



AGENDA

Ordinary meeting of the

Nelson City Council

Tuesday 20 March 2018
Commencing at 9.00am
Council Chamber
Civic House
110 Trafalgar Street, Nelson

Membership: Her Worship the Mayor Rachel Reese (Chairperson), Councillors Luke Acland, Ian Barker, Mel Courtney, Bill Dahlberg, Kate Fulton, Matt Lawrey, Paul Matheson, Brian McGurk, Gaile Noonan, Mike Rutledge, Tim Skinner and Stuart Walker



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Opening Prayer

1. Apologies

Councillor Matheson from 1.30pm

2. Confirmation of Order of Business

3. Interests

- 3.1 Updates to the Interests Register
- 3.2 Identify any conflicts of interest in the agenda

4. Public Forum

4.1 Paul McIntyre, Fundraising and Marketing Manager, and Frans Dellebeke, Chief Executive, of Nelson Tasman Hospice

Paul McIntyre and Frans Dellebeke, of Nelson Tasman Hospice, will speak about the waiver/reduction of development fees for the new Hospice facility being built in Suffolk Road.

4.2 Mark Lile, Landmark Lile Ltd

Mark Lile will be speaking about the Special Housing Area applications on the agenda.

5. Confirmation of Minutes

5.1 22 February 2018

16 - 22

Document number M3286

Recommendation

That the Council

<u>Confirms</u> the minutes of the meeting of the Council, held on 22 February 2018, as a true and correct record.

5.2 8 March 2018 **23 - 26**

Document number M3330

Recommendation

That the Council

<u>Confirms</u> the minutes of the meeting of the Council, held on 8 March 2018, as a true and correct record.

6. Status Report - Council - 20 March 2018

27 - 37

Document number R9110

Recommendation

That the Council

<u>Receives</u> the report Status Report - Council - 20 March 2018 (R9110) and its attachment (A1168168).

7. Mayor's Report

38 - 43

Document number R9097

Recommendation

That the Council

<u>Receives</u> the report Mayor's Report (R9097) and its attachment (A1922838); and

<u>Receives</u> the Remuneration Authority Amendment Determination 2018; and

<u>Updates</u> the Nelson City Council Delegations Register to reflect that all powers of the Planning and Regulatory Committee relating to Development contributions associated with the Nelson Tasman Hospice; the review of the development and Financial Contributions Policy 2015 and the Dog Control Policy and Bylaw are referred to Council.

RECOMMENDATIONS FROM COMMITTEES

8. Audit, Risk and Finance Subcommittee - 13 February 2018

8.1 Theatre Royal Loan

Recommendation to Council

That the Council

<u>Agrees</u> to take on the Nelson Historic Theatre Trust's loan of \$632,256 from the Nelson Building Society; and

<u>Confirms</u> that it expects the Nelson Historic Theatre Trust to repay the full loan amount (total \$2,132,256); and

<u>Agrees</u> to increase the mortgage over the building to \$2,132,256; and

<u>Sets</u> the loan repayment terms for the Nelson Historic Theatre Trust at \$60,000 per year, payable quarterly (commencing in September 2018), with payment terms subject to review every five years.

9. Planning and Regulatory Committee - 22 February 2018

9.1 Nelson Tasman Hospice - Authority to Consider Development Contributions

This Report is Item 12 on this Agenda

Recommendation to Council

That the Council

<u>Considers</u> the matter of the Nelson Tasman Hospice Development Contributions.

9.2 Authority to Review the Development and Financial Contributions Policy 2015

This Report is Item 16 on this Agenda

Recommendation to Council

That the Council

<u>Undertakes</u> the review of the Development and Financial Contributions Policy 2015.

9.3 Resource Management and Special Housing Areas charges

Recommendation to Council

That the Council:

<u>Approves</u> the charges as under the Resource Management Act 1991 and Housing Accord and Special Housing Areas Act 2013 (A1822386) to commence from 21 March 2018.

9.4 Dog Control Policy and Bylaw Review

Recommendation to Council

That the Council:

<u>Undertakes</u> the review of the Dog Control Policy and Bylaw.

10. Community Services Committee - 1 March 2018

10.1 Greenmeadows Centre - referral of delegation

This Report is Item 15 on this Agenda

Recommendation to Council

That the Council

<u>Considers</u> matters relating to the Greenmeadows Centre project.

11. **Governance Committee - 8 March 2018**

Policy Review: Appointment of Directors/Trustees of CCOs and CCTOs 11.1

Recommendation to Council

That the Council

Adopts the reviewed and amended Nelson City Policy for the **Appointment** Council Directors/Trustees of Council Controlled Organisations and Council Controlled Trading Organisations (A284857).

REPORTS

12. Nelson Tasman Hospice - Development Contributions 45 - 49

Document number R8896

Recommendation

That the Council:

Receives the report Nelson Tasman Hospice -Development Contributions (R8896); and

Declines the request from the Nelson Tasman Hospice for waiving or reducing of development contributions for the new hospice; and

<u>Suggests</u> that the Nelson Tasman Hospice make a submission to both the Nelson City Council and Tasman District Council for funding for the project durina their respective Long Term Plan consultations.

13. Special Housing Areas Requests January 2018 50 - 73

Document number R9066

Recommendation

That the Council:

Receives the report Special Housing Areas Requests January 2018 (R9066) and its attachments; and

Approves 3D Hill Street North (A1923031), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, that the developer, at its sole cost, shall:

- (i) design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA; and;
- (ii) submit the approval of the urban design panel with any application for resource consent; and
- (iii) satisfy the Group Manager Infrastructure that a wastewater system will be available to Hill Street North to service the SHA. The works and their timing shall be identified in the Deed and/or a Private Developers Agreement prior to the SHA being recommended to the Associate Minister.

Approves 2 City Heights (A1922971), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, approval by the Urban Design Panel, and that the developer, at its sole cost, shall design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA; and

Approves 31 Tipahi Street (A1923200), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, approval by the Urban Design Panel, and that the developer, at its sole cost, shall design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA; and

<u>Approves</u> 397 Suffolk Road (A1923185), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, approval by the Urban Design Panel, and that the developer, at its sole cost, shall design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA.

<u>Approves</u> that Her Worship the Mayor recommend those potential areas 3D Hill Street North, 2 City Heights, 31 Tipahi Street, and 397 Suffolk Road to

the Associate Minister of Housing and Urban Development for consideration as Special Housing Areas under the Housing Accord and Special Housing Areas Act 2013 as amended by the Housing Legislation Amendment Act 2016.

14. Adoption of the Consultation Document for the Long Term
Plan 2018 - 28 and Related Documents 74 - 80

Document number R9061

Recommendation

That the Council

<u>Receives</u> the report Adoption of the Consultation Document for the Long Term Plan 2018 - 28 and Related Documents (R9061) and its attachments:

- Community Outcomes (A1901398);
- Council Activity Summaries (A1889191 and A1895587);
- Forecasting Assumptions (A1725210);
- Financial Strategy (A1816122);
- Infrastructure Strategy (A1816478);
- Statement on Fostering Māori Participation in Council Decision Making (A1703725);
- Revenue and Financing Policy (A1849376);
- Funding Impact Statement (A1911642);
- Rates Remission Policy (A1912191);
- Financial Statements (Accounting Information) (A1928909);
- Liability Management Policy (A1765543);
- Investment Policy (A1261457);
- Council Controlled Organisations (A1784915);
- Consultation Document (A1927914) be received and

<u>Approves</u> the draft Long Term Plan 2018-28 Consultation Document and related documents for public consultation and

Adopts the Community Outcomes (A1901398), Council Activity Summaries (A1889191 and A1895587), Forecasting **Assumptions** (A1725210), Financial Strategy (A1816122), Infrastructure Strategy (A1816478), Statement on fostering Māori participation in Council decision making (A1703725), Revenue and Financing Policy (A1849367); the Funding Impact Statement (rates) (A1911642); the Rates Remission Policy (A1912191); the Financial Statements (Accounting Information) (A1928909); the Liability Management Policy (A1765543); the Investment Policy (A1261457) Council Controlled Organisations (A1784915) as supporting information for the Consultation Document as required by section 93 G of the Local Government Act 2002 and

Adopts the Revenue and Financing Policy (A1849376) and Rates Remission Policy (A1912191) for concurrent consultation with the Consultation Document under the provisions of section 82 of Local Government Act 2002, having considered all the reasonably practicable options and

Approves an extension to 23 April of the consultation period for the Statement of Proposal relating to the proposed contribution to the Waimea Dam project, in order to receive public feedback on the OPUS report, Drought Security – Maitai Dam and its supporting documents (A1928877) and

<u>Adopts</u> the Request for Further Submissions on the Proposed Contribution to the Waimea Dam Project and

<u>Adopts</u> the Long Term Plan 2018-28 Consultation Document (A1927914) for a public submission process to run from 23 March to 23 April 2018 and

<u>Delegates</u> the Mayor and Chief Executive to make any necessary minor editorial amendments prior to the documents being released for public consultation.

