue raised from development contributions; and*
- 5 *Notes that investigations of future disposal options to provide additional disposal capacity will be undertaken concurrently and a preferred option recommended to Council for approval.*

### Reason for the recommendation

The proposal will cater for growth in Mangawhai and the funding options ensure that the users pay.

### 2 Introduction

#### **A Bright Future (Long Term Plan Consultation Document) said:**

The Mangawhai Community Wastewater Scheme helps protect the water quality of the Mangawhai Harbour. Council is proposing to extend the scheme over a period of 27 years as a continued growth will eventually require expenditure on an additional disposal system as well as extending and upgrading the existing system.

It is planned that the treatment plant will receive a \$1.8 million upgrade (over the first two years), and to complete the extension of the disposal system which will increase capacity over peak times. The reticulation network, treatment plant and disposal area are limited in terms of their ability to cope with expected levels of growth.

Council is working under the assumption that growth will continue at Mangawhai.

### 3 Our options

We asked:

**Do you agree with Council's proposed approach during the next 10 years, which will see the MCWWS fully extended over 27 years, or do you favour an alternative approach?**

Council has allocated \$20.05 million, of which 95% will be funded by development contributions, over the next 10 years to:

- extend the existing disposal and irrigation system;
- add a new disposal system;
- upgrade and extend reticulation networks; and
- augment the treatment plant to reach 4,700 connection capacity.

This is part of a 27 year, \$34.76 million programme to extend the overall connectable area of the MCWWS funded through debt and recoverable from development contributions.

#### **Options we considered, rejected and why:**

**Scenario 1** which involves doing the minimum, extending the disposal system and upgrading the reticulation and treatment system for a maximum of 3,300 connections **without** the extension of reticulation system for an estimated cost of \$4.35 million over 10 years.

**Scenario 2** which involves reticulation of pockets within the system, similar to Scenario 1 but includes extension of reticulation for an estimated cost of \$7.65 million over 10 years.

**Scenario 3** which is termed ecological and reticulation pockets and is similar to Scenario 2 but includes a further extension of the reticulation for an estimated cost of \$16.35 million over 10 years.

All three scenarios are for a maximum of 3,300 connections.



These scenarios do not cater for the growth that is expected in Mangawhai and exclude the addition of another disposal system, a full extension of the reticulation and the treatment to cater for 4,700 connections.

#### 4 What the Feedback Indicated

Do you agree with Council's proposed approach during the next 10 years, which will see the MCWWS fully extended over 27 years?

Yes	No	Neutral
18	19	9

Additional key comments made by those who indicated that they did or did not support the scenarios chosen included:

Feedback Point	Officer's recommendations and/or responses
Manage scheme properly	Council employs competent contractors and staff to look after our assets, especially the Mangawhai Community Wastewater Scheme to ensure that we operate within our consent limits and other key performance areas thereby protecting the Kaipara Harbour from pollution.
Scheme must be paid by Mangawhai residents only	The proposed approach by Council is that 95% of the costs in the LTP will be financed by debt which is repaid from targeted rates through development contributions from Mangawhai developers and residents.
Population estimates inaccurate	The figures used are derived from the projections by Statistics New Zealand and like any statistical projections they may include a margin of error, however these are the best projections at Council's disposal.  The proposed approach by Council is that 95% of the costs in the LTP will be financed by debt which is repaid from targeted rates through development contributions from Mangawhai developers and residents.
Use alternative wastewater treatments	Alternative treatment methods are always welcomed and Council also studies trends and is aware of alternatives in this field. These can be proposed and designed at household or subdivision level and submitted to Council for consideration. It should be noted, however that Council will consider all factors holistically, be they technical, environmental, socio-economic or cultural and align with best practice for alternative wastewater treatment systems.
There is no clear difference between Scenario 2 and 3 in terms of ecology	Scenario 3 offers to extend the reticulation further than the extension in Scenario 2.

Feedback Point	Officer's recommendations and/or responses
Consider holistic approach, including roads, water supply, recreation, aging population, shops and other factors	The Mangawhai Community Plan proposes solutions to most of the issues raised here with regards to roads, shops, recreational facilities, population growth and others.
Mangawhai must be under Auckland Council	This decision is made at higher levels than the Territorial Authority.
Holding dam must be replaced, enlarged or moved	Council is proposing to increase the disposal area of the MCWWS to cater for growth and any further growth beyond the 10 year LTP is covered by a new disposal system.
Disposal Farm must be planted in native wetland absorption plants	The current disposal method was reached after intensive consultation and testing by experts in the field and at the current operating rate, the sprinkler precipitation and infiltration are in line with the requirements of the effluent disposal consent.

## 5 Need for Change

There was a relatively even distribution of those against the Council proposal in the Consultation Document. However, of those who said no to the Council proposal, 7 supported an extension of the scheme of some sort with 2 supporting the Scenario 1 extension and 5 supporting Scenario 2 bringing the total of those who supported an extension of the scheme to 25, as opposed to 12 who said no, and 9 neutrals. Therefore of all the respondents, more than 54% supported some form of extension of the MCWWS.

Of those opposed, be it to the Council proposal or the scenarios, the majority want to see alternative methods such as private individual aerated wastewater treatment systems being implemented and monitored by Council.

The respondents also want to see Mangawhai residents paying for the wastewater scheme rather than having the whole district contributing.

## 6 Options and Assessments

### 6.1 Proposed in LTP

The proposal by Council to spend \$20.05 million over the 10-year period of the LTP ensures that growth in Mangawhai is tracked and catered for by upgraded and expanded infrastructure as the growth happens. The bulk funding option of approximately 95% from development contributions from the growth community ensures that the users are the payers and the rest of the district ratepayers are exempted.

## 6.2 Scenario 1

Involves doing the minimum only by extending the disposal system, upgrading reticulation and treatment for up to 3,300 connections does not cater for the anticipated growth in Mangawhai so stifles the development of that part of the district.

## 6.3 Scenario 2

Involves extension of a minimum reticulation in addition to extension of disposal system, upgrading reticulation and treatment up to 3,300 connections is also not adequate to meet the expected growth so therefore stifles growth.

## 6.4 Scenario 3

Involves further extension of the reticulation in addition to extension of disposal system, upgrading reticulation and treatment up to 3,300 connections is also inadequate for the anticipated growth.

## 7 Other Feedback Provided

Feedback Point/ Submitter	Officer's recommendations and/or responses
Mangawhai Wastewater Scheme and the disposal of the treated effluent. Proposing to increase level of treatment at the treatment plant, than to rely on increasing the coverage of the sprinkler system at the farm, as they would like to see cleaner water at disposal to protect existing water systems.	The current level of treatment and the quality of treated effluent is of such high quality that any higher quality would not persuade the Regional Council to forgo the current disposal system by irrigation. In other words, it is highly unlikely that the consent conditions would be changed in support of a more direct effluent disposal other than irrigation.
Submission 4 – Mangawhai Community Wastewater Scheme: The KDC should obtain independent reports on the MCWWS, provide ratepayers with ALL information relating to the scheme including costs and incomes, look at alternatives, consult with ratepayers and then make an informed decision about the future of the scheme and any alternatives.	This information is available to ratepayers and can be requested directly from Council. Council has taken into account all the available information relevant to the planning of the future of the extension of the Mangawhai Community Wastewater Scheme.
The annual charge for connectable properties should be reduced to 50 per	Council has reviewed its position and has elected to retain the capable to

Feedback Point/ Submitter	Officer's recommendations and/or responses
<p>cent of the full fee. At present it is 75 per cent (\$974.30). On a user pays basis that amount cannot be justified. Where the criteria of 30 metres from the reticulation is met but a connection cannot be made for any reason (such as lack of reticulation or plant capacity), no fee should be charged.</p>	<p>connect rate of 75%.</p> <p>Council will not charge a capable to connect rate if the property is not able to connect due to capacity constraints in the public network.</p>
<p>The Mangawhai Community Wastewater Scheme has already caused a huge amount of controversy for the Kaipara, effectively crippling us ratepayers, with expected increased growth I suggest you bring in a scheme where new houses must use composting toilets, Do minimum (Scenario 1).</p>	<p>Alternative treatment methods are always welcomed and Council also studies trends and is aware of alternatives in this field. These can be proposed and designed at household or subdivision level and submitted to Council for consideration. It should be noted, however that Council will consider all factors holistically, be they technical, environmental, socio-economic or cultural and alignment with best practice for alternative wastewater treatment systems.</p>
<p>Mangawhai community wastewater scheme. FF does not support further general ratepayer investment in the development of Mangawhai, and on implementing the community plan and Mangawhai community waste water scheme extensions in particular, the rest of the district should not be rated to fund and promote other developments, particularly where the projects are not supported by detailed cost-benefit analysis. No objection to the projects proceeding as long as the funds are raised locally.</p>	<p>The proposed approach by Council is that 95% of the costs in the LTP will be financed by debt which is repaid from targeted rates, and through development contributions from Mangawhai developers and residents.</p>
<p>Mangawhai Community Waste Water scheme. It should not be compulsory to join. Consult with the community, less consultants, get going rather than over planning.</p>	<p>As a community scheme, Council's view is that a 'capable to connect' charge is appropriate. Council has consulted with the community regarding the proposed extension of the scheme and is proposing to proceed.</p>
<p>The Mangawhai Community Waste Water Scheme, which stated purpose is "to "improve the quality of the water in the Mangawhai Harbour", discharges its treated effluent at Lincoln Downs Farm in the catchment of the Hakaru River, a tributary of the Kaipara Harbour. The decisions to discharge the effluent there, as well as to repeatedly expand the discharge area, have been taken in specific consultation with Mangawhai</p>	<ol style="list-style-type: none"> <li>1. While Council considers the concerns of all the residents of the district, page 16 of the Consultation Document states that the Council is proposing the extension of the existing disposal area and irrigation system which is within the Kaipara Harbour.</li> <li>2. The current discharge consent was publically notified by the Northland Regional Council and so all residents of the Kaipara District had the</li> </ol>

Feedback Point/ Submitter	Officer's recommendations and/or responses
<p>residents, but never specifically with the other residents of the Kaipara, nor has it been brought to the attention of the other residents of the Kaipara Harbour that the discharge eventually ends up in their harbour. The KDC Advisory Panel that in 2015 advised to further expand and maximise the discharge in this catchment was selected from Mangawhai ratepayers. Both the 2017 Mangawhai Community Plan and the 2018 Consultation Document for the LTP "A BRIGHT FUTURE" discuss the expansion of the MCWWS, but neither of them mention that this includes expansion of the disposal field in the catchment of the Kaipara Harbour.</p> <ol style="list-style-type: none"> <li>1. To be transparent about discharging in the catchment of the Kaipara Harbour.</li> <li>2. Consultation with Kaipara Harbour residents.</li> <li>3. Monitoring the Hakaru River Lincoln Downs.</li> <li>4. Planting and wetlands</li> </ol>	<p>opportunity to contribute towards the consenting process.</p> <ol style="list-style-type: none"> <li>3. The monitoring of rivers is the jurisdiction of the Northland Regional Council, so this is outside of the Kaipara District Council's responsibility.</li> <li>4. The current disposal method was reached after intensive consultation and support from experts in the industry. Future options will consider planting and wetlands.</li> </ol>
<p>The Mangawhai Community Wastewater Scheme has been very poorly managed. The figures supplied are inconsistent and in some cases variable and unsupported. Clearly management of the scheme has been woeful, and I am most thankful not to be connected and not likely to be connected. There needs to be an independent audit and when the facts have been certified a management plan can be created to deal with future requirements.</p>	<p>This information is available to ratepayers and can be requested directly from Council. Council has taken into account all the available information relevant to the planning of the future of the extension of the Mangawhai Community Wastewater Scheme.</p> <p>Council's finances are audited annually.</p>
<p>I am concerned to hear that the Council has before it a subdivision feasibility study for the Council owned 'Lincoln Downs farm' on Brown Road. This farm includes a very nice block of regenerating native bush of approximately 120 ha which has potential for provision of excellent mountain biking and walking/tramping tracks as has been repeatedly</p>	<p>There are certain areas of the proposed existing farm which are deemed non-irrigable and these include steep ground and forested areas.</p> <p>Council is required to consider all reasonable options when deciding how best to utilise the area of the farm that is not suitable for irrigation. The option of biking and walking facilities will be included for Council's consideration.</p>

Feedback Point/ Submitter	Officer's recommendations and/or responses
<p>outlined to Council by the community group Mangawhai Tracks Charitable Trust. These biking and walking facilities could be constructed at no cost to Council by community groups given the great interest there is in such facilities.</p> <p>With the LTP predicting a 40% population increase in the Mangawhai region during the next 10 years the demand for additional outdoor recreational facilities will correspondingly increase. It is pertinent to mention that there is currently no designated mountain bike facility handy to Mangawhai. Thus, it is vital that the Council does its utmost to “protect and enhance our natural assets and open spaces” such as this 120 ha bush block on Brown Road. Any other alternative use of this natural bush asset would be contrary to the above stated vision in the LTP.</p>	
<p>MCWWS - support extension and upgrade of system to improve health and well-being of the community and the residents</p>	<p>Council endeavours to ensure that residents, businesses and other stakeholders of the district receive best affordable service available and it especially values the presence and continued support of important stakeholders like the NDHB.</p>

## 8 Financial Implications

\$20.05 million debt funded for the extensions and upgrades of the scheme in the next 10 years, with approximately 95% recovered from development contributions. The balance will be recovered through the Mangawhai Wastewater targeted rate.