15. Greenmeadows Centre Budget and Programme Update

This report was not available when the agenda went to print and will be distributed separately.

16. Review of the Development and Financial Contributions Policy 2015 81 - 154

Document number R8921

Recommendation

That the Council:

<u>Receives</u> the report Review of the Development and Financial Contributions Policy 2015 (R8921) and its attachments (A1918429 and A1928523); and

<u>Approves</u> the adoption of the draft Development Contributions Policy 2018 and consultation document for concurrent consultation with the Long Term Plan 2018-2028.

17. Further Delegations to the Hearings Panel - Other 155 - 164

Document number R8866

Recommendation

That the Council

<u>Receives</u> the report Further Delegations to the Hearings Panel - Other (R8866) and its attachment (A1912628); and

<u>Delegates</u> the decision making on changes to the schedules to the Parking and Vehicle Control Bylaw that do not require public consultation to the Hearings Panel - Other; and

<u>Delegates</u> the hearing of submissions and recommendation on proposed changes to the schedules to the Parking and Vehicle Control Bylaw requiring public consultation to the Hearings Panel - Other; and

<u>Delegates</u> the administering body functions under section 48 of the Reserves Act 1977 on proposed rights of way and other easements on reserves vested in Council to the Hearings Panel – Other.

Document number R8960

Recommendation

That the Council

<u>Receives</u> the report Nelson Mountain Biking Economic study (R8960) and its attachment (A1905058).

19. Notice of Motion - Impact of Blockages to the Wastewater
Network 202 - 204

Document number R9086

Recommendation from Councillor Lawrey

That the Council

<u>Receives</u> the report Notice of Motion – Impact of Blockages to the Wastewater Network (R9086) and its attachment/s (A1920088); and

<u>Writes</u> to the manufacturers and distributors of antibacterial wipes sold in New Zealand requesting that they change their products' packaging so that it clearly states that the wipes should not be flushed down toilets; and

<u>Writes</u> to other councils to encourage them to write to the manufacturers and distributors of antibacterial wipes with the same request; and

<u>Writes</u> to supermarket operators Progressive Enterprises and Foodstuffs to request that they develop in-store signage alerting customers to the dangers of disposing of antibacterial wipes down the toilet.

PUBLIC EXCLUDED BUSINESS

20. Exclusion of the Public

Recommendation

That the Council

<u>Excludes</u> the public from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1.1	Council Meeting – Public Excluded Minutes - 22 February 2018	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person
1.2	Council Meeting – Public Excluded Minutes - 8 March 2018	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
2	Status Report – Council – Public	Section 48(1)(a)	The withholding of the information is necessary: • Section 7(2)(a)

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Excluded - 20 March 2018	The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	To protect the privacy of natural persons, including that of a deceased person • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
3.	Recommendations from Committees Commercial Subcommitee 13 February 2018	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person
4.	Recommendations from Committees Chief Executive Employment Commitee 27 February 2018	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person
5.	Recommendations from Committees Governance Commitee 8 March 2018	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person
6.	Greenmeadows Centre Budget and	Section 48(1)(a)	The withholding of the information is necessary:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Programme Update	The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	 Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
7.	Update – Statement of Understanding and city amenity matters	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person • Section 7(2)(g) To maintain legal professional privilege • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
8.	Haven Road property – further information	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
9.	Request for Proposals – Major Sporting Event	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of	The withholding of the information is necessary: • Section 7(2)(i) To enable the local authority to carry on, without prejudice or

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
		information for which good reason exists under section 7	disadvantage, negotiations (including commercial and industrial negotiations)
10.	Request for Leave of Absence	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person

21. Re-admittance of the public

Recommendation

That the Council

Re-admits the public to the meeting.

Note:

- This meeting is expected to continue beyond lunchtime.
- Lunch will be provided.
- Youth Councillors Reuben Panting and Max Schneider will be in attendance at this meeting.
- Members of Youth Council will be in attendance to meet Council during the morning tea break



Minutes of a meeting of the Nelson City Council

Held in the Council Chamber, Civic House, 110 Trafalgar Street, Nelson

On Thursday 22 February 2018, commencing at 9.07am - to approve LTP Consultation Document to go to Audit

Present: Her Worship the Mayor R Reese (Chairperson), Councillors L

Acland, I Barker, M Courtney, B Dahlberg, K Fulton (via audio

link), M Lawrey, P Matheson, B McGurk, G Noonan, M

Rutledge, T Skinner and S Walker

In Attendance: Chief Executive (P Dougherty), Group Manager Infrastructure

(A Louverdis), Group Manager Strategy and Environment (C Barton), Group Manager Community Services (C Ward), Group Manager Corporate Services (N Harrison), Senior Strategic Adviser (N McDonald), Manager Communications (P Shattock), Team Leader Governance (R Byrne) and Governance Adviser

(E Stephenson)

Apologies: Nil

Opening Prayer

Councillor Noonan gave the opening prayer.

1. Apologies

There were no apologies. Her Worship the Mayor advised that Councillor Fulton would be taking part in the meeting via audio link.

Attendance: Councillor Fulton joined the meeting via audio link at 9.10a.m.

2. Confirmation of Order of Business

Her Worship the Mayor advised of one late item for the public excluded part of the meeting, and that the following resolution needed to be passed for the item to be considered:

2.1 Request for Refund of Financial Contributions for Stormwater

Resolved CL/2018/001

That the Council

Considers the public excluded item regarding Request for Refund of Financial Contributions for Stormwater at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, because it came to hand after the agenda was distributed and a resolution on the matter is required before the next scheduled meeting.

Noonan/Courtney

Carried

3. Interests

Councillor Rutledge declared an interest in Natureland Wildlife Trust in relation to Item 6 – Audit of Long Term Plan 2018-28 Consultation Document.

Councillor Barker declared a potential interest if discussion took place on Tahuna Holiday Park in relation to Item 6 – Audit of Long Term Plan 2018-28 Consultation Document.

4. Public Forum

- 4.1 Kim Hall spoke to a petition regarding the installation of a pedestrian refuge on Main Road Stoke. Her points included:
 - the petition represented the concerns of the wider community
 - car parking was at a premium, the main road was essential to visit stores, with easy access from the main road
 - the car park was built 20 years ago, there was a growing population
 - the refuge was to be situated 52 metres from the closest traffic lights
 - the existing crossing was the safest place to cross, this was a busy road in daytime hours
 - the refuge would hinder emergency services in heavy traffic at the lights
 - there was a danger of accidents with vehicles stopping for people on the refuge
 - the Stoke business hub needed more carparks.

Her Worship the Mayor noted that construction of the refuge was underway, that a safety audit would be undertaken, and requested that the Chief Executive arrange for staff to communicate with Ms Hall regarding the rationale for the placement of the refuge.

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5. Confirmation of Minutes

5.1 14 December 2017

Document number M3204, agenda pages 5 - 33 refer.

Resolved CL/2018/002

That the Council

<u>Confirms</u> the minutes of the meeting of the Council, held on 14 December 2017, as a true and correct record.

Walker/McGurk Carried

6. Audit of Long Term Plan 2018-28 Consultation Document

Document number R8961, agenda pages 34 - 292 refer.

Further supporting documents were tabled.

Group Manager Corporate Services, Nikki Harrison, and Senior Strategic Adviser, Nicky McDonald, spoke to the report and answered questions relating to:

- Uniform Annual General Charge
- Priorities
- New Funding
- Forestry land
- Marae Maintenance Funding
- Commercial Differential
- CBD Enhancement.

Group Manager Community Services, Chris Ward, answered questions regarding Natureland. Group Manager Infrastructure Services answered questions regarding CBD Enhancement.

Attendance: Councillor Noonan left the meeting at 10.06a.m. and returned at 10.19a.m.

Attendance: Councillor Fulton left the meeting at 10.13a.m. and returned at 10.23a.m.

Attendance: Councillor Lawrey left the meeting at 10.14a.m. and returned at 10.16a.m.

Attendance: Councillor Rutledge left the meeting at 10.25a.m. when discussion on Natureland took place, as he had declared an interest.

Attendance: The meeting was adjourned at 10.33a.m. and reconvened at 10.53a.m. Councillor Rutledge was not present.

Attendance: Councillor Rutledge returned to the meeting at 11.00a.m.

Senior Strategic Adviser, Nicky McDonald, and Senior Asset Engineer Phil Ruffell, advised the meeting that new information had been received regarding drought security and water supply that was relevant to the decision to make a contribution to the Waimea Dam. They recommended that the community be provided with the information and have the opportunity to make comment. The new information would be provided to the public in the suite of supporting documents to the Long Term Plan (LTP) Consultation Document.

Questions were answered on the process going forward and the meeting was advised that the Special Consultative Process that had begun would continue in parallel with the LTP consultation, and that the Long Term Plan hearings would have a section set aside for Waimea Dam submissions. It was agreed that the process would be further discussed at the 27 February 2018 Council workshop, where staff would present the full package of information and there would be an opportunity for a question and answer session.

Attendance: Councillor Matheson left the meeting at 11.03a.m. and returned at 11.06a.m.

Senior Asset Engineer Phil Ruffell provided background information and answered questions on the Opus report, model and the City's water requirements.

Attendance: Councillor Matheson left the meeting at 11.36a.m. and returned at 11.40.am.

Attendance: Councillor Skinner left the meeting at 11.41a.m. and returned at 11.42a.m.

Attendance: Councillor Noonan left the meeting at 11.42a.m. and returned at 11.44.am.

The motion was put.

Resolved CL/2018/003

That the Council

Receives the report Audit of Long Term Plan 2018-28 Consultation Document (R8961) and its attachments (A1784383, A1911418, A1889191, A1895587, A1816122, A1915276, A1816478, A1911642, A1703725, A1914817, A1896597, A1765543, A1261457, A1784915) and;

<u>Approves</u> the draft Long Term Plan 2018-28 Consultation Document and supporting documents for audit.

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A division was called:

<u>For Against Abstained/Interest</u>

Reese Cr Lawrey

(Chairperson)

Cr Acland

Cr Barker

Cr Courtney

Cr Dahlberg

Cr Fulton

Cr Matheson

Cr McGurk

Cr Noonan

Cr Rutledge

Cr Skinner

Cr Walker

The motion was carried 12 - 1.

Her Worship the Mayor/Barker

Carried

Attachments

- 1 A1920076 Opus Report Drought Security Maitai Dam
- 2 A1918056 Maitai Drought Study memo
- 3 A1920140 Maitai Dam Drought Security Projections
- 4 A1920086 Addendum 1 Medium Growth + Additional Demand
- 5 A1896597 Draft Financial Statements
- 6 A1911642 Draft Funding Impact Statement 2018-28
- 7 A1914810 Draft Activity FIS

Councillor Barker requested that the minutes record a vote of thanks to emergency responders.

Vote of thanks to emergency responders to ex-cyclone Gita emergency events

Resolved CL/2018/004

That the Council

<u>Moves</u> a vote of thanks to the emergency responders at recent ex-cyclone Gita emergency events.

Her Worship the Mayor/Barker

Carried

7. Exclusion of the Public

Resolved CL/2018/005

That the Council

Confirms, in accordance with section 48(5) of the Local Government Official Information and Meetings Act 1987, Mr Matt Conway, Partner, Simpson Grierson Local Government and Environment Group, remain after the public has been excluded, for Item 2 of the Public Excluded agenda Request for Refund of Financial Contributions for Stormwater, as he has knowledge that will assist the Council;

Notes, in accordance with section 48(6) of the Local Government Official Information and Meetings Act 1987, the knowledge that Mr Conway possesses relates to legal advice.

Her Worship the Mayor/Barker

Carried

Resolved CL/2018/006

That the Council

<u>Excludes</u> the public from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Her Worship the Mayor/Barker

<u>Carried</u>

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Council Meeting - Public Excluded Minutes - 14 December 2017	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	The withholding of the information is necessary: • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities

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Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
			Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
2	Request for Refund of Financial Contributions for Stormwater	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person

The meeting went into public excluded session at 11.58a.m. and resumed in public session at 1.38p.m.

8. Re-admittance of the Public

Re-admittance of the Public	
Resolved CL/2018/010	
That the Council	
Re-admits the public to the meeting.	
Noonan/Barker	<u>Carried</u>

There being no further business the meeting ended at 1.38p.m.

Confirmed as a correct record of proceedings:

 Chairperson	 Date



Minutes of a meeting of the Nelson City Council

Held in the Council Chamber, Civic House, 110 Trafalgar Street, Nelson

On Thursday 8 March 2018, commencing at 9.02am

Present: Her Worship the Mayor R Reese (Chairperson), Councillors L

Acland, M Courtney, B Dahlberg, K Fulton (via audio link), M Lawrey, P Matheson, B McGurk, G Noonan, T Skinner and S

Walker

In Attendance: Chief Executive (P Dougherty), Group Manager Infrastructure

(A Louverdis), Group Manager Environmental Management (C Barton), Group Manager Community Services (C Ward), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald) Team Leader Governance (R Byrne) and Governance Adviser (J Brandt)

Apologies: Councillors Barker and Rutledge

Opening Prayer

Councillor Dahlberg gave the opening prayer.

1. Apologies

Resolved CL/2018/011

That the Council

<u>Receives</u> and accepts the apologies from Councillors Barker and Rutledge.

<u>Dahlberg/Courtney</u> <u>Carried</u>

2. Confirmation of Order of Business

Her Worship the Mayor welcomed Youth Councillors Nico Frizzell and Jenna Stallard.

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3. Interests

There were no updates to the Interests Register, and no interests with items on the agenda were declared.

4. Public Forum

There was no public forum.

5. Mayor's Report

Her Worship the Mayor acknowledged International Women's Day and noted that it was 125 years since New Zealand had led the world in passing legislation to allow women to have the vote.

6. Exclusion of the Public

Roger Taylor and Mark Christensen, Trustees of Nelson School of Music and Tony Jemmett, Business Manager of Opus Nelson would be in attendance for Item 1 of the Public Excluded agenda to answer questions and, accordingly, the following resolution was required to be passed:

Resolved CL/2018/012

That the Council

Confirms, in accordance with section 48(5) of the Local Government Official Information and Meetings Act 1987, Nelson School of Music Trustees Roger Taylor and Mark Christensen as well as Tony Jemmett, Business Manager of Opus Nelson remain after the public has been excluded, for Item 1 of the Public Excluded agenda (Nelson School of Music Earthquake Strengthening Funding), as they have knowledge that will assist the Council; and

Notes, in accordance with section 48(6) of the Local Government Official Information and Meetings Act 1987, the knowledge that Roger Taylor, Mark Christensen and Tony Jemmett possess relates to the Nelson School of Music.

Courtney/Walker

Carried

Resolved CL/2018/016

That the Council

<u>Excludes</u> the public from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<u>Courtney/Walker</u> <u>Carried</u>

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Nelson School of Music Earthquake Strengthening Funding	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
2	Nelson Festivals Trust - Council Appointment of Trustees	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person

The meeting went into public excluded session at 9.05am during which time Councillor Lawry attended at 9.58am. The meeting resumed in public session at 1.02p.m.

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7.	Re-admittance of the Public	
	Resolved CL/2018/017	
	That the Council	
	Re-admits the public to the meeting.	
	Matheson/Noonan	<u>Carrie</u>
There b	eing no further business the meeting ended at 1.02p.m.	
Confirm	ned as a correct record of proceedings:	

_____ Chairperson _____ Date



Council

20 March 2018

REPORT R9110

Status Report - Council - 20 March 2018

1. Purpose of Report

1.1 To update Council on actions.

2. Recommendation

That the Council

<u>Receives</u> the report Status Report - Council - 20 March 2018 (R9110) and its attachment (A1168168).