## 9 Fit with the Long Term Plan

Yes

## 10 Other Policy Implications

None.

## 11 Conclusion Drawn

In order to cater for the growth in Mangawhai, it is recommended that Council commences the extension of the MCWWS to the full extent of 4,700 connections including reticulation, treatment and disposal capacity in the next 10 years (\$20.05 million), with a view to spend \$34.8 million in the next 27 years in order to keep pace with future growth.

While there was some opposition to Council's preferred option in the Consultation Document, matters raised by feedback providers do not create a compelling case for changing this approach.

## 12 Further Information

Development Contributions are used to fund that part of total capital expenditure associated with growth and development i.e. the growth community require new or additional assets or assets of increased capacity and as a consequence, Council incurs capital expenditure to provide appropriately for those assets. Council has determined when developing its Development Contributions Policy that capital works undertaken as a result of the need to provide additional asset capacity for new development and having no benefit to existing households and ratepayers be appropriately funded by Development Contributions.

The methodology used to allocate costs is a cause/benefits matrix approach. Each project is assessed against 'Causation' (i.e. to what degree does growth cause the need for the project), and 'Benefit' (i.e. to what degree does the growth community benefit from the project). The outcome is the percentage of each project attributed to growth.

The projects making up the \$20.05 million budget recommended to be included in the LTP 2018/2028 are mostly attributed to growth, and therefore funded by way of development contributions as shown in the following table:

Project	Budget	Development Contributions Funding %age
Additional Capacity for Growth - Council Contribution	400,000	100
9999.Extend Irrigation System	950,000	100
9999.Extend Reticulation	10,700,000	100

9999.Upgrade Existing Reticulation	1,200,000	87.5
9999.Upgrade WWTP	6,800,000	75
<b>Grand Total</b>	<b>20,050,000</b>	

The balance will be recovered through the Mangawhai Wastewater targeted rate.

It is estimated that the disposal capacity of the consented land disposal farm will be reached in 2031. Budgets of \$2.23 million have been included in the longer term total estimate of \$34.76 million on the assumption that additional land disposal could be undertaken on the golf course. If this is not achievable then an ocean outfall has been estimated at \$8.6 million. Alternatively, additional land could be purchased to augment the current land disposal scheme.

As part of the on-going longer term planning for the scheme, investigations of future disposal options to provide additional disposal capacity will be undertaken concurrently and a preferred option recommended to Council for approval. This is to ensure that a future disposal facility is identified well before it is required and any associated resource consents can be acquired to authorise the preferred disposal.

Technical investigations to support a consent variation to authorise an increase in the land application rate at the existing farm are currently being progressed. If successful, this would defer the need for an additional disposal system in the future.



## **Issues and Options: Transportation**

### **1 Recommended**

*That the Kaipara District Council:*

- 1 Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 Pursues funding through the Provincial Growth Fund for the Pouto Road and Kaiwaka-Mangawhai Road bridge projects , and*
- 3 Includes Transport budgets totalling \$140 million in operating expenditure, and \$129 million in capital expenditure, as per the Consultation Document in the Long Term Plan 2018/2028; and*
- 4 Transfers \$200,000 per annum for Years 1 to 3 of the Long Term Plan from the Low Cost Low Risk work category to the Walking and Cycling, and New Footpaths work categories to allow the implementation of Council's Walking and Cycling Strategy, and New Footpaths programmes from Year 1 of the Plan.*

### **Reason for the recommendation**

The proposed approach to roading balances the level of service provided by our roading network with affordability to the community.

The newly announced Provincial Growth Fund does provide opportunities to apply for additional funding and this should be pursued by making funding applications.

The newly announced draft Government Policy Statement (GPS) on Land Transport has provision for the funding of footpaths and cycleways that is subsidised by NZTA.

## 2 Introduction

Transport, roading, footpaths and infrastructure are a big expenditure for Council. Roding remains the number one challenge for the district and is often the area of most dissatisfaction. Over the 10 year lifetime of the Plan Council aims to invest \$269 million on transport activity across the network to fund a comprehensive roading programme.

The draft budgets and underlying projects represent Council's proposed approach. Alongside this, all roading and transport project subsidies are reliant on being approved through the Regional Land Transport Programme.

### A Bright Future (Long Term Plan Consultation Document) asked:

Which projects, if any, do you think should be added to the proposed transport programme?

## 3 Our options

- Pouto Road Upgrade from end of seal to Ari Ari Road (approximately 10kms);
- Kaiwaka-Mangawhai Road bridge – creating two lanes;
- Kaiwaka pedestrian bridges and footpath; and
- Walking and cycling projects across the district.

## 4 What the Feedback Indicated

	Yes	No	Neutral
Kaiwaka-Mangawhai Road Bridge two lanes			
Kaiwaka pedestrian bridges and footpath	1		
Walking and cycling	8		
Footpaths (not just Kaiwaka)	4		
Public Transport	3		
Sealing specific roads	1		
Speed Limit Review	3		
Maintenance issues	3		
Parking	1		

	<b>Yes</b>	<b>No</b>	<b>Neutral</b>
Whaka Street intersection/Judd Road	2		
Scotty's Camp Road sealing	3		
Hokianga/Normanby roundabout	2		
Return to rail	2		
Future Vision	2		
Pedestrian Crossing outside Mangawhai School	1		
A pedestrian crossing on Moir Street Mangawhai	1		
Footpaths in the Mangawhai Area	1		
Footpaths in the Sands subdivision	1		
Dargaville Primary School Vicinity	1		
Sealing of Pouto Road	1		
Hakaru Community Hall and Domain Society	1		
Mangawhai Community Plan development	1		
Regional dust – unsealed roads mitigation framework	1		
Funding for public transport and total mobility services	1		
Improve on maintenance of unsealed roads as well as seal extensions	1		
Walking and safe cycling tracks need to be developed	1		
Walking and Cycling Te Kopuru to Dargaville			
Maungaturoto Area Footpath along Gorge Road	1		

Additional comments made by those who indicated that they did or did not support the options chosen included:

<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
<p><b>Walking/Cycling</b></p> <p>Suggestion to incorporate metal between railway lines.</p>	<p>Council has developed a Walking and Cycling Strategy. This will be considered as part of that work.</p>
<p><b>Footpaths</b> (not just Kaiwaka).</p> <p>Footpath on Logan Street from State Highway to crèche is dangerous for young children.</p> <p>Footpaths in Maungaturoto rough and raised, dangerous for pedestrians.</p> <p>Footpaths needed in Tinopai</p> <p>Footpaths in Maungaturoto considering volume of traffic. Gorge Road.</p>	<p>A condition survey is underway for 100% of the existing footpath network that is due to be completed in June 2018. This will be used to refine the footpath maintenance and renewal programme.</p> <p>Council also has a Walking and Cycling Strategy for the whole district. This input will be considered when prioritising the implementation of the strategy.</p> <p>The draft Government Policy Statement on Land Transport indicates that the construction and maintenance of footpaths will become a subsidised activity which would enable Council's footpath programme to be accelerated as the subsidy becomes available.</p>
<p><b>Public Transport</b></p> <p>Shuttle bus in Mangawhai during busy summer period.</p> <p>Monthly bus service to Auckland and Whangarei subsidised by Council</p>	<p>Public transport is a Northland Regional Council function. This point will be passed on to the NRC Transportation Team.</p> <p>If a KDC contribution is required to support this initiative then funds can be diverted from lower priority projects.</p>
<p><b>Sealing specific roads</b></p> <p>Judd Road, Maungaturoto, a loop road which connects the town.</p> <p>Roads affected by future Mangawhai Central Development with proposed 500 additional dwellings include Moir, Gibbons and Settlement. Infrastructure needs to be able to accommodate this scale of growth.</p>	<p>Generally the NZTA does not subsidise seal extensions. Council only undertakes seal extensions in growth areas where development and financial contributions funding is available. Funding has been provided in Years 4 to 10 of the draft LTP for seal extensions in growth areas.</p> <p>Council is in the process of reviewing its Private Seal Extension Policy which would enable locals to get together and pay for a seal extension themselves where there is sufficient support.</p>

<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
<p><b>Speed Limit Review</b></p> <p>Traffic cameras installed, speed limits posted.</p> <p>Review speed limits Blackswamp/Mangawhai intersection, Bream Tail farm Cove Road, Devich/Moana/Tara Road back to the village.</p>	<p>A full network speed review has been initiated. This review will take into consideration the NZTA Speed Review Policy.</p> <p>The Mangawhai Community Plan has been developed with Council undergoing numerous community consultation meetings. This plan includes 'slow street' environments.</p>
<p><b>Maintenance Issues</b></p> <p>Exit from Oneriri Road to SH1</p> <p>School bus routes prioritized</p> <p>User pays, particularly logging trucks.</p> <p>Work carried out of a poor standard.</p>	<p>Nothing specific in this submission. Will pass the comments on to the NZTA team to follow it up.</p> <p>Maintenance priorities are based on road hierarchy which takes into account road users like school bus routes.</p> <p>Council already charges a targeted rate for forestry to mitigate the additional damage to the particular roads being used for logging activities.</p> <p>We have introduced a higher standard for auditing and procedures into the new maintenance contract</p>
<p><b>Parking</b></p> <p>Council must keep up with population growth regarding parking in areas of Mangawhai. (Alamar Crescent, boat ramp area, one-way road system Wood Street)</p>	<p>Council supports this initiative and the Community Planning Team is working on projects in this area. Options for more parking have been considered as part of the Mangawhai Community Plan.</p>
<p><b>Whaka Street SH 12 Intersection/Judd Road</b></p> <p>Businessman submits request for this area to be upgraded to accommodate future residential development.</p>	<p>This will be discussed with the NZTA as it is a state highway intersection. However, the NZTA has previously advised that where intersections of local roads with state highways are required to be upgraded primarily as a result of growth, then the district council should fund these upgrades and recover costs from the developers.</p> <p>Council could include a budget for this project in its LTP and amend the Development Contributions Policy to include cost recovery from the growth community for the growth-related portion of this project.</p>

<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
<p><b>Scottys Camp Road Sealing</b></p> <p>Minimally 2km at each end of this road.</p>	<p>Generally the NZTA does not subsidise seal extensions. Council only undertakes seal extensions in growth areas where development and financial contributions funding is available. Funding has been provided in Years 4 to 10 of the draft LTP for seal extensions in growth areas.</p> <p>Council is in the process of reviewing its Private Seal Extension Policy which would enable locals to get together and pay for a seal extension themselves where there is sufficient support.</p> <p>Seal extensions cost on average \$500,000 to \$600,000 per kilometre.</p>
<p><b>Hokianga/Normanby Roundabout</b></p>	<p>This will be passed on to the NZTA as this is on a state highway.</p>
<p><b>Return to rail</b></p> <p>Use for logging transport, less carbon emitting transport options for the future</p>	<p>No comment from the Roding Team on this point as this is a central government issue</p>
<p><b>Future Vision Provision</b></p> <p>Self-drive cars</p> <p>Puhoi-Wellsford extension</p>	<p>NZTA, Austroads and Australian Road Research Board (ARRB) are working through strategy documents to understand the impacts and benefits of self-drive autonomous vehicles.</p> <p>Whilst supported by Council, this is a central government decision, not a local road authority project.</p>
<p><b>Pedestrian Crossing outside Mangawhai School</b></p>	<p>We will assess and prioritise this request. We are fully supportive of providing safe crossings for our communities.</p>
<p><b>A pedestrian crossing on Moir Street Mangawhai</b></p>	<p>We will assess and prioritise this request. We are fully supportive of providing safe crossings for our communities.</p>
<p><b>Footpaths in the Mangawhai Area</b></p>	<p>These are included in the Mangawhai Community Plan and Council's Walking and Cycling Strategy, and are the subject of funding options in the Consultation Document.</p>
<p><b>Footpaths in the Sands subdivision</b></p>	<p>The Mangawhai Community Plan has been developed with Council undergoing numerous community consultation meetings. This plan includes walking &amp; cycling linkages to improve the connectivity of the community.</p>

<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
	The newly announced draft Government Policy Statement (GPS) on Land Transport has provision for the funding of footpaths and cycleways that is subsidised by NZTA. This may allow Council to increase its footpath or shared walk/cycleway programme if the additional subsidy becomes available.
<p><b>Dargaville Primary School Vicinity</b></p> <p>One way road system from Parore Str (end of Tirarau Str), to Intersection of Portland/Gordon Str, Angle Parking, 20km/h speed limit, Stop sign at the Portland/Gordon Str intersection, One way system to extend down Portland to Normanby Str intersection, and angle parking in the vicinity of the police station</p>	We will assess and prioritise this request. We are fully supportive of providing safe environments for our communities, especially in the school vicinities.
<p><b>Forestry target rates to be increased</b></p>	Increased forestry targeted rate could be utilised to undertake dust suppression on the higher trafficked unsealed routes.
<p><b>Sealing of Pouto Road</b></p>	We have submitted an application to the new Provincial Growth Fund for this.
<p><b>Hakaru Community Hall and Domain Society</b></p> <p>Off road parking for the hall. Sealing of Settlement Rd from Kaiwaka-Mangawhai Rd to Valley Rd intersection and widen the dangerous single lane bridge. Valley Rd sealing to the Church</p>	<p>Funds would need to be provided in the LTP to provide off-road parking.</p> <p>Generally the NZTA does not subsidise seal extensions. Council only undertakes seal extensions in growth areas where development and financial contributions funding is available. Funding has been provided in Years 4 to 10 of the draft LTP for seal extensions in growth areas.</p> <p>Council is in the process of reviewing its Private Seal Extension Policy which would enable locals to get together and pay for a seal extension themselves where there is sufficient support.</p> <p>Seal extensions cost on average \$500,000 to \$600,000 per kilometre.</p> <p>The widening of the single-lane bridge will be considered and prioritised against the other projects on Council's safety improvements programme.</p>
<p><b>Mangawhai Community Plan development</b></p>	The Mangawhai Community Plan has been developed with Council undergoing numerous community consultation meetings and addresses the key issues raised.

<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
<b>Regional dust – unsealed roads mitigation framework</b>	We are working Northland-wide on these initiatives and will bring the Kaipara perspective to that further discussion. Currently, none of the unsealed roads in the Kaipara district meet the NZTA's threshold for subsidised dust suppression. These criteria may be reviewed pending finalisation of the draft Government Policy Statement on Land Transport.
<b>Funding for public transport and total mobility services</b>	This is a Northland Regional Council function and we will pass this comment on to the NRC Transportation Team.
<b>Improve on maintenance of unsealed roads as well as Seal extensions</b>	<p>We are in the process of developing a new maintenance contract to address the service levels of our network maintenance.</p> <p>Council is in the process of reviewing its Private Seal Extension Policy which would enable locals to get together and pay for a seal extension themselves where there is sufficient support.</p> <p>Seal extensions cost on average \$500,000 to \$600,000 per kilometre.</p>
<b>Walking and safe cycling tracks need to be developed. The footpath from the village to the heads needs to be completed and upgraded</b>	These are included in the Mangawhai Community Plan and Council's Walking and Cycling Strategy, and are the subject of funding options in the Consultation Document.
<b>Walking and Cycling Te Kopuru to Dargaville</b>	This project is included in Council's Walking and Cycling Strategy which will be implemented as funding becomes available.
<b>Maungaturoto Area Footpath along Gorge Rd</b>	The newly announced draft Government Policy Statement (GPS) on Land Transport has provision for the funding of footpaths and cycleways that is subsidised by NZTA. This may allow Council to increase its footpath or shared walk/cycleway programme if the additional subsidy becomes available.
<b>Footpath outside ANZ Dargaville</b>	We will assess and prioritize this section of the footpath, and do the appropriate remedial. Due to the path being cobble bricks, a bigger section would need to be considered than just the localized repairs.



## 5 Need for Change

The feedback received was generally supportive for the proposed Long Term Plan arrangements as described in the Consultation Document. Where changes were suggested, they were primarily focused on specific issues related to individual roads or footpaths. The suggestions were either not considered to be supportable on their merits, or are subject to funding being provided in the LTP, or were not applicable as they were not managed by Council, or were service related and therefore able to be progressed outside of the Long Term Planning process. Therefore the recommendation is to proceed with the plans as circulated.

## 6 Options and Assessments

### Option 1 - Status Quo

- only do roadworks that get a subsidy from NZTA;
- NZTA does not give a subsidy for seal extensions so we will limit the sealing of roads to those that are paid for using Development Contributions or funded by local residents.

**Advantages:** The proposal balances the level of service provided by our roading network with affordability.

### Option 2 - Doing more work on our roads than planned and increasing the level of service provided

**Advantages:** This option will increase our level of service and provide focused relief to specific areas.

**Disadvantages:** We already spend around 50% of the General Rate on our roads. If we were to spend more on our roads we would need to increase rates and/or cut other services.

### Option 3 - Not increasing maintenance on forestry roads

**Advantages:** This option would ensure that the level of service on the remaining roads on the roading network would not be reduced at the expense of the forestry roads.

**Disadvantage:** It would mean that we would have to let the roads that are heavily used by logging trucks continue to deteriorate.

## 7 Financial Implications

Increasing the level of service for roading will have significant cost implications for Council and individual ratepayers. The cost of sealing one kilometre of road would add between 2-3% to the General Rates for all ratepayers across the District.

## **8 Fit with the Long Term Plan**

The preferred option consulted on fits with the current Long Term Plan and the alternative options are not consistent with any current policy.

## **9 Other Policy Implications**

There are no other policy implications.

## **10 Conclusion Drawn**

While there was a level of support for Council's proposed approach to Roothing in the Long Term Plan, matters raised by feedback providers do not create a compelling case for changing this approach.

## **11 Further Information**

Currently, NZTA has not made any commitments to funding improvements on the designated SH alternative routes. However, discussions in this regard with NZTA are on-going. Council has included an application to the Provincial Growth Fund (PGF) for the two-laning of the Mangawhai-Kaiwaka Road Bridge. Increasing the LTP budgets to accommodate this project would result in a general rate increase of approximately 0.6%.

Including the Pouto Road project (\$4,834,948) in the LTP at the expense of other projects would have a significant impact on the Safety and Resilience budgets. This would require numerous projects, including slip remedial works, guard railings, intersection upgrades, sight benching, etc. and possibly the installation of school zone safety signage to be deferred. The NZTA Business Case for this project still needs to be developed further and is proving challenging to get it across the line. Council has also included an application to the PGF for this project which may provide alternative funding.

As above, the inclusion of the two walking & cycling projects in the CD (Kaiwaka pedestrian bridges and footpaths- \$438,000, and district-wide walking and cycling projects - \$724,948) would also require numerous projects to be deferred. Increasing the LTP budgets to accommodate these projects would result in a general rate increase of approximately 0.8%. An option is to transfer \$200,000 per annum for Years 1 to 3 of the Long Term Plan from the Low Cost Low Risk work category to the Walking and Cycling work category to allow the implementation of Council's Walking and Cycling Strategy from Year 1 of the Plan (the draft LTP includes \$260,000 per annum for Walking and Cycling, and New Footpaths in Years 4 to 10). Alternatively, adding an additional \$200,000 subsidised budget would result in a general rate increase of approximately 0.4%.

Cames Road is approximately 3.8km long, of which approximately 2.2km are unsealed. It would cost approximately \$1.1 million to seal the road and it is unlikely that this would attract NZTA subsidy. If Council implemented a seal extension programme, Cames Road would not be the highest priority road. The draft LTP includes an annual budget of \$750,000 for seal extensions in Years 3 to 10.

An alternative option is to close a portion of Cames Road i.e. revert back to how it was in 2006. This would reduce the traffic volumes as it would be a no-exit road. Council is however required to follow a legislated procedure to stop a portion of road which can be challenged to the Environment Court, so there is no guarantee that this option would be successful. If successful Council would be required to construct turning heads at each end at approximately \$100,000. This could be accommodated within the draft LTP budgets.

If left unsealed, portions of Cames Road should be improved and these are estimated to cost \$200,000. These improvements would be prioritised alongside other safety projects within the network and undertaken in a staged manner as budgets allow.

Signage at Scotty's Camp Road to advise motorists of the alternative sealed route to Baylys Beach can be accommodated within the draft LTP budgets. This would however require NZTA approval if they were to be installed on the State highway.

Specific investigations to ease access and increase maintenance of roads surrounding maraes and community facilities will need to be undertaken and options reported to Council for consideration. Any identified safety and resilience improvements would be assessed against NZTA's criteria and prioritised alongside other projects within the network, and undertaken in a staged manner as budgets allow. Sealing of these roads is unlikely to attract NZTA subsidy.

In certain rural towns that are experiencing below average or declining levels of population and economic growth, there may be opportunities where the provision of infrastructure can help act as a catalyst to generate growth. However, projects must demonstrate they meet the requirements of the Government Policy Statement for Land Transport Funding. See Section 5.2 for further details.

### Developing Northland’s regional touring routes

Northland has a dedicated, sign-posted regional touring route – the Twin Coast Discovery Route. Running over 800km from Auckland around our two coastlines, this route takes in the best the region has to offer. Tourism accounts for 3% of Northland’s regional GDP and 6% of Northland’s employment and is an important economic driver. The route also acts as part of the ‘branding’ for our region and encourages tourists to travel to more remote areas – such as the Hokianga Harbour. There is the potential to develop more local touring routes that complement this regional route. A good example is the recent development of the Whāngārei Heads touring route by Whangarei District Council.



Figure 12: Strategic tourist route

### Dust on unsealed roads

In Northland there are 5,877km of local roads of which only 2,397km (40%) is sealed<sup>8</sup>. As the movement of vehicles (particularly heavy vehicles) using unsealed roads continues to grow, so do the

number of dust related problems. Dust from unsealed roads can adversely affect personal health and wellbeing and impact on crops, native vegetation, animal health and water quality. These problems can be exacerbated by prolonged periods of little rain and an increase in heavy vehicle use. This has resulted in affected communities approaching the relevant approved road controlling authorities with a request to remedy the situation.