Robyn Byrne

Team Leader Governance

Attachments

Attachment 1: A1168168 Status Report - Council U

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Status	Status Report – Council	uncil – 20 March 2018		
MEETING DATE	SUBJECT	MOTION	RESPONSIBLE OFFICER	COMMENTS
15 October 2015	Adoption of the Brook Recreation Reserve Management Plan	Resolved CL/2015/082 THAT the report Adoption of the Brook Recreation Reserve Management Plan (R4142) and its attachments (A1436078 and A1438749) be received; AND THAT the Brook Recreation Reserve Management Plan, as amended by the Hearing Panel following consideration of submissions, be adopted in principle; AND THAT the vision be amended to 'The Brook Recreation Reserve serves as a centre for environmental education and conservation and as a destination for camping and outdoor recreation, including appropriately-scaled and complementary commercial recreation and tourism development'; AND THAT the Chief Executive be delegated authority to proceed to stop the following two sections of formed legal road as shown on plan (A1438749); AND THAT the Chief Executive be delegated authority to Gazette the entire area covered by the Brook Recreation); and the road reserve which extends into the Sanctuary lease area as Local Purpose Reserve (Recreation); and the road reserve which extends into the Sanctuary lease area as Local Purpose Reserve (Wildlife Sanctuary), noting this will be subject to separate statutory processes under the Reserves Act 1977; AND THAT, once the Gazettal process is complete, a report be brought back to Council to enable the Brook Recreation Reserve Management Plan for the area covered by the Brook Recreation Reserve Management Plan.	Alec Louverdis	Clause one-three. Complete Clause four: A decision has been received from the Environment Court that the road can be stopped provided that the stopped road is included in the Reserve. The Court has agreed a condition to this effect. Officers will now bring a report to Council to include the stopped road into the Reserve including options for improving the specified local purpose. Ongoing Clause five: Council resolved on 23 March 2017 to re-classify existing land as Local Purpose Reserve (recreation) and freehold land to Local Purpose Reserve (recreation) and freehold land to Local Purpose Reserve (recreation) and freehold land to Local Purpose Reserve (recreation) and creeping the specified local purpose. See item above. Ongoing Road reserve extending into Sanctuary lease area has been gazetted Local Purpose Reserve (Wildlife Sanctuary). Complete

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MEETING DATE	SUBJECT	MOTION	RESPONSIBLE OFFICER	COMMENTS
28 July 2016	Haven Precinct Project Progress Report	Approve the visions and goals detailed in report R6077 for the concept design; Approve using a traditional procurement process to appoint a lead consultant, to produce the concept design plans based on the visions and goals advised; Approve the preliminary project timeline included in report R6077; Approve the Haven Precinct Strategic Business Case (A1550230).	Alec Louverdis	The Council has previously approved the proposal to test the open market for developer and investor interest on the Haven. Following a verbal update to the most recent Commercial subcommittee officers are seeking further legal advice with the aim of reporting any implications to the May Commercial subcommittee.
23 March 2017	Nelson City Council Governance Statement 2016-2019	Resolved CL/2017/048 That the Council Receives the report Nelson City Council Governance Statement 2016-2019 (R7137) and its attachment (A1708727); and Adopts the Nelson City Council Governance Statement 2016-2019 (A1708727), noting that any amendments made through the Mayor's Report of 23 March 2017 will be incorporated; and Agrees to a further review of the Governance Statement 2016-2019 being undertaken by September 2017.	Robyn Byrne	Governance Statement Update is deferred until after the adoption of the Long Term Plan to ensure Council has confirmed the Vision to Inform the workshop.

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COMMENTS					Consultation with the Tahunanui Community has been completed and officers are working towards providing a report to the May 2018 W&I	Ongoing		
RESPONSIBLE OFFICER					Alec Louverdis			
MOTION	Resolved CL/2017/291	That the Council	Receives the report Tahunanui Cycle Network (R8007) and Its attachment (A1795358); and	Approves the alternate delivery model as detailed in report R8007 as a mechanism that could successfully deliver the Tahunanui Cycle Network project; and	Approves the composition of an Advisory Group to include the Chair of the Works and Infrastructure Committee, Councillor Lawrey, a representative of Bicycle Nelson Bays, a representative of NZTA and officers, to move this project forward; and	Approves the Draft Terms of Reference for the Tahunanui Cycling Advisory Group (Attachment one, A1795358); and	Approves the allocation of \$80,000 in the current financial year (2017/18) to allow work to proceed to enable a preferred option to be presented to the Works and Infrastructure Committee; and	Agrees that a final option for implementation will be presented to a future Works and Infrastructure Committee for approval in March 2018.
SUBJECT					Tahunanui Cycle Network			
MEETING DATE					10 August 2017			

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		COMMENTS						Classification of reserves underway, except in the case of the Greenmeadows Reserve where classification is currently on hold. Ongoing		
	RESPONSTBLE	OFFICER						Nicky McDonald		
uncil – 20 March 2018		MOTION	Resolved CL/2017/308	That the Council	Classifies Ngawhatu Sportsfield (being titles NL13A/170, 24172 and 24173) under s16(2A)(g) of the Reserves Act 1977 as Recreation Reserve under s17 of that Act; and	Classifies Victory Square (being title NL2D/352) under s16(1) of the Reserves Act 1977 as Recreation Reserve under s17 of that Act by notice in the Gazette; and	Classifies part of Botanics Sportsfield (being title NL127/106) under s16(1) of the Reserves Act 1977 as Recreation Reserve under s17 of that Act by notice in the Gazette; and	<u>Determines</u> that, under s16(5) of the Reserves Act 1977, public notice seeking feedback on the proposed classifications of Victory Square, Botanics Sportsfield and Greenmeadows is not necessary as the classifications proposed are substantially the same as the purpose for which the reserves were held and administered immediately before the commencement of the Reserves Act 1977; and	<u>Delegates</u> the Chair of the Sports and Recreation Committee to approve the survey plan for the proposed classification for Greenmeadows; and	<u>Delegates</u> the Chief Executive to take the steps necessary to prepare and place notices in the Gazette in order to classify Botanics Sportsfield (being title NL127/106), Victory Square (being title NL2D/352) and Greenmeadows (being title NL114/188) and to give notice of the resolution to classify Ngawhatu Sportsfield (being titles NL13A/170, 24172 and 24173) to the Commissioner at the Department of Conservation.
Status Report – Coun		SUBJECT					Doctor	Management Management Plan for Sportsground Reserves - Classification of Land		
Status	MFFTING	DATE						10 August 2017		

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COMMENTS	Memorandum of Understanding signed - A1879943. Complete	Following appointment of new Chief Executive structure has changed to address workload issues.
RESPONSIBLE OFFICER	Clare Barton	David Hammond
MOTION	Resolved CL/2017/314 That the Council Approves that Nelson City Council signs the Memorandum of Understanding (A1777693) between partners in the Kotahitanga mô te Taio Alliance; and that Her Worship the Mayor be delegated the authority to sign on Council's behalf.	Resolved CL/2017/391 That the Council Requests that the Acting Chief Executive reviews Committee and Officer Delegations to ensure project delays are avoided as identified in the report Internal Audit - Summary of New or Outstanding Significant Risk Exposures and Control Issues 30 June 2017 (R8239).
SUBJECT	Proposal for Top of the South Conservation Partnership: Memorandum of	Internal Audit - Summary of New or Outstanding Significant Risk Exposures and Control Issues 30 June 2017
MEETING DATE	10 August 2017	21 September 2017

Sanctuary Irust has agreed to reinstate this track to	result of the major slip needs to be reinstated to a minimum width of 1.5m to maintain a route for cyclists and pared stribing that the Brook Walmarama Sanctuary Trust has agreed to reinstate this track to	commitments being made.	Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and		OFFICER Alec Louverdis	Resolved CL/2017/429 That the Council Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of each year; A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made. Agrees that the Dun Mountain walkway damaged as a result of the major slip needs to be reinstated to a minimum width of 1.5m to maintain a route for cyclists and pedestrians, noting that the Brook Waimarama Sanctuary Trust has agreed to reinstate this track to	Brook Waimarama Sanctuary Trust	DATE 18 October 2017
			Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each Brook year, with respect to their Business Plan and six- monthly updates on cash flows in July and January of Sanctuary each year:			A Memorandum of Understanding be developed and agreed by full Council prior to any future funding	Trust	
A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made. Agrees that the Dun Mountain walkway damaged as a result of the major slip needs to be reinstated to a minimum width of 1.5m to maintain a route for cyclists and pedestrians, noting that the Brook Waimarama	A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made.	A Memorandum of Understanding be developed and agreed by full Council prior to any future funding			Alec Louverd	The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of each year;	Brook Waimarama Sanctuary	3 October 317
Brook year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made. Agrees that the Dun Mountain walkway damaged as a result of the major slip needs to be reinstated to a minimum width of 1.5m to maintain a route for cyclists and pedestrians, noting that the Brook Waimarama	Brook year, with respect to their Business Plan and six- Sanctuary each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made.	Brook year, with respect to their Business Plan and six- tober Walmarama monthly updates on cash flows in July and January of Sanctuary each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding		Funding has been released to the BWST. Officers have received and are		<u>Approves</u> the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on:		
Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of sanctuary each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made. Agrees that the Dun Mountain walkway damaged as a result of the major slip needs to be reinstated to a minimum width of 1.5m to maintain a route for cyclists and pedestrians, noting that the Brook Waimarama	Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of Sanctuary each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made.	Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of Sanctuary each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding				Resolved CL/2017/429 That the Council		
Resolved CL/2017/429 That the Council Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made. Aggrees that the Dun Mountain walkway damaged as a result of the major slip needs to be reinstated to a minimum width of 1.5m to maintain a route for cyclists and pedestrians, noting that the Brook Waimarama	Resolved CL/2017/429 That the Council Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding commitments being made.	Resolved CL/2017/429 That the Council Receives the report Brook Waimarama Sanctuary Trust (R8209) and its attachments (A1826815; A1826781); and Approves the revised Brook Waimarama Sanctuary Trust's Business Plan and agrees to release the remaining \$150,000 for 2017/18 to the Trust contingent on: The Trust supplying Council annually, by August each year, with respect to their Business Plan and sixmonthly updates on cash flows in July and January of each year; Trust A Memorandum of Understanding be developed and agreed by full Council prior to any future funding	Resolved CL/2017/429 That the Council		OFFICER	MOTION	SUBJECT	TE VIE

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COMMENTS				Submissions closed 27 November 2017 with hearings held on 7 December. Deliberations have been deferred until	further consultation has been held in conjunction with the Long Term Plan consultation. Ongoing			
RESPONSIBLE OFFICER					Nicky McDonald			
MOTION	Resolved CL/2017/431	That the Council	Agrees that a contribution to the Waimea Dam project of \$5 million (in addition to the \$413,000 contribution to date) is Council's preferred proposal on which to consult the community; and	Agrees that any contribution from Nelson City Council to the Dam project will be as a grant rather than a purchase of equity in the Dam; and	Notes that any Nelson City Council contribution will be made on the basis of the proposed Terms of the new draft Engineering Services Agreement (A1847401), as detailed in an exchange of letters between the chief executives of both councils; and	Approves a Statement of Proposal (A1846450), with any necessary amendments, for the possible contribution by Nelson City Council to the Walmea Dam project; and	<u>Authorises</u> the Mayor and Chief Executive to make minor changes to the Statement of Proposal.	
SUBJECT	Walmea Dam: Community Consultation on a Possible Nelson Contribution							
MEETING DATE					18 October 2017			

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MEETING DATE	SUBJECT	MOTION	RESPONSIBLE OFFICER	COMMENTS
09 November 2017	Events Strategy; Approval of Draft for Community Engagement	Resolved CL/2017/499 That the Council Receives the report Events Strategy: Approval of Draft for Community Engagement (R8506) and its attachment (A1853698); and Approves the draft Events Strategy for community engagement as outlined in R8506; and Approves \$35,000 to be added to the Events Fund for the 2017/18 year to fund community events; and Delegates Councillors Fulton and Rutledge to work with officers to amend the draft Strategy and the timeline for consultation, as necessary, for further consideration in the following areas: • community wellbeing outcomes • community wellbeing outcomes • community and integration with the Regional Identity and • Clarity on peak and off peak • Clarity on peak and off peak	Nicky McDonald	Officers have met with Councillors Fulton and Rutledge and work is underway to amend the draft Events Strategy. Consultation will now occur in early 2018.
09 November 2017	Cricket - Target Shooting Facility - Progress Update	Resolved CL/2017/498 That the Council Receives the report Cricket - Target Shooting Facility - Progress Update (R8479); and Approves the reallocation of \$70,000 from the construction of the veranda/paths scheduled for completion in 2017/18, which was allocated in the 2016/17 Annual Plan, to the construction of a car park area adjacent to the cricket and target shooting facility.	Andrew Petheram	Work has begun on the construction of the carpark which is expected to be prepared by the end of April and sealed subject to weather.

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Recommendations made to Council on 8 March 2018 for Council appointees to the Trust. Other Trust members being finalised by the Chair of the

Complete

Notes that due to timeframe requirements, the recruitment process for the Chair will commence before formal Council approval on 9 November 2017, Identifying within the application process that it is subject to Council approval; and

candidate to Council for approval; and

Acknowledges that the newly appointed Chair will be responsible for appointing the other initial trustees of the Trust.

	RESPONSIBLE OFFICER						Mark Preston- Thomas
Status Report - Council - 20 March 2018	MOTION	Resolved CL/2017/514	Establishes a Charitable Trust, registered as the Nelson Feetivals Trust, to provide governance and operations of	the Nelson Arts Festival as an independent governing body; and	Implements the transition timeframe and actions outlined in this report (R7929), with transfer of operations to occur in time for the Trust to shadow the 2018 Nelson Arts Festival and to operate the Festival from 2019: and	Directs an interview panel comprising of the Chair	Community Services, Deputy Chair Community Services and Her Worship the Mayor, to commence recruitment for a Chair of the Trust and recommend a preferred
Report - Co	SUBJECT					Nelson Arts	Governance
Status	MEETING					09 November	2017

COMMENTS

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Status F	Report - Col	Status Report – Council – 20 March 2018			
MEETING DATE	SUBJECT	MOTION	RESPONSIBLE OFFICER	COMMENTS	
		Resolved CL/2017/553			
		That the Council			
		Receives the report Trafalgar Park Corporate Boxes (R8761) and its attachment (A1872900); and			
		Approves in principle the proposal by the Tasman Rugby Union to construct corporate boxes within the West Grandstand, North End, Trafalgar Park, subject to an agreement and detailed design that is to the satisfaction of the Chief Executive the Chair of the Sports and Recreation Committee including that:		The Tasman Rugby Union has advised	
14/12/2017	Trafalgar Park Corporate	 Design, consent and construction be at no cost to the Council: and 	Amsterna	that they will not be proceeding with the construction of corporate boxes at	
	Boxes	The construction process be managed and undertaken by the Tasman Rugby Union; and	Petheram	Trafalgar Park.	
		The Project Manager be approved by the Council; and			
		 The construction contractor be approved by the Council; and 			
		The corporate boxes be owned, insured and maintained by the Council; and			
		The corporate boxes be hired on a commercial basis to event organisers at Trafalgar Park, recognising			
		deprectation and operating costs; and 7. The hirer may retain revenue earned from the use of the corporate boxes.			

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Council

20 March 2018

REPORT R9097

Mayor's Report

1. Purpose of Report

1.1 To update the Council on a number of current matters.

2. Recommendation

That the Council

<u>Receives</u> the report Mayor's Report (R9097) and its attachment (A1922838); and

<u>Receives</u> the Remuneration Authority Amendment Determination 2018; and

<u>Updates</u> the Nelson City Council Delegations Register to reflect that all powers of the Planning and Regulatory Committee relating to Development contributions associated with the Nelson Tasman Hospice; the review of the development and Financial Contributions Policy 2015 and the Dog Control Policy and Bylaw are referred to Council.

3. Discussion

Remuneration Authority (Local Authorities) Amendment Determination

- 3.1 At the Council meeting on 21 September 2017 Council resolved to appoint Councillor Walker as Chairperson of the Works and Infrastructure Committee and Deputy Mayor Matheson as Deputy-Chair.
- An application was forwarded to the Remuneration Authority to amend the Determination for Nelson City Council to reflect the change in Chair (4) and Deputy Chair (4) numbers to 5 Chairs and 3 Deputy Chairs.
- 3.3 The Amendment Determination 2018 is attached (Appendix 1). Commencement is deemed to have come into force on 21 September 2017.

Update to Delegations Register

- 3.4 At the Planning and Regulatory Committee meeting held on 22 February the following powers were referred to Council:
 - 3.4.1 All powers relating to development contributions associated with the Nelson Tasman Hospice; and
 - 3.4.2 All powers relating to the review of the development and Financial Contributions Policy 2015; and
 - 3.4.3 All powers relating to the Dog Control Policy and Bylaw.
- 3.5 Council's Delegations Register needs to be updated to reflect these changes.

Ban the Bag

- 3.6 Greenpeace New Zealand and the Jane Goodall Institute New Zealand (JGINZ) have been working to gain a regulatory ban on single-use plastic bags in New Zealand. JGINZ advised the Mayor they were writing a letter to the Minister to ask for a regulatory ban on single-use plastic bags and requesting the Nelson City Council add its voice and co-support the letter.
- 3.7 Council officer advice was that whilst in some cases there may be an argument for strengthening re-use of certain types of packaging as part of a developing circular economy, the preferred option is to reduce environmental harm and greenhouse gas emissions to support activities which end the use of single-use plastic bags where appropriate.
- 3.8 There are opportunities for Council to support and collaborate in this area at both a local and national level, including showing leadership through supporting the ban of single use plastics items, supporting the transition to alternative methods of packaging, supporting the growth of a circular economy, and improving the capture of plastics through support of programmes such as a national container deposit scheme.
- 3.9 On 26 February the Mayor confirmed her signature on the letter addressed to the Ministers for the Environment, Fisheries, Health and Climate Change.