To understand the scale of the problem, Northland Regional Council undertook monitoring of PM10 (particulate matter below 10 microns in diameter) at five roadside sites during the summer months of 2012/13. Results found that on occasion, results were high enough to breach standards prescribed in the National Environmental Standards Air Quality.

All the road controlling authorities and the Northland Regional Council recognise there are nuisance and potentially health-related issues associated with dust from unsealed roads. However, the immediate solutions of dust suppressants or road sealing require significant financial investment. Given the scale of the region-wide dust problem it is more practical to first address the worst affected areas using a clear and consistent method to identify priority areas and preferred mitigation options.

This has prompted the development of this “Regional Dust from Unsealed Roads Mitigation Framework.”

The framework intends to provide a consistent means to identify:

- Priority sites for dust mitigation measures;
- A toolbox of options; and
- The most cost-effective treatment options at priority sites.

Outputs of the framework are tables of priority sites in each district, preferred treatment options for these sites and associated costing. The framework applies across all three districts in the Northland region.

The framework is not a statutory document and does not allocate funding or guarantee road controlling authorities will implement treatment options. The framework outputs are non-binding and implementation is at the discretion of the relevant road controlling authority and subject to operational funding.

This framework was compiled with the assistance and direct input of the:

- Regional Transport Committee;
- Far North District Council;
- Whangarei District Council;
- Kaipara District Council;
- NZTA; and
- Northland District Health Board.

<sup>8</sup> Data from NZTA, Network Statistics – 2011/12.

## Issues and Options: Flood Protection Te Hapai

### 1 Recommendation

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the inclusion of a targeted rate for the Te Hapai Drainage District to raise \$8,500 (Incl GST) per year in the 2018/28 Long Term Plan.*

#### Reason for the recommendation

The majority of the affected ratepayers support the re-introduction of the rates as they approached Council to do so and this enables maintenance of the drainage district's infrastructure.

### 2 Introduction

#### A Bright Future (Long Term Plan Consultation Document) said:

Flood protection covers work related to flood control, river alignment control (undertaken by Northland Regional Council) and land drainage.

The Te Hapai Drainage District has asked Council to reactivate rating them for flood protection commencing in the 2018/2019 financial year. A total flood protection cost of \$85,000 over a 10 year period is proposed for the replacement of a failed floodgate and drain cleaning. The targeted rate will recover this cost.

### 3 Our options:

Council asked:

1. Do you support Council re-activating the targeted rate for the Te Hapai Drainage District?

### Options we considered, rejected and why:

#### Status Quo

This would not facilitate the co-ordinated renewal and maintenance of the drainage district's assets.

## 4 What the Feedback Indicated

### Do you support Council re-activating the targeted rate for the Te Hapai Drainage District?

Yes	No	Neutral
17	4	6

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
213.4 This should be self-funding	If implemented, the rates are targeted so self-funding is assured
149.8 It is vital and important for maintaining all systems	The intention of the rates is for maintenance and renewal of infrastructure in the drainage district
37.3 Only if supported by local rate payers, please write to them	The local ratepayers have requested Council to re-introduce the rate
16.8 Farm pollution needs to be managed in the process	Northland Regional Council monitors pollution while the local District Council manages flood protection and drainage

## 5 Need for Change

The feedback received was in support of the proposal to re-introduce the targeted rates for the Te Hapai Drainage District as described in the Consultation Document for the Long Term Plan. Further comments were either in line with this proposal, or requested action from Council in respect of farm pollution management, which is an area under the jurisdiction of the Regional Council.

## **6 Options and Assessments**

### **4.1 Option 1 - Status Quo – The current situation in which there are no targeted rates collected for Te Hapai.**

*Advantages:* Additional targeted rate is not charged on Te Hapai farms which means less financial burden

*Disadvantages:* means that the drainage district will continue to lag behind in floodgate repair, maintenance and renewal, and also in the maintenance of drains, which compromises the farming land of this community.

### **4.2 Option 2 - Re-introducing targeted rates for Te Hapai Drainage District.**

*Advantages:* The proposal ensures the level of service to the Te Hapai district aligns with the rest of the district and it is generally well supported by the local ratepayers.

*Disadvantages:* Additional targeted rates on farmers add costs to farm operation

## **7 Other Feedback Provided**

None, other than those raised in section 2 above.

## **8 Financial Implications**

Recovery of the \$85,000 costs is proposed in the form of a targeted rate over 10 years in the LTP

## **9 Fit with the Long Term Plan**

Aligns with the proposal in the Consultation Document.

## **10 Other Policy Implications**

There are no other policy implications.

## **11 Conclusion Drawn**

It is recommended that Council re-introduces the targeted rates for the Te Hapai Drainage District.

## 12 Further Information

There are seven ratepayers that would be affected if the targeted rates for the Te Hapai Drainage District were reactivated. Prior to the LTP, five of the seven ratepayers requested in writing that Council reactivates the targeted rate, and under advice the request was lodged as a submission to the Long Term Plan. Neither of the two landowners that did not sign the initial request submitted to the LTP.

*Is the flood rate put on the LIM?*

Yes; LIMs do include if a property is within a drainage district e.g. Raupo, Kaihu, Arapohue Drainage District just to name a few. It is noted on the LIM and also shows up on the rates page, which we supply with every LIM.

draft



## Issues and Options: Other Issues Raised

*Please note: The following recommendations are staff officer's recommendations only.*

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Requests that context be included in the draft 2018/28 Long Term Plan on;*
  - a. *Climate change and how Council is responding*
  - b. *The inclusion of the Arts sector*
  - c. *Benchmarking Council against other 'like' Council's, and efficiencies*
  - d. *Māori engagement and working with Māori*
  - e. *Waste minimisation, and community recycling initiatives*
- 3 *Approves the investigation of methods for the community to manage Ripiro Beach*
- 4 *Approves the investigation of no cost options/ideas with Heritage New Zealand*

### Reason for the recommendation

Many of the issues are addressed within councils existing plans, albeit not explicitly. Those that require significant time and investment could be commissioned by elected members for review and be brought back during the year if required.

### 2 Introduction

**A Bright Future** covered a number of issues that Council was interested in, and as expected, community members, organisations and other territorial organisations offered further feedback for the Council to consider implementing in its Long Term Plan 2018/2028.

Some of the feedback points have been sent on as service requests (potholes, streetlight outages, damage to parks) or addressed as part of work planning (extended hours/late night at the Library). Other feedback that has been received has been placed in the tables below.

### Submission Summary

### Officer Feedback

Tourism	
<p>Tikinui Weir - A weir, lock and bridge across the Northern Wairoa should be investigated fully asap, and proposed to Shane Jones. Te Kopuru is already a designated residential area that could be supported and expanded. A bridge would mean it was 20 minutes closer to Auckland, and therefore desirable. A weir would prevent flooding in Ruawai, as sea levels rise. The 750,000 tonnes of silt could be dredged continuously and used to upgrade the stop banks in the area. A lock would allow boats to move freely. Commercial users would benefit from shorter timings, a central government toll on the bridge use would be acceptable.</p>	<p>Council is currently working with the Northland councils to make applications to the Provincial Growth Fund which Minister Jones has oversight of. We can assist operators wishing to take concepts of this nature forward to the fund via MBIE or operators can take these applications direct.</p>
<p>West Coast Beaches need promotion and control. It would help to have Lifeguards at Baylys and Glinks in the summer and designated areas for activities such as off-roaders' (not near the built up areas where children play) that means that the dunes and populated beach areas are policed/protected and kept safe.</p>	<p>Council does not currently undertake 'promotional' activities of the district. Council currently funds lifeguard services through a shared fund with the Northland Regional Council. Responsibility for dune control and policing beach areas are shared between the New Zealand Police, Department of Conservation and the Northland Regional Council.</p>
<p>I would support and encourage a Council driven strategy for economic growth and development that includes the visitor tourism industry.</p>	<p>Council has previously participated in a Northland-wide Regional Development Strategy. Council also seeks funding for the Tourism Infrastructure fund (TIF) and is currently making a wide range of applications to the Provincial Growth Fund which, if successful, will have economic benefits to the district. A more comprehensive review of the District Plan will also assist in district growth.</p>
<p>Northland Inc. requests the Kaipara District Council continue to support (and resource) your staff to engage with Northland Inc. on economic development opportunities within Northland and the Kaipara District.</p>	<p>Council will continue to support joint efforts undertaken between Northland Inc., Kaipara District Council and the other three councils in Northland.</p>

## Submission Summary

## Officer Feedback

<p>Northland Inc. seeks your support to ensure the region has an empowered Regional Development Agency to provide a vehicle to plan, aggregate, integrate, co-ordinate and action economic development efforts in Northland. Northland Inc. requests that Council provide an annual contribution towards Northland Inc.'s operational costs. Northland Inc.'s view is that this contribution should be 0.25% (one quarter of 1%) of the Kaipara District's rating income (which we estimate to be \$135,000.)</p>	<p>This proposal would require Council's support and approval. Should Council wish to set direction towards financial support of Northland Inc. for a specific role this could be investigated.</p>
<h3>Waste and Recycling</h3>	
<p>Zero waste policy</p>	<p>Adoption of a zero waste policy will be considered when the current Waste Management and Minimisation Plan (WMMP) is reviewed which is likely to be around 2020/2021. A number of the issues raised here will be addressed in the next three years via the Asset Management Plans and there will be consultation around these issues and potential solutions. With regards to Council building a public waste recycling plant, Council is not in a financial position to fund the construction of recycling plants, this however may be an opportunity for private business to be pursue. Council could support these projects through WMMP grants.</p>
<p>Banning single use plastic bags</p>	<p>Council currently does not have the power to ban single use plastic bags in the district, as this would need to be set at a central government level.</p>
<p>Reduce or eliminate landfill, an environmental sustainability long term plan.</p>	<p>Council's Waste Management And Minimisation Plan is actively working towards reducing the amount of landfill that is produced. Community organisations and education organisations are constantly working with the public to showcase the effects that unrestricted landfill requirements can cause for future generations.</p>
<p>Circular economy (shops to take back products at end of life)</p>	<p>A circular economy would need to be sanctioned by central government, and further research would be required by council staff.</p>

## Submission Summary

## Officer Feedback

Hubs where items can be repaired, resold and repurposed.	We note that there is a small scale version such a hub at the Dargaville Transfer Station for recycled home goods. This is not considered a Council core business however private operators may pursue this concept if profitable or charitable organisations as part of their charters. Council could assist by way of a grant in the establishment of such centres.
Commercial composting facilities, Community waste minimisation scheme.	This may work on a community basis and could be something the Community Team works through with interested parties.
Compulsory recycling, more recycling facilities	It is difficult to compel people to recycle compulsory, however Council encourages recycling across the district.
Make public events plastic free, recycling based permits for events	Council is mindful to remind private large scale events of their responsibilities around waste minimisation and ensuring adequate recycling and waste services are provided.
Investigate the viability of a plastic waste recycling centre	The transfer stations are functioning adequately with no major upgrades planned. Kaipara currently operates as user pays with regards to refuse and recycling disposal.
Removal of the \$2.00 cost for recycling.	Council is currently investigating the removal of this charge and this will be publically consulted on when investigations of options are complete.
Thought put into the recycling process moving forward with respect to the current issues around importation controls hampering the sale of treated plastic.	Council is monitoring this issue. No major process changes would be undertaken without public consultation. Council will also consult with those experienced in the recycling industry.
<b>Community Spaces</b>	
The weeds and rice grass along the riverbank on River Road, Dargaville need to be kept tidy otherwise the view of the Northern Wairoa River will be lost.	Council contractors are working towards enhancing our public spaces while balancing that with the natural growth of plants and shrubs.