Contribution to Shot Bro

3.10 Youth wellbeing and positive youth mental health is important for Nelson City Council. A partnership of local organisations, community including young people have been working together to bring Rob Mokaraka's performance of Shot Bro back to Nelson for 2018, after a successful single performance in 2017. Four performances will take place over the weekend of 21 - 25 March at NMIT and St Barnabas in Stoke. Positive youth development is Goal 1 of the Nelson City Council's youth strategy, the partnership that has worked towards providing this performance to the young people and wider community of Nelson and these events

Item 7: Mayor's Report

directly contribute to this goal. A contribution of \$200.00 has been made from the Mayoral discretionary fund to support the hosting of these events.

Shared Services

- 3.11 On 23 November 2017 Mayors Reese and Kempthorne wrote to Dr Suzanne Doig, Chief Executive of the Local Government Commission (LGC) inviting the LGC to meet with the Mayors and Chief Executives to scope a review to assist the two Councils in exploring opportunities for further shared services. On 18 January 2018, Mayor Reese, Mayor Kempthorne, Pat Dougherty and Lindsay McKenzie met with Dr Doig.
- 3.12 It is hoped that the LGC will be able to facilitate discussions at both the governance and management level, and also assist with the resources needed to prepare the necessary business cases according to best practice principles. The objective for both Councils would be to achieve a more efficient and effective delivery of services without compromising customer service. The Chief Executives of both Councils are working on a process to explore the offer from LGC with Councillors. A copy of the Mayors' letter of 23 November is attached as well as Dr Doig's follow-up response dated 28 February to the Mayors after their meeting on 18 January.

Rachel Reese

Mayor of Nelson

Attachments

Attachment 1: A1922838 180220 LG Members (2017-18) (Local Authorities)

Amendment Determination 2018 - signed (Circulated

separately) ⇒

Attachment 2: A1870573 Letter from Mayors Reese and Kempthorne to Local

Government Commission 23Nov2017 U

Attachment 3: A1924322 Local Government Commission Interest in Nelson-

Tasman - 05Mar2018 J





23 November 2017

Dr Suzanne Doig Chief Executive Officer Local Government Commission PO Box 5362 Wellington 6140

Dear Dr Doig

Regional Scale Activities across Nelson and Tasman Districts

The Nelson and Tasman districts are close neighbours. We have shared interests and many common goals. We also have our differences – in our priorities and sometimes in our approach. Over many years we have had a history of sharing in the delivery of cross boundary and regional scale services. We have regionally significant assets and infrastructure that we share. At an operational level we collaborate and deliver many shared services.

We are looking for outside assistance, from the Local Government Commission, to review the way we have been operating and to provide a better approach in the future. By better we mean one that is cost effective, efficient, takes advantage of recent amendments to the Local Government Act and delivers the outcomes we seek for the wider regional communities that the two council's serve.

This (letter) is an invitation to meet with the Mayors and Chief Executives initially to scope our needs. Beyond that we envisage a conversation with our elected members, facilitated by the commission about the opportunities for a more stream-lined strategic approach to regional scale services, assets and their funding.

Why are we asking? Pressure from our communities and new and increasing demands on our resources has resulted in more scrutiny on the flow of operational funds and capitals across our two local authorities. While we have had our past successes notably the Nelson Regional Sewerage Business Unit (NRSBU), the Saxton Field development and more recently the Regional Landfill Business Unit, the going has got tougher and the approach could be continued as 'ad hoc'.

More recently, as we confront the challenge of obtaining a secure water supply for parts of Tasman primary (but with the potential for regional scale benefits in the future), concerns about fairness and equity, giving away ratepayer value, and the desire to horse trade across funding streams and activities has begun to play out. There are other issues as well, including securing a fit for purpose transport network to support our growing regions.

Page 1 of 2 A1870573

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Item 7: Mayor's Report: Attachment 2

Sometimes the two councils and the communities they serve don't see the same value in the different cross boundary activities and services. There is also a sense that Tasman doesn't fully appreciate the needs of a predominantly urban community in a built environment and similarly Nelson doesn't appreciate the demands of a relatively sparsely populated rural district.

Various governance, funding and management arrangements have been used in the past including Trusts, limited liability companies, unincorporated business units, one off agreements for service, funding and management as well as formulaic approaches to funding. While some of these have been and are still successful, others have not. The complexity around some of the arrangements increases compliance and transaction cost. Getting alignment between the needs and aspirations of the two Councils can sometimes be challenging.

We don't have a fixed view on what the future approach may be but are looking to remove some of the risks the current approach presents.

Can you please consider our request and respond to us if you consider someone from the Commission would be prepared to facilitate and advance this discussion. We can then arrange a meeting time and place.

Yours sincerely

Rachel Reese, JP Mayor of Nelson Richard Kempthorne, JP Mayor of Tasman

> Page 2 of 2 A1870573

Item 7: Mayor's Report: Attachment 3



Mayor Rachel Reese Nelson City Council PO Box 645 Nelson 7040

Mayor Richard Kempthorne Tasman District Council Private Bag 4 Richmond Nelson 7050 Local Government Commission Mäna Käwanatanga å Rohe PO Box 5362, Wellington 6145 Phone +64 4 460 2228 Fax +64 4 494 0501

fec.govt.nz

E: mayor@ncc.govt.nz

E: richard.kempthorne@tasman.govt.nz

28 February 2018

Dear Mayors

Local Government Commission interest in shared services in Nelson-Tasman

Thank you for the time to meet with me in January to discuss progress on improving services and community outcomes across Nelson City Council and Tasman District Council through collaboration, and additional opportunities for your councils to work together.

The Commission has a mandate to promote good practice in local government, which is independent of our role in investigating reorganisation proposals. As part of this good practice role, we are keen to deepen our understanding of the decision-making process councils use to identify and take up opportunities for significant service improvements, particularly through joint delivery of major infrastructure.

We would therefore be interested in leading some initial workshops with some or all of your councillors to establish if there is a case for collaboration between the two councils on governance and/or delivery of three waters. We propose to engage a facilitator familiar with local government infrastructure to run the workshops and, if available, to invite others with experience in successful collaborations to speak about benefits and lessons learned.

Any ongoing role for the Commission would be for further discussion at the end of the workshops.

If this is a suitable way forward for your councils, I will liaise with your chief executives on potential timing.

Yours sincerely

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Chief Executive Officer

received at:

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Item 8: Recommendations from Committees



Council

20 March 2018

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Council

20 March 2018

REPORT R8896

Nelson Tasman Hospice - Development Contributions

1. Purpose of Report

1.1 To decide whether Nelson Hospice should be granted a waiver or reduction in development contributions for the new hospice building.

2. Summary

- 2.1 The Nelson Tasman Hospice has requested Council waive or reduce development contributions for the new hospital in Stoke.
- 2.2 The development contributions are \$141,681.77.
- 2.3 It is recommended that Council decline this request and suggest the Hospice seeks funding by making a submission to the Long Term Plan 2018-28.

3. Recommendation

That the Council:

<u>Receives</u> the report Nelson Tasman Hospice - Development Contributions (R8896); and

<u>Declines</u> the request from the Nelson Tasman Hospice for waiving or reducing of development contributions for the new hospice; and

<u>Suggests</u> that the Nelson Tasman Hospice make a submission to both the Nelson City Council and Tasman District Council for funding for the project during their respective Long Term Plan consultations.

4. Background

4.1 The Nelson Tasman Hospice is a non-profit charitable trust that provides end of life care for those with terminal illness. The service is provided free of charge. The Hospice is a regional facility serving both the Nelson and Tasman communities.

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- 4.2 Due to expansion of the Manuka Street Hospital, the Nelson Tasman Hospice has been forced to relocate. The new Hospice will be located on Suffolk Road in Stoke.
- 4.3 Council officers received a request from the Nelson Tasman Hospice Trust for a waiver or reduction of the Development Contributions.

5. Discussion

Development Contributions Policy

- 5.1 Section 7 of the Development Contributions Policy lists development activities that are exempt from paying development contributions. This list includes activities such as Kindergartens, Play centres, integrated schools and specific social housing developments.
- 5.2 Also exempt, as required by the Local Government Act, are developments undertaken by entities of the Crown. Fitting within this description would be a public hospital.
- 5.3 The policy does not specifically list a hospice or hospital not operated by the Crown. Therefore the Nelson Tasman Hospice is not included in the exemptions.
- 5.4 Any waiver or reduction to the development contributions for this development will be as an exception to the policy.

Development Contributions Amount

- 5.5 Development contributions for the new Nelson Tasman Hospice have been calculated as being \$141,681.77. This represents approximately 4% of the total development contributions collected in the 2016/17 financial year. This contribution will fund the infrastructure upgrades necessary to allow the Hospice to have essential services provided to it.
- 5.6 If a waiver or reduction is approved, the balance funds to provide that infrastructure will need to be borne by ratepayers.

Financial Contributions Amount

- 5.7 Financial Contributions for reserves and community services have already been waived. The financial value of these have not been calculated due to the costs in having the development and land valued but are estimated to be in the order of \$30,000 in total.
- 5.8 The financial contributions were waived due to there not being any likely increase in demand for reserves or community services as a result of the Hospice development. The Nelson Resource Management Plan allows for waivers of this type to be made.
- 5.9 Council have therefore provided some financial assistance already to the development of the hospice in recognition that the demand on reserves by the Hospice is low.

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Alternative funding assistance

5.10 An alternative method investigated was for Council to provide financial assistance with a grant from the Council Community Investment Fund to the Nelson Tasman Hospice. The hospice does not meet the criteria for this funding due the activity not aligning with the 2018/19 Contribution Areas and Priorities.

6. Options

- 6.1 Option 1 is that Council decline to waive or reduce the requirement for payment of a development contribution and encourage the Hospice to apply for funding via submission to the Nelson City Council and Tasman District Council 2018-28 Long Term Plans.
- 6.2 Option 2 is that Council approve waiving or reduction of the development contribution.

Option 1: Decline request for waiver or reduction		
Advantages	Cost of growth related infrastructure continues to be funded by the developments that have an effect.	
	Reduced financial burden on ratepayers.	
	Consistency with the Development Contributions Policy.	
Risks and Disadvantages	Possibility of poor publicity.	
Option 2: Approve	request for waiver or reduction	
Advantages	Supports a community service.	
Risks and Disadvantages	May set a precedent for future applications.Additional costs to ratepayers.	
	Inconsistent application of the development Contributions Policy.	

6.3 Option 1 is recommended by Council Officers with a recommendation that the Nelson Tasman Hospice make a request for funding via a submission to the Nelson City Council and Tasman District Council 2018-28 Long Term Plans. The purpose of development contributions is to fund Council's significant investment in additional assets required to meet the demands of growth. If Council seeks to provide financial support for the Hospice, it is more appropriate for this to come from appropriate budgets via the Long Term Plan process.

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Lisa Gibellini

Team Leader City Development

Attachments

Nil

Important considerations for decision making

1. Fit with Purpose of Local Government

The recommended decision is consistent with the purpose of Local Government in that it retains the integrity of the funding for growth related infrastructure requirements. The recommended option also allows Council to consider the matter of funding in the more appropriate forum of the Long Term Plan deliberations.

2. Consistency with Community Outcomes and Council Policy

Option 1 as recommended is consistent with the Policy on Development Contributions and Financial Contributions – 2015.

3. Risk

Either option present some risk of damaging Council's public perception. If Option 1 is approved, as recommended, Council may be seen as unsympathetic to those likely to use the Hospice services. If Option 2 is approved there is a risk that Council will be seen to be spending rates on non-core services. The risk for both options is likely to be low-moderate.

4. Financial impact

There is no cost to Council with the recommended Option 1. There will be costs to Council, ratepayers and developers if option 2 is adopted.

5. Degree of significance and level of engagement

This matter is of low significance because the recommended Option 1 does not have any financial impact or change Council services. Consideration of this matter via the Long Term Plan will allow for public engagement and transparency.

6. Inclusion of Māori in the decision making process

No consultation with any third party has been undertaken.

7. Delegations

Council has the power to decide this matter.

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Council

20 March 2018

REPORT R9066

Special Housing Areas Requests January 2018

1. Purpose of Report

- 1.1 To consider requests for new Special Housing Areas (SHAs) received over the last quarter up until 30 January 2018.
- To agree that Her Worship the Mayor recommend to the Associate Minister of Housing and Urban Development SHAs approved as suitable by the Council for consideration under the Housing Accord and Special Housing Areas Act 2013 (HASHAA) as amended by the Housing Legislation Amendment Act 2016.

2. Summary

- 2.1 This report seeks consideration of SHAs at:
 - 3D Hill Street North
 - 2 City Heights
 - 31 Tipahi Street
 - 397 Suffolk Rd
- 2.2 The SHA request at 3D Hill Street North is zoned Rural Small Holdings Higher Density. The Nelson Housing Accord states a preference for SHAs to be established within existing urban zones. Development is currently occurring in this area and it is considered that this proposal is consistent with the three adjoining SHAs already approved for recommendation to the Associate Minister. For these reasons, the recommendation is that this request is recommended to the Associate Minister for approval. Officers provide some specific recommendations in relation to the provision of wastewater services to this area for this SHA.
- 2.3 This report provides an analysis of the advantages, disadvantages and risks of all proposed SHAs to be considered, along with identification of the permitted baseline (i.e. what could currently be allowed through the Nelson Resource Management Plan) for each site. This information is provided to aid Council's consideration of the SHAs. Developers will present concepts for the proposed SHAs at the public forum where these are available.

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3. Recommendation

That the Council:

<u>Receives</u> the report Special Housing Areas Requests January 2018 (R9066) and its attachments; and

<u>Approves</u> 3D Hill Street North (A1923031), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, that the developer, at its sole cost, shall:

- (i) design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA; and;
- (ii) submit the approval of the urban design panel with any application for resource consent; and
- (iii) satisfy the Group Manager Infrastructure that a wastewater system will be available to Hill Street North to service the SHA. The works and their timing shall be identified in the Deed and/or a Private Developers Agreement prior to the SHA being recommended to the Associate Minister.

Approves 2 City Heights (A1922971), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, approval by the Urban Design Panel, and that the developer, at its sole cost, shall design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA; and

Approves 31 Tipahi Street (A1923200), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, approval by the Urban Design Panel, and that the developer, at its sole cost, shall design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure,

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required to support the development of the SHA; and

Approves 397 Suffolk Road (A1923185), subject to the developer entering into a legal Deed with the Council which requires, amongst other matters, approval by the Urban Design Panel, and that the developer, at its sole cost, shall design, obtain all necessary consents for, and construct any additional infrastructure, or upgrades to the Council's infrastructure, required to support the development of the SHA.

Approves that Her Worship the Mayor recommend those potential areas 3D Hill Street North, 2 City Heights, 31 Tipahi Street, and 397 Suffolk Road to the Associate Minister of Housing and Urban Development for consideration as Special Housing Areas under the Housing Accord and Special Housing Areas Act 2013 as amended by the Housing Legislation Amendment Act 2016.

4. Background

- 4.1 Council entered into a Housing Accord with the then Minister of Building and Housing on 11 June 2015 under HASHAA. The Accord has been extended three times and now terminates on 16 September 2021.
- 4.2 In order to meet its obligations under the Housing Accord, especially in relation to targets, Council can consider using Special Housing Areas as a tool under HASHAA. Under the Accord Council can recommend the creation of Special Housing Areas to the Associate Minister of Housing and Urban Development.
- 4.3 To date the Council has recommended 37 SHAs to the Associate Minister with a total potential yield of 1481 residential units. Once a SHA has been approved for gazettal, applications may be made for a resource consent called a qualifying development. Applications for qualifying developments are assessed with specific provisions to meet the purpose of the HASHAA. To date, 32 qualifying development consents have been granted (this includes consents for some developments that require multiple or staged consents), and four sites are either under construction or complete.
- 4.4 As long as the Council is an Accord Authority, it can consider proposals for new SHAs and propose existing or future resource consents under the HASHAA.
- 4.5 The purpose of this report is to consider new SHA requests under the current Accord received by the Council over the quarter until 31 January 2018.

5. Discussion

- 5.1 Officers have received requests for four further SHAs. Details of the SHAs, proposed qualifying development criteria, and an early assessment of infrastructure requirements are provided in Attachments 1 to 4.
- The criteria used to evaluate SHA suitability and each site's assessment are also summarised in Attachments 1 to 4, along with a map identifying each area. The criteria include the HASHAA requirements that need to be satisfied (infrastructure is likely to be provided and that there is demand for housing), consistency with the Accord, and alignment with the Nelson Resource Management Plan.
- 5.3 Matters for consideration common to all SHA proposals are discussed in sections 5.4 to 5.6. Particular SHA requirements are discussed in the following sections 5.7 to 5.12. A summary of the advantages, disadvantages and risks of each proposal is provided in Table 1 in section 5.13 below.