## Submission Summary

## Officer Feedback

<p>A watering systems needs to be installed in the main part of Victoria St (wouldn't cost that much) then some attractive hanging gardens could be hung up and give the township a nicer more welcoming vibe.</p>	<p>This may be included as part of the Dargaville Placemaking Programme of Work. Feedback has been passed to the Community Relationship Manager.</p>
<p>I would like the LTP to include something about Ripiro Beach. This (and the adjacent sandstone cliffs) is in many ways the most spectacular natural feature in the District, with enormous potential (e.g. for tourism) if it was managed properly. The LTP should consider things like designated areas for off-road vehicles, proper protection of the dunes, working jointly with other bodies such as the NRC and the Police to ensure the future of this unique resource.</p>	<p>We can include this in the Reserves and Open Space Strategy review. Note Council work within a number of other frameworks, i.e. bylaws and the Resource Management Act framework as well as managing these spaces in conjunction with the Northland Regional Council and other government organisations, to ensure natural landscapes are protected.</p>
<p>Key Parks - Memorial Park should be elevated to Key park status for the obvious reasons that it is now a sports and rec park for the Community and the ratepayers of Dargaville. Harding Park, Mangawhai Park and Taharoa Domain are key parks which provide benefits mainly to tourists and visitors. The rate payers should be given more consideration.</p>	<p>This can also be part of the Reserves and Open Space Strategy review.</p>
<p>I would like to see council allow in its annual and long term strategy plans for the repairs and maintenance of all council buildings for example Council offices in Hokianga Road, the NW War Memorial Hall and others. If our council owned buildings are not kept in good repair, it does not bode well for the district!</p>	<p>Council buildings are reviewed and repairs and maintenance carried out as required and within approved budget. We note that the Northland Regional Council are looking to build new premises in Hokianga Road which may allow the current Council offices to be redeveloped. Council is also looking at the feasibility of developing a Community Hub in Hokianga Road using Provincial Growth Fund investment.</p>
<p>An Information Centre with free Wi-Fi (Maungaturoto).</p>	<p>Council is working on a digital enablement and Wi-Fi Strategy and will take this feedback on board.</p>
<p>This is a submission to the Kaipara District Council requesting that the council implement a comprehensive Smokefree outdoor public spaces policy.</p>	<p>Council staff are working towards implementing an outdoor public space smokefree policy.</p>
<p>KDC looks to endorse the strategy to create Arts and culture policy and future cultural planning for the district.</p>	<p>Council will work with Creative Northland to work out how they can best support the future work of Creative Northland.</p>

## Submission Summary

## Officer Feedback

Edible community gardens.	Community will work with any community groups who express an interest in creating and maintaining edible gardens.
Halt the changes at Kai Iwi Lakes, to retain natural character, more consultation before further changes occur.	We have a Reserve Management Plan for the Taharoa Domain and will continue to work with the community and affected parties on any future changes to the Domain.
<ol style="list-style-type: none"> <li>1. Defining a Heritage Incentive fund for the purposes of earthquake strengthening, and preservation of heritage taonga.</li> <li>2. A targeted rate across the LTP period in a similar fashion to what is being proposed for Sportsville. This levy could then be apportioned to the three district Museums according to a percentage of their operational budgets or made available to the Galleries, Libraries Archives, and Museums (GLAM) sector for funding applications on an annual basis.</li> <li>3. Anzac Theatre (Dargaville) request for support in the Long Term Plan.</li> </ol>	Council has not currently asked for an opinion on a targeted rate for use of revenue collection to put towards arts, heritage buildings or galleries, libraries archives or museums. This may be explored in a further Long Term Plan or Annual Plan.
A review of the Pool Trust Governance (Dargaville).	Council will continue to work with the Kauri Coast Community Pool Trust to come to a sustainable governance structure and long term funding solution.
Drinking water stations at parks and spaces as they're renovated.	This currently part of the process when renovating parks, i.e. to examine the availability of services such as drinking water.
Council implement a sun protection policy covering; parks and playgrounds, outdoor summer events, outdoor workers, and other council owned outdoor facilities.	Council is actively working towards ensuring our parks and playgrounds are protected from the sun. The speed at which this can be achieved is restricted by the availability of funds.
NRC encourages KDC to identify areas that may be suitable for tree planting, and to work with NRC to make an application to the Provincial Growth Fund for these plantings.	Council is working with the Northland Regional Council and other Northland councils on identifying pockets of land suitable for tree planting and riparian planting to assist in the application to the Provincial Growth Fund
<b>Harbour Management</b>	

## Submission Summary

## Officer Feedback

<p>Tinopai RMU have made proposals to KDC to bring back the harbour to its former glory by identifying wetlands, major waterways and have them replanted in Native trees. Our Tinopai RMU Catchment Plan is attached. This plan can be adopted by other marae and cover the whole of the Kaipara Harbour - our Taonga</p>	<p>Staff will work with iwi and Tinopai RMU to work on ways to better protect the Kaipara Harbour and the wetlands and waterways that feed into the harbour. Council are investigating opportunities for Riparian planting and are part of the IKHMG which is also active in restoring the Kaipara Harbour.</p>
<p><b>Staff numbers</b></p>	
<p>KDC Financials - need looking at staff.</p>	<p>Council benchmarks its costs against other councils and manages spend in line with approved budgets. While the district continues to grow staff numbers will increase in Regulatory (although those costs are recouped through charges), however wider administration and support staff need to be included to help manage the volumes of work.</p>
<p>The well-being of Maungaturoto and other areas also needs to be serviced with compliant/safe infrastructure e.g. roading, water pipes/ water quality etc., and a high KDC staff ratio all operating with excellent local knowledge, personal development, local commitment and resources. Also where staff are available periodically throughout the district 'coal-face' at locations similar to the LTP 'drop in' discussion venues.</p>	<p>Council takes into account the needs of infrastructure investment through the Assets Management Plans. The Community Relationship Team also engage with local community groups and organisations to better develop local areas and we will continue to do this. A review of the District Plan will also see the Council looking at these areas and allowing for growth.</p>

## Submission Summary

## Officer Feedback

<b>Flood Levels/Climate Change</b>	
<p>Flood levels as mandated by NRC are driving conversations on this subject. KDC needs to display leadership on this subject and commit to maintaining and upgrading flood protection systems in place, so that homes already in those zones can be altered freely without onerous council conditions. Holland is a thriving entire country built below sea level.</p>	<p>Council is in direct contact with the Northland Regional Council and is aware of the flood prediction modelling in regards to climate change and sea level rise. We have started the conversations regarding protection of existing areas and what Kaipara's response to these issues will be. Currently the land drainage districts are not flood protection systems and as such are entirely funded through targeted rates upon those districts only. Council's conversations are revolving around what investigations need to be completed to formally identify any issues and options there currently are, and where the funding will come from. If the cost of protecting existing areas is unable to be borne by the Kaipara District, then other options including a managed retreat will need to be considered.</p>
<p>Support new strategy with a commitment to a collaborative climate change strategy for Northland in partnership with Iwi and local government in Northland.</p>	<p>Council is aware of the threat of climate change and will keep it in mind working with Northland Regional Council and in future projects.</p>
<b>Development Contributions</b>	
<p>I would like to see Development Contributions contribute to more than Council's BAU activities. There should be money focused at developing Kaipara in areas additional to roads, water, and parks. Economic and community development focused.</p>	<p>Currently there is a statutory obligation to ensure there is 'capital expenditure' and the money must be spent on tangible assets.</p>
<b>Other</b>	
<p>There seems to be a Dargaville-led drive to merge with Whangarei. I would prefer a merge with Rodney. Whangarei would always see Kaipara as second class citizens. Rodney and Kaipara have more similar needs.</p>	<p>While there have been many conversations with Whangarei and Far North District Councils, as part of a shared Northland experience. The Local Government Commission has already declined an application by Rodney to become its own territorial authority.</p>



## Submission Summary

## Officer Feedback

<b>Mangawhai Central</b>	
Five people explicitly stated support for Mangawhai Central, and the need for Council to ensure it happens.	Council will undertake its due process role to support applications and the implementation of the Mangawhai Central development where appropriate.
<b>Working with other organisations</b>	
Working with other Councils on integrated services will provide a number of efficiencies that should not be compromised or missed through poor advice and or patch protection	Council will continue to work not only with other Northland-based territorial authorities, but regional and council organisations across the country.
<b>Amokura</b>	
Approve dedicated funding expenditure for Tangata Whenua and Māori engagement	Council has recently recruited an Iwi Liaison Officer and this may be a project they undertake, alongside our already existing MOU with Te Uri o Hau, and are working towards one with Te Roroa.
Approve the appointment of an Iwi member to both Northland Area Land Drainage Committee and the Raupo Land Drainage Committee	This is a Governance decision and while currently not catered for, it may be possible to allocate a seat for community organisations. To be referred to the Mayor for consideration.
Approve a new investment in developing a Water Allocation Strategy	Council would be pleased to review such a proposal and what it might entail.
Agree to discuss and recommend options for a Unitary Authority.	Council has been a part of a number of conversations around a Unitary Authority in Northland and will continue to be involved.
Acknowledge and Formally accept the Tai Tokerau Māori Economic Growth Strategy as an iwi planning document	The policy team and Iwi Liaison (once appointed) will investigate this option.
Develop and adopt a policy on tangata whenua and Māori engagement as well as involvement in decision making processes	Maori engagement is important to the Council. We will be undertaking review of how we engage and the associated processes in the next 12 months.

## Submission Summary

## Officer Feedback

Biosecurity	
<p>NRC is proposing an increase in pest management activity to move toward an aspirational vision of a 'pest free Northland', and asks that KDC supports NRC in this, including to ensure biosecurity hygiene standards are maintained, and provision is put in place to protect Kauri on public land. This applies to any land owned by KDC with Kauri, and in respect to contractors that are working for KDC (i.e. earthmoving), which could be a vector to spreading Kauri dieback disease.</p>	<p>Council will continue to work with contractors to ensure there is awareness around the sensitivities to the spread of Kauri Dieback.</p>
<p>Cyanobacteria and algal blooms are expected to become more frequent. These affect public water supply and recreational use of water, and some blooms will have negative health impacts. Sufficient resource has not always been available to advise the public when these blooms occur (e.g. prompt installation of signage). NRC asks that KDC address this in its public health and safety role.</p>	<p>Our health and waters teams are working together with Northland Regional Council in developing a protocol for warning and reporting cyanobacteria and algal blooms</p>

### 3 Need for Change

The ideas expressed in the consultation period are varied and wide reaching. Council staff have tried to accommodate new ideas and proposals where appropriate in their forward planning work streams.

There are broader questions raised around working with Iwi, and other Council based organisations that will need to be considered and given a direction.

### 4 Financial Implications

Many of the larger projects or tasks proposed would increase costs, while some of the projects may be able to be included as normal Opex from activity managers, those that fall outside of the business as usual expenditure would need specific funding direction.

## 5 Fit with the Long Term Plan

Many of the areas are catered for in Assets Management plans or existing activities of council. Others would require significant work in order to be included. Given the councils' budget and time constraints we are not anticipating that any of these areas be included specifically in the LTP.

## 6 Other Policy Implications

There are various policy implications depending on direction set from Council.

## 7 Conclusion Drawn

That feedback has been extensive from the community and that the range of "other issues" has been welcomed by Council, however we are not recommending any changes to the plans as a result.

## 8 Further Information

Is there a drinking fountain with its own reservoir and what is the cost?

We are not aware of a proprietary drinking fountain with its own reservoir. If there isn't a reticulated water supply nearby, we would need to install a water tank, pump, treatment system, housing and power supply. Estimated costs are approximately \$11,000 to supply and install. If we aren't able to secure roof water from a nearby building, then we will need to fill the tank by water cart which would increase operational costs. The estimated cost to install a proprietary drinking fountain connected to a reticulated water supply is \$3,500.

Heritage NZ for more information on no cost options/ideas for council to work with them on;

1. Certificates / Awards / Plaques – acknowledging people who have undertaken good heritage works;
2. Publicity – e.g. 'Mangawhai Focus' or Council publication / s profiling scheduled heritage in the KDC District Plan. HNZPT can provide the information that we have on these Listed and Scheduled items / objects / places where the information we possess is relatively complete for stories. Also encouraging further information from the public;
3. Evening Public Talks – Some 8 days ago for Archaeology Week, HNZPT presented at Dargaville on the archaeology of Kaipara. HNZPT would be happy to do the same presentation at Mangawhai.
4. Discussion Internally – HNZPT has established a good, working relationship with KDC processing staff (RMA, Parks, LIMs, PIMs) that we seek to further refine. We are happy to meet with KDC staff on a mutually agreed basis to discuss issues of interest to both organisations and how we can collaboratively improve upon heritage outcomes. This would be in accordance with the relationship agreement that KDC and HNZPT signed.

## Issues and Options: Tangowahine District Drainage Scheme

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the continuation of the Tangowahine Drainage District to raise \$2,875 (inclusive of GST) in revenue for the 2018/19 financial year and adjusted for inflation for the remainder of the 2018/28 Long Term Plan.*

#### Reason for the recommendation

Council staff and current reasoning regarding the existing drainage district and its benefits to the local and wider community, should promote this drainage district continuing in its current form.

### 2 Introduction

**A submission separate to the consultation document has asked for the dissolution of the Tangowahine District Drainage Scheme**

#### Our preferred options:

- To leave the Tangowahine District Drainage Scheme as it currently is.

#### Options we considered, rejected and why:

We have considered both sides of this proposal, those for and those against together with the ramifications of this. The preferred options is for the district to remain as it currently is. The majority of properties wish to opt out of the drainage district though they hold the smallest amount of land and pay the smallest portion of rates towards its maintenance. The district manages the health of the river that aids the draining of the catchment and also protects the Tangowahine Valley Road from more frequent flooding which benefits the greater community.

**3 What the Feedback Indicated**

Yes	No	Neutral
20	5	0

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer’s recommendations and/or responses
Shawn Carrigan	Welfare and livelihood rely upon the remainder of the district’s drainage being maintained
Doug Conn	Since the drainage scheme has been in place it has improved the performance of the river, and reduced the number of flooding incidents on Tangowahine Valley Road, large contributor to funding
John Turnier	River maintenance reduces flooding and maintenance of the river and sediment control is the collective responsibility of the residents in the area, large contributor of funding
Ian Macdonald + submitters	Majority of residents in the area

**4 Need for Change**

The feedback received was split, the majority of residents wished to be removed from the scheme even though they form the smallest portion of funding and also land area within the district though still contribute to and receive benefits from the drainage district. The five other residents who are for the drainage district remaining collectively form the largest portion of land owners and also contribute the most funds to the district. Both Douglas Conn and John Turnier contribute funds over and above the set rates to ensure work is completed and the river is maintained. We feel there is no need to change.

**5 Options: Detailed Advantages and Disadvantages**

**5.1 Option 1 - Status Quo – The current situation in which targeted rates are collected for Tangowahine**

**Advantages:** This means that the river will continue to be maintained. Silt and vegetation will be removed at regular intervals, minimising flooding to Tangowahine Valley Road and the wider community.

**Disadvantages:** For the district, not many disadvantages, for the local ratepayers within the drainage district it will mean continuing to cover the extra \$640 (approx.) of drainage district rates which is split between the 20 properties, approx. \$32/property per annum.

#### **4.2 Option 2 - Remove drainage district rate for the Tangowahine Drainage District.**

**Advantages:** The existing ratepayers that wish to opt out would no longer have to pay their contributors portion of the existing rates,

**Disadvantages:** As above.

#### **6 Other Feedback Provided**

None, other than those raised in section 2 above.

#### **7 Financial Implications**

Currently no change from the existing.

#### **8 Fit with the Long Term Plan**

Yes

#### **9 Other Policy Implications**

There are no other policy implications.

#### **10 Conclusion Drawn**

It is recommended that the Council continues targeted rates for Tangowahine Drainage District.

#### **11 Other Information**

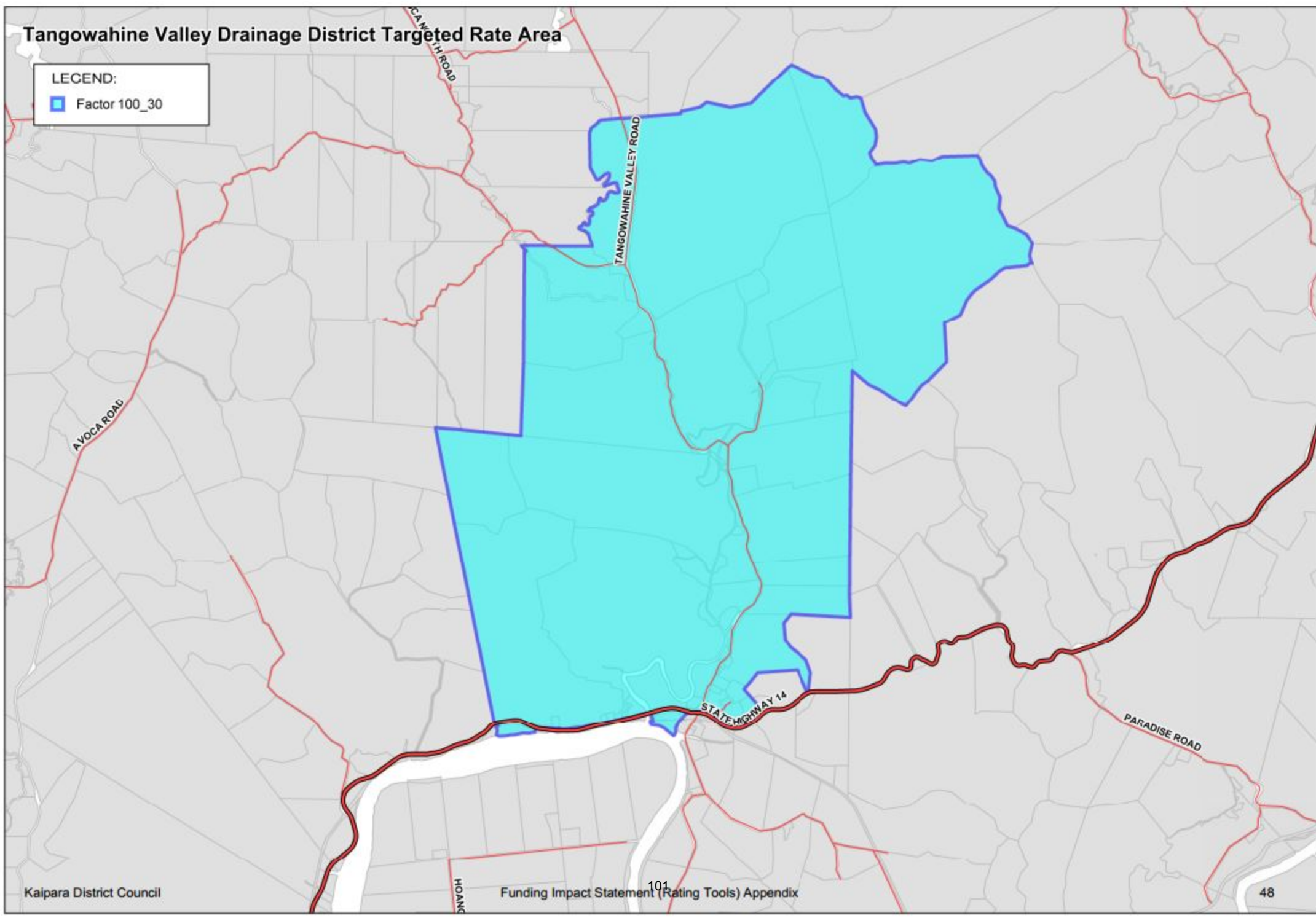
The Tangowahine Valley targeted rate raises approximately \$2,700 (GST inclusive) annually, averaging \$74 per property ranging from \$3 to \$530 per property.

The landowners that benefit generally add additional funds when works are required. For example, in 2013/14 two landowners contributed an additional \$5,000 for drain cleaning.

# Tangowahine Valley Drainage District Targeted Rate Area

LEGEND:

■ Factor 100\_30



## Issues and Options: A Thriving Kaipara

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the investigation and support of internet and digital capabilities within the Kaipara region; and*
- 3 *Approves investigating options of how Council can further support the Tourism sector and Sustainable Economic Development more generally within the Kaipara region; and*
- 4 *Approves investigating the digital Community Hub for Dargaville; and*
- 5 *Approves the implementation of the Dargaville Placemaking Programme.*

#### **Council Controlled Organisation**

*That the Kaipara District Council:*

- 6 *Recognises that more information is required to inform a decision on whether to introduce a Council Controlled Organisation (CCO) in Kaipara and;*
- 7 *Approves the continued investigation of a Council Controlled Organisation for Kaipara when a requirement or purpose for establishing one is identified and*
- 8 *Notes that there are legislative steps to be completed, including further public consultation, to inform any future decision to create a Council Controlled Organisation.*

#### **Reason for the recommendation**

A thriving Kaipara depends upon a thorough investigation of economic and community development opportunities which can be supported by social and digital infrastructure and tourism.



## 2 Introduction

### A Bright Future (Long Term Plan Consultation Document) said:

Council has a number of potential projects, at the very early stages of consideration, to contribute to a dynamic and prosperous district. These projects contain various elements of economic and community development designed to contribute to a thriving Kaipara.

The options set out below are all projects Council will look to investigate which would help boost the economic development profile of the district.

We asked for feedback on the below proposals;

## 3 Our options

- Should Council support access to internet and digital capabilities for our communities;
- How can Council support organisations and operators in the tourism sector in Kaipara;
- Should Council investigate a digital Community Hub for Dargaville;
- Should Council investigate implementing the Dargaville Placemaking Programme; and
- Should Council Investigate options around the establishment of a growth focused Council-controlled organisation.

## 4 What the Feedback Indicated

### 3.1 Should Council support access to internet and digital capabilities for its communities?

Yes	No	Neutral
41	7	

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
This will encourage new businesses	Council agrees that this will encourage new business to the district. Council has a role to play to support communities and businesses to increase digital connection and online participation.

Feedback Point	Officer's recommendations and/or responses
Not a function of Council	Council has a role to play to support communities and businesses to increase digital connection and online participation. Digital connection may help Council better engage with residents who are geographically isolated within the district on matters that may affect them.
For urban and rural communities	Council understands that the district is a mix of urban and rural communities and that Council has a role to play to support communities and businesses to increase digital connection and online participation.
Central government's responsibility	Council has a role to play to support communities and businesses to increase digital connection and online participation. Council understands that no single organisation can address the digital needs of our district by themselves. Council is best placed to provide the appropriate support for each community in conjunction with other organisations to help meet individual community needs.
Not at ratepayers expense	Council has a role to play to support communities and businesses to increase digital connection and online participation. There are potential cost efficiencies to be made for communities to access ratepayer funded digital and internet access.
Will help people that work from home	Council understands that working from home is becoming more common place and Council has a role to play to support communities and businesses to increase digital connection and online participation.
Shared space for people that work remotely	Council understands that co-working spaces are becoming common, particularly as a way to address an isolated, independent workforce. Council can support communities and businesses to increase digital connection and online participation with consideration of providing spaces to help facilitate this.
It will reduce isolation	Council understands that digital capabilities foster community cohesion and social connections. Council also understands it has a role to play in supporting communities and businesses to increase digital connections and online participation. This in turn will reduce isolation by increasing social interactions and connections between individuals.

**Option 1:** Continue to investigate and support internet and digital capabilities for our communities.

**Option 2:** Do not continue to investigate or support internet and digital capabilities for our communities.

**Staff Recommendation:** Option 1.

Feedback from the submitters supports this option.

### 3.2 How can Council better support organisations and operators in the tourism sector in Kaipara?

Feedback from submitters have provided options where they feel Council can better support the Tourism sector. These are outlined in the table below.

<b>Feedback Point</b>	<b>Officer's recommendations and/or responses</b>
Use Northland Inc.	Council has a relationship with Northland Inc. and works on many projects with them. Council will continue this relationship and will also facilitate meetings with the tourism sector where appropriate.
I sites	This is not currently a Council function however staff are researching how Council can support these and encourage and promote the visitor and tourism industries.
Cycleways and walkways	Council understands the importance of walking and cycling and has developed a Walking and Cycling Strategy which it will continue to work through to implement the identified walkways and cycleways.
Controls for freedom campers	Council does not have sufficient information to support a Freedom Camping Bylaw and therefore cannot legally put in place a bylaw. Council will be looking at increasing its information around this activity in order to consider appropriate alternative methods to manage this activity.
Marketing, promotion and engagement in joint planning and facilitate connections	Council agrees that a district plan for marketing, promotion and engagement would be a great idea. Council would support the facilitating of a joint planning session for the district.
Welcome new ventures and guide them through the regulatory process	Council is constantly working though our regulatory processes to ensure best practice. Council welcomes any new business ventures to our district.
Faster processing of applications – make it easier for businesses to do business here	Council is constantly working though our regulatory processes to ensure best practice.
Provide infrastructure	Council maintains infrastructure with the aim of responding to growth demand areas as and when required.
Develop and Fund brochures etc.	Council would be happy to work with the Tourism sector on investigating options for funding promotional material for the District.
Things to do website	Council support community with pages on the council website and would be happy to continue to do this.

Feedback Point	Officer's recommendations and/or responses
Establish a tourism coordinating group for Kaipara	Council agrees that a district tourism group would be a great idea. Council would support the facilitating of a tourism coordinating group for the district.
Protect and preserve the biodiversity in our oceans, wetlands and forest. Support ecotourism initiatives	Council is open to all tourism ventures and is mindful of environmental impacts some operations may have.
Targeted rate for tourism development and promotion	A targeted rate is an option the Council would consider, however there would have to be a considerable support from affected parties.
Create a brand	This is not the core business of Council, however we feel that this would be a great opportunity for local business forums and the tourism sector to collaborate on.
Have a staff member dedicated to this work	If there was substantial support from the community for this additional staff member Council would investigate this.
This is not Council's core business	Once all feedback is received Council will weigh-up how it may be able to support the tourism sector.

**Option 1:** Council supports Tourism.

**Option 2:** Council does not support Tourism.

**Staff Recommendation:** Option 1.

Feedback from submitters have provided a number of ways in which Council could support the tourism sector.

An assessment of current Kaipara experience is needed and how tourist infrastructure can be improved to increase social and economic benefits to local communities, businesses and Mana Whenua, especially job creation and training opportunities for school leavers and youth in tourism roles. Many regional tourism planning and policy strategies identify that investment targeted towards tourism priorities offer a substantial opportunity to fundamentally alter the economic profile of the region.

Promotion will facilitate opportunities for new visitor experiences and cultural knowledge exchange. It will therefore provide the economic platform for Iwi and local communities to develop their cultural and business capacity to provide quality visitor and tourist experiences.

Whilst engaging with the community for the last three years this has repeatedly come up across the district as a gap. This could be an opportunity to fill some of these gaps for our communities.

By not investing some time into this sector we will continue to have a low level of business investment within our communities. A higher rate of business investment that supports tourist industries, will likely result in positive job opportunities (increased employment) which in turn will increase community connection and help revitalise our communities. With increased employment opportunities Kaipara can look towards growing as it attracts new people to the district as well as providing for existing residents.

### 3.3 Should Council investigate the Digital Community Hub for Dargaville?

Yes	No	Neutral
21	10	2

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
Have the I site by the boating club	Council investigations will continue to consider locations for a proposed Digital Community Hub, based on a range of balanced environmental, physical, social and cultural criteria.
In other towns as well	Council's investigations will consider methods to ensure a proposed Digital Community Hub in Dargaville can benefit the wider district.
Is there a demonstrable need for this	Council's investigations have considered the need for a potential Digital Community Hub. This included considering the need for spaces to encourage community cohesion, business development and digital inclusion and education.
Provide infrastructure for digital access first	Council supports the roll-out of digital infrastructure and access projects by central government.
Business case	Council's investigations into a proposed Digital Community Hub will require a business case to gain funding.
Town Hall could be community hub	Council's investigations will continue to consider locations for a proposed Digital Community Hub, based on a range of balanced environmental, physical, social and cultural criteria.

Feedback Point	Officer's recommendations and/or responses
Not paid for by ratepayers	Council's investigations into a Digital Community Hub are premised on a range of funding options. Council is seeking funding from central government through the Provincial Growth Fund in the first instance.
Not core business of Council	Once all feedback is received Council will weigh-up how to proceed with this project.

**Option 1:** Council to continue to investigate the Digital Community Hub for Dargaville.

**Option 2:** Council does not continue to investigate the Digital Community Hub for Dargaville.

**Staff Recommendation:** Option 1.

Continuing investigations will mean two project proposal applications being prepared for the Provincial Growth Fund will be completed and submitted. This will potentially mean Council could secure project funds of up to \$10 million to further these community-supported initiatives. Council dedicates key resources to designing economic development programmes or projects and finds ways to leverage partnerships both in the private and public sectors to support sustainable development.

By not continuing investigations will mean two project proposal applications being prepared for the Provincial Growth Fund will not be completed or submitted. This will potentially mean Council will lose an opportunity to secure project funds of up to \$10 million.

### 3.4 Should Council investigate advancing implementation of the Placemaking programme in Dargaville?

Yes	No	Neutral
13	9	2

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
We need modern and attractive	The Dargaville Placemaking programme has identified a number of projects. These projects have been identified by the community.
What about other communities	Council has been to all the communities and created community action plans. If you have specific community projects that you would like Council to support we would be happy to hear your ideas.

Feedback Point	Officer's recommendations and/or responses
Infrastructure needs to be sorted first	Council maintains infrastructure with the aim of responding to growth demand areas as and when required.
Dish out to community groups and they apply for funding	Council is investigating all options for funding for these projects including delivery by community groups.
Not core business of Council	Once all feedback is received Council will weigh-up how to proceed with this project.
Is there a need for this	Council has done a significant amount of community engagement for this plan. This plan is a list of projects identified by the community.

**Option 1:** Continue to implement the Dargaville Placemaking programme.

**Option 2:** Council does not continue implementing the Dargaville Placemaking programme.

**Staff Recommendation:** Option 1.

The Dargaville Placemaking programme has identified a number of projects. These projects have been identified by the community. Council has done significant amount of community engagement for this plan. The plan is the voice of the community. If we do not action some of these projects the community may feel like it is a waste of time engaging with Council.

### 3.5 Do you support the establishment of a growth focused Council Controlled Organisation (CCO)?

Yes	No	Neutral
8	14	2

Additional comments made by those who indicated that they did or did not support the options chosen included:

Feedback Point	Officer's recommendations and/or responses
Develop relationships with other councils to be a part of Northland's leverage	Council agrees that it is important to develop strong relationships with other Council's to leverage Northland and will continue to develop these relationships.
Fix the basics before you worry about growth	Council maintains infrastructure with the aim of responding to growth demand areas as and when required.
Northland Inc.	Council has a relationship with Northland Inc. and has worked on many projects with them. Council will continue this relationship and also facilitate meetings with the tourism sector where appropriate.
Business case needed	Council agrees a business case would be required to be undertaken if the community supported this initiative.
Relationships with other agencies i.e. NZTA, MBIE	Council agrees that it is important to develop strong relationships with other agencies to leverage Northland and will continue to develop these relationships.
Not core business	Once all feedback is received Council will weigh-up how to proceed with this project.
Not at a cost to ratepayers	Once all feedback is received Council will weigh-up how to proceed with this project.

Feedback from submitters indicates that council needs to have a robust case for the establishment of a CCO. This requires additional work to investigate possible feasibility with more detail and address questions raised in the consultation. As such option 1 is still supported by council staff.

**Option 1:** Council does not complete further work to investigate the establishment of a CCO.

**Option 2:** Council supports undertaking investigative work on the establishment of a CCO.

**Staff Recommendation:** Option 2.



## 5 Need for Change

Council has a role to play to support communities and businesses to increase digital connection and online participation. Creating a hub to share services and improve community and business access to the internet will help Council to support their communities being digitally savvy.

The low adoption of digital and internet services in communities and businesses is detrimental and commonly results in:

- Low levels of local business competitiveness;
- Difficulty in attracting and sustaining new business investments;
- Knowledge gaps and understanding citizen's needs – the 'Digital Divide'; and
- Negative social, economic, educational, cultural and health flow-on effects.

Putting Dargaville and other key areas of the Kaipara region on the map may bring in more money to the economy via tourism, increasing liveability and making it attractive to new businesses. It will also build a stronger community sense of identity, belonging and pride.

A sustainable development platform in the Kaipara requires Council to assess growth impacts both adverse and negative. This will allow Council to implement and set strategic policies as well as advance good planning that will optimise a range of economic opportunities. This requires the dedication of people and resources, a dedicated organisation and focus to pursue sustainable economic development opportunities with both the private and public sectors.

## 6 Financial Implications

Council staff time is currently being allocated to progress economic development projects, Provincial Growth Fund, EOIs and applications. Staff time is also being allocated to facilitating partnership linkages across Northland and ensuring Mana Whenua support for project proposals.

## 7 Other Policy Implications

**He Tangata, He Whenua, He Oranga, the Maori Economic Development Strategy for Northland, February 2015** identifies that investment targeted towards tourism priorities identified for the Tai Tokerau Maori economy offer a substantial opportunity to fundamentally alter the economic profile of the region.

**Northland's Twin Coast Discovery Touring Route: Sub-regional Positioning Options Report, August 2015** identifies the importance of revitalising the touring route options encouraging visitors to explore more of Northland. It informs future product development and marketing of the region in order to increase the economic contribution of tourism by \$20 million per annum from 2020 onwards.

**Tai Tokerau Northland Economic Action Plan, 2016** identifies opportunities for tourism projects that will have significant positive impact on Northland's economic growth and social well-being. It has also considered a number of new/developing projects that will provide the foundations for growth.

**Kaipara Environmental Scan 2016** gives an overview of the region and the region's social, economic and environmental challenges.

**New Zealand Maori Tourism** identifies that for the Māori tourism sector to contribute to Northland's economy and provide compelling visitor experiences, there is a need to build a strong commercial and cultural leadership that generates value in the Māori and wider tourism sector.

**The Tourism Sustainability Commitment** identifies that by acting responsibly now will equip the tourism industry to be successful in the long term. It establishes eight industry-level sustainability goals and 14 commitments that individual businesses can achieve to help the industry reach the goals.

**Maori Economy Investor Guide, June 2017** identifies the Māori economy contributed \$12 billion to New Zealand's GDP in 2015.

**Northland Tourism Tactical Marketing Plan, 2016 - 2017** identifies the need to:

- increase Northland presence and profile in developing offshore visitor source markets; and
- gain better domestic market performance for the main sub-regional destinations within Northland.

## **8 Conclusion Drawn**

Continuing investigation and promotion of tourism is supported by regional policy and planning instruments and is supported by community aspirations.

## **9 Further Information**

The annual current budget for Community Development across the District is \$120,000. This is to assist local communities across the District with community projects that have been identified through community engagement. This has been budgeted in the long term plan to continue for the next ten years. This year there was an additional fund of \$150,000 for Dargaville Placemaking Projects. In the LTP \$180,000 has been put in for the next ten years for Dargaville Placemaking which includes the \$70,000 one off grant for Sportsville.

## Issues and Options: Rates penalties and incentives

### 1 **Recommended**

*That the Kaipara District Council*

1. *Notes the public feedback and that no changes be made to the draft 2018/28 Long Term Plan*

### 2 **Rate penalties and incentives**

**A Bright Future (Long Term Plan Consultation Document) said:**

Maintain the rates penalty regime and to continue Council policy of no financial incentive for payment on each instalment due date.

### 3 **Our options**

**Status Quo** - Maintain the rates penalty regime and to continue Council policy of no financial incentive for payment on each instalment due date.

**Options we considered, rejected and why**

Eliminate penalties and introduce 10% discount for paying instalments by due date. Rejected on grounds of cost and marginal if any benefit to Council.

### 4 **What the Feedback Indicated**

One submission for a discount of 10% to rates and encourage people to pay via direct debit and weekly/monthly payments.

## 5 Need for Change

This is not an issue on which specific feedback was sought. The current regime for rates penalties and incentives combined with the remissions policy is considered as operating well and largely consistent with policies operated by other councils. Adopting the proposal is unlikely to significantly change payment patterns and would cost Council \$3.5 million per year requiring an estimated 10% minimum increase in rates to introduce.

## 6 Options and Assessments

### 5.1 Option 1 - Status Quo –Penalties retained and no financial incentive for on time payment

**Advantages:** KDC has a well-established and understood policy consistent with other Councils.

Rate penalties generate income of about \$600,000 each year contributing to the cost of arrears (interest and administrative costs).

**Disadvantage.** The current policy does not include any incentive for payment on time.

### 5.2 Option 2 - Delete penalties and introduce discount

**Advantages:** Perception; Council is seen as providing an incentive rather than purely a penalty on those who pay late. Some commentators suggest without providing hard evidence that in the private sector incentives can improve cash flow.

**Disadvantages:** The purpose of any incentive programme must be to change behaviour to the benefit of the party paying for the benefit. The focus we place on rate arrears hides the fact that 85% of rates are paid on time. If a discount were to be introduced this very large sector would participate without any benefit to Council.

Assuming a 10% payment discount and similar payment patterns to those in 2017/2018 the cost of a discount would be in the order of \$2.9m for 2018/2019. To this can be added a further \$0.6 for loss of penalty income. These would necessitate a rate increase of 10% to recover the cost.

Because of the loss of penalty income there would be a net cost to those who currently and continue to pay on time.

## 7 Financial Implications

There are significant financial implications as outlined above should the submission be accepted.

**8 Fit with the Long Term Plan**

Does not fit with the financial policies and strategies on which the LTP is based.

**9 Other Policy Implications**

May have an impact on other rate policies (remissions), policies for other fees and charges, and development and financial contributions.

**10 Conclusion Drawn**

Retain the current penalty regime and not introduce an on timer payment discount.

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## **Issues and Options: Source Documents - changes**

### **1 Recommended**

*That the Kaipara District Council:*

1. *Approves a change to the Early Payment of Rates Policy which includes amending the date to 2017/18 in; and*
2. *Approves a change to the Funding Impact Statement – Rating Tools policy which includes the Riverside Holiday Park in the wastewater scheme section; and*
3. *Approves a change to the Financial Strategy which includes a section authorising the sale of assets.*

### **Introduction**

Source documents make up the Long Term Plan 2018/2028 (LTP), these include policies, activity profiles, asset management plans and financial documents. These source documents supported the *Consultation Document - A Bright Future* and were also consulted on during the consultation period. Minimal feedback was given on these source documents however this paper outlines the feedback we did receive and recommends other changes to these documents from Council officers.

### **2 Rating Policies**

**A Bright Future (Long Term Plan Consultation Document) said:**

Give us your feedback on the various Rating policies.

#### **2.1 Our options:**

Consult on the following Rating policies:

- Maori Freehold Land Rates Policy;

- Early Payment of Rates policies; and
- Rates Postponement and Remission Policy

## **2.2 What the Feedback Indicated**

There was no public feedback on this policy. There is one recommended change from Council officers which is to update the date in the Early Payment of Rates policies from 2015/2016 to 2017/2018.

## **2.3 Conclusion Drawn**

The following rating policies were consulted on:

- Maori Freehold Land Rates Policy;
- Early Payment of Rates Policies and update dates in the document from 2015/2016 to 2017/2018; and
- Rates Postponement and Remission Policy.

## **3. Funding Impact Statement**

**A Bright Future (Long Term Plan Consultation Document) said:**

Give us your feedback on the Funding Impact Statement – Rating Tools.

### **3.1 Our options**

Approves the Funding Impact Statement – Rating Tools.

### **3.2 What the feedback indicated:**

There was no public feedback on this document. The recommend change is from Council officers which is to update to the section on Mangawhai Community Wastewater Scheme to include the Riverside Holiday Park (Page 4 of the Appendices).

### **3.3 Need for Change**

The Riverside Holiday Park was previously not part of the scheme but is now included and as such this should be reflected in the policy.

### **3.4 Conclusion Drawn**

Adopt the Funding Impact Statement – Rating Tools with the inclusion of the Riverside Holiday Park in the Mangawhai Community Wastewater Scheme section.

### **4.0 Financial Strategy**

**A Bright Future (Long Term Plan Consultation Document) said:**

Give us your feedback on the Financial Strategy.

#### **4.1 Our options:**

Adopt the proposed Financial Strategy.

#### **4.2 What the feedback indicated**

There was no public feedback on this document. There is a recommend change from Council officers which is to update page 21 to include a section on authority to sell assets. Specifically 'Property failing to meet this assessment may be sold' and 'any other assets deemed surplus to requirements may also be sold'.

#### **4.3 Need for change**

These new phrases should be added to clarify Council has the power to sell assets. Any proposal to sell assets must comply with all Council policies and delegations at the time of the sale process.

#### **4.4 Conclusion Drawn**

Adopt the financial strategy with an update to the authority to sell section (page 21- Financial Strategy).



## Issues and Options: Community (Pensioner) Housing - Fagan Place Mangawhai

### 1 Recommended

*That the Kaipara District Council:*

- 1 *Notes the public feedback received on the 2018/28 Long Term Plan; and*
- 2 *Approves the continued investigation of alternative options for the land it owns at Fagan Place in Mangawhai, including the possibility of working with external partners; and*
- 3 *Requests the Chief Executive reports the results of the investigation to Council.*

#### Reason for the recommendation

The condition of the Mangawhai units means they are close to the end of their lifecycle. The ability to keep these units at an affordable rental, that will allow them to be self-funding with no general ratepayer support, will compromise the level of refurbishment that is possible and therefore the quality of the accommodation. The utilisation of the site at Mangawhai does not maximise either the full potential of the land use or the available housing units.

### 2 Introduction

#### A Bright Future (Long Term Plan Consultation Document) said:

The condition of the Mangawhai units means they are close to the end of their lifecycle. The ability to keep these units at an affordable rental, that will allow them to be self-funding with no general ratepayer support, will compromise the level of refurbishment that is possible and therefore the quality of the accommodation. The utilisation of the site at Mangawhai does not maximise either the full potential of the land use or the available housing units. This is an issue which Council is at the very early stages of considering and, therefore we have not proposed any specific options, other than Fagan Place in this plan.

As part of the work considering Pensioner Housing, Council is looking to investigate alternative options for the land it owns at Fagan Place in Mangawhai, including working with external partners.

The well-being of existing residents and those affected by any change will be actively supported. Council is seeking your guidance on the most effective role it can play in community (pensioner) housing and what, in practice, this would look like.

**Our options:**

We asked the following questions:

1. What role do you think Council should play in pensioner housing?
2. Do you think Council needs to improve the financial stability of pensioner housing by reviewing the nature of its ownership?
3. Do you support Council looking at alternative land uses for Fagan Place, Mangawhai? Along with exploring other options for funding?

**3 What the Feedback Indicated**

**2.1 What role do you think Council should play in pensioner housing?**

Some	None	Limited or mixed
8	21	20

**2.2 Do you think Council needs to improve the financial stability of pensioner housing by reviewing the nature of its ownership?**

Yes	No	Mixed
25	3	2

**2.3 Do you support Council looking at alternative land uses for Fagan Place, Mangawhai? Along with exploring other options for funding**

Yes	No	Mixed
17	5	3

Additional comments made by those who indicated that they did not support the option chosen included:

Feedback Point	Officer's recommendations and/or responses
No - Council is already failing on its reserve contribution	The feedback appears to relate to an unrelated area of consultation.

Feedback Point	Officer's recommendations and/or responses
<p>Not if it means the pensioner housing is moved out of the centre.</p> <p>The value of being close to shops and amenities and in the centre of things is very important especially for pensioners with constrained means.</p>	<p>The recommended option doesn't necessarily mean that the Pensioner housing gets moved altogether from Fagan place, it could continue in a different configuration with a different provider.</p>

#### 4 Need for Change

The feedback received showed that the majority of submitters:

- a. Thought Council should not be involved or have limited involvement in the provision of Pensioner Housing at Fagan Place, Mangawhai.
- b. Supported Council improving the financial stability of pensioner housing by reviewing the nature of its ownership
- c. Supported Council looking at alternative land uses for Fagan Place, Mangawhai along with exploring other options for funding

Therefore the recommendation is to proceed with the investigation of options along with exploring other options for funding

#### 5 Options: Options and Assessments

While considering the below options around the operation and maintenance of Pensioner Housing, Council may also investigate how alternative land users, and configurations of available space may be better utilised, along with external partners.

**Option 1 - Status Quo** – Continue Provision of Community (Pensioner) Housing at Fagan Place, Mangawhai by Council.

**Disadvantages:** The current condition of the units does not provide an optimum standard of accommodation for the elderly. There are many building elements which have recently or are about to reach the end of their lifecycle. When the Pensioner Housing Units (PHUs) were built the layout was designed with a large amount of vacant land around each duplex which by today's standards represents a large under-utilisation of the property. Over time the land adjacent to the 2.2752 hectare site has been developed as the town centre and 10 – 12 Fagan Place would be considered more suited to a mixed use development. The units are currently returning a rental which represents a discount on market rates. As the units need to be self-funding with no ratepayer contribution there is a limit on the amount of maintenance that can be carried out based on the available income. This model results in the general condition of the units deteriorating further over time.

**Option 2** - In the short term Council may wish to consider increasing the rent to 80% of market rates.

**Advantages:** Would provide an additional income towards maintenance.

**Option 3** - In the medium to long term Council may wish to consider transferring the units to a Community Housing Provider (CHP) or partnering with one to provide pensioner housing at Fagan Place or another location

**Advantage:** It will allow the CHP to access Income Related Rental Subsidies and therefore a market rent which will allow a higher income to cover maintenance costs.

**Option 4** - Council may decide to cease the provision of housing at this location and look to utilise the land for another purpose.

**Disadvantage:** There would be a need to re-house tenants into other housing provided at the similar rates and of the same quality. Alternatively Council could wait until tenancies end and exit from housing once the units become vacant. However this gradual wind down could potentially take years before all units are vacated.

## **6 Other Feedback Provided**

Detailed in section 2

## **7 Financial Implications**

No impact on the LTP budgets as investigations will be funded out of existing budget provisions.

## **8 Fit with the Long Term Plan**

The recommendation is consistent with draft LTP.

## **9 Other Policy Implications**

There are no other policy implications.

## 10 Conclusion Drawn

Based on the feedback received on the consultation documentation there is significant support from the community to review the nature and method of Community (Pensioner) housing provision at Fagan Place and to look at alternatives.

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