Infrastructure Provision

- 5.4 Some sites already have sufficient infrastructure connections. Other sites require additional connection and/or capacity to be provided. Where there is no project in the Long Term Plan (LTP) the necessary infrastructure will need to be provided by the developer at the developers' cost. Developers are able to seek that projects be included in the LTP and the Council can choose to consult with the community on their inclusion via the LTP process.
- 5.5 The Council can choose to require developers to enter into a Deed detailing infrastructure requirements that need to be met by the developer. Officers have evaluated the infrastructure requirements of each SHA and recommend that there is a need for Deeds for this group of SHAs to make clear to developers their responsibility in relation to ensuring sufficient infrastructure capacity/connection to support the development. A disadvantage with entering into a Deed is that it adds officer time and administration to the SHA process and has legal costs associated with it. However this is outweighed by the clarity the Deed provides in identifying who is responsible for costs to provide sufficient infrastructure to serve the SHAs.

Urban Design Panel

The Council's standard Deed template also requires that Urban Design Panel approval is submitted to the Council with any resource consent sought under the HASHAA. The Deed specifies that the costs of the Urban Design Panel approval process are passed on to the applicant. Officers are aware that there has been one current SHA developer who has questioned the value of the Urban Design Panel process. That developer expressed concern over the scope of alterations proposed by the Panel. Many other developers have appreciated the expert advice provided by the Panel. Officers consider that the Urban Design Panel

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remains the most appropriate method to ensure quality of design in a process which avoids the regular Resource Management Act 1991 (RMA) processes including hearings.

Saxton Area SHAs - 3D Hill Street North

- 5.7 3D Hill Street North is part of the rural zoned growth area between the previously recommended Saxton SHA, Ngati Rarua SHA and Saxton Creek, and has similar and interrelated infrastructure constraints.
- 5.8 Development is currently taking place in the area around 3D Hill Street North. There have been three other SHAs approved under the Nelson Housing Accord on land adjacent to 3D Hill Street North (1A Hill Street North was approved by the Council on 3 March 2016, and 3B and 3C Hill Street North on 21 September 2017) which are in either the Rural Small Holdings or Rural zone.
- 5.9 All development in this area is dependent on both public and private infrastructure investment. SHAs are able to be serviced for water, wastewater and stormwater as a result of the Deeds and Private Developers Agreements in the area. Currently the provision of the wastewater network to the SHAs in this area is dependent upon the main being brought out to Hill Street North from Daelyn Drive. Although Council has easements partially in place to facilitate the extension of the wastewater network to Hill Street North, the actual timing of the works are dependent upon a last very small stage of Daelyn Drive being developed. There is a risk that the last stage of Daelyn Drive acts as a spite strip and holds up the timely provision of wastewater services to the SHAs in the area.
- 5.10 Officers have had numerous conversations with the developer of Daelyn Drive to try to get timely provision of the wastewater network out to Hill Street North to satisfy the requirements of section 16 of HASHAA that infrastructure is 'likely' to exist for various SHAs in the area. Significant time has passed without this wastewater connection being achieved and therefore the officer's assessment of whether it is 'likely' to exist to support SHAs in the area has changed. Officers consider that the Council approval to recommend the SHA at 3D Hill Street to the Associate Minister should be subject to the applicant entering into a Deed to ensure that the HASHAA requirement of 'likely' to have sufficient infrastructure can be satisfied by the timely provision of the wastewater network to Hill Street North. A recommendation that the applicant enter into a Deed to ensure that Council can be satisfied that a wastewater system will be made available to Hill Street North is included in this report. The recommendation also provides that the developers work with Council to identify timing and funding of works in the Deed and/or a Private Developers Agreement and that this occurs prior to the SHA being recommended to the Associate Minister.

Note: Make available means a pipe vested in Council and/or an easement in gross connecting to Hill Street North with the size of the pipe subject

to specific design and large enough to provide capacity for adjacent areas with development potential.

- 5.11 Officers are unable to determine the precise transport implications of SHAs in the Saxton area on the Champion Road roundabout until resource consent applications are received. Officers are working with Tasman District Council to identify potential capacity enhancing solutions for the roundabout. HASHAA provides that the Accord Authority may notify infrastructure providers who have assets adjacent to the site during the resource consent process.
- 5.12 The Council is contemplating including this land in a future urban expansion area (rezoning) as part of the Nelson Plan. While this is not yet policy, this SHA request is not inconsistent with that future use nor with adjacent land use.

Advantages, Risks, and Permitted Baselines

5.13 Individual assessments of the four SHA requests are summarised in Table 1 below:

Table 1: SHA Advantages, Risks, and Disadvantages, and the Permitted Baseline that applies under the NRMP		
3D Hill Street		
Advantages	The landowner is able to use non-notification and extra discretion provided for under the HASHAA to bring a qualifying development to market more economically than under the RMA, avoiding the need to apply for a non-complying resource consent or private plan change.	
	Land is made available for an increased supply of housing in an area that can reasonably be expected to be developed for housing at some point in the mediumterm. The development would provide approximately 15 additional dwellings compared to what currently exists on the site.	
Risks and Disadvantages	If the SHA is not approved, the land is likely to be developed under the RMA process. This will result in a more complicated development process for the site inconsistent with adjoining SHAs.	
	The site is zoned Rural Small Holdings and the community may not be anticipating intensive residential development of this site. There is a risk that the adjoining landowners are not supportive of the SHA. This risk is similar to that evaluated by Council for the three SHAs approved in this area. The Nelson	

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	Housing Accord has a particular focus on enhancing supply in existing urban areas. Officers consider that a SHA at 3D Hill Street is suitable as it has proximity to the existing Saxton SHAs, it is also close to services, schools and transport routes and has a low level of rural productive potential. This consideration is made on the basis of the recommendations regarding the specific Deed content are accepted.
Permitted baseline	One residential dwelling can be erected on the site. The Rural Small Holdings Higher Density zone allows an average site area of 10,000m² and a minimum site area of 5000m². Further subdivision of this site under the NRMP would be a non-complying activity.
2 City Heights	
Advantages	This development site would be able to use the additional 4.5m building height sought above the permitted baseline for more intensive land use on the sloping site. The developer is afforded the fast track consent process and non-notification presumption provided for by the HASHAA. The development would provide approximately an additional 5 dwellings compared to what currently exists on the site.
Risks and Disadvantages	There is a risk that the cost of developing infrastructure (road access and wastewater) to service the site may be uneconomic and the development does not proceed.
Permitted baseline	A similar density of lots can be developed on site under the Nelson Resource Management Plan as is proposed under the SHA (subject to geotechnical, road access, and landscape provisions) with a minimum site area of 400m^2 , up to a maximum height of 7.5m with 40% coverage. Daylight controls are required from all adjoining residential zone boundaries.
31 Tipahi Stree	t
Advantages	The developer is afforded the fast track consent process and non-notification presumption provided for by the HASHAA. This development site would be able to use the additional 1.5m building height sought above the permitted baseline for more intensive land use. The development would provide approximately an additional 3 dwellings compared to what currently exists on the site.

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Risks and Disadvantages	There is a risk that the costs of managing the stormwater effects on infrastructure may cause the development to be uneconomic and not proceed.
Permitted Baseline	The density proposed is higher than provided under the Nelson Resource Management Plan (NRMP) by approximately one dwelling (i.e. they propose four dwellings and would likely only get three under the NRMP). One dwelling per 400m² can be erected on this site (subject to stormwater and landscape provisions), up to a maximum of 7.5m in height with 40% site coverage. Daylight controls are required from all adjoining residential zone boundaries.
397 Suffolk Rd	
Advantages	The developer is afforded the fast track consent process and non-notification presumption provided for by the HASHAA. The development would provide approximately an additional 6 dwellings compared to what currently exists on the site.
Risks and Disadvantages	If servicing is available and the SHA is not approved, the land may be developed under the RMA process and the standard residential development provisions of the NRMP. Development of the Rural Zoned part of the site will need to go through a non-complying consent process.
Permitted Baseline	A similar density could be achieved under the NRMP provisions. One dwelling per 400m² can be erected on this site (subject to geotechnical, road access, and landscape provisions), up to a maximum of 7.5m in height with 40% site coverage. Daylight controls are required from all adjoining residential zone boundaries.

6. Options

- 6.1 Council has the option of approving these SHAs for recommendation to the Associate Minister, or declining to recommend them to the Associate Minister.
- 6.2 If the Council decides to recommend any SHA proposals in this report to the Associate Minister of Housing and Urban Development, it is recommended that they all be subject to entering into a Deed to ensure that the developer acknowledges that the costs and responsibility of providing appropriate and sufficient infrastructure connection and capacity to the sites is to be borne by the developer, unless it is a project included

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- in the Council's LTP, and also being subject to approval by the Urban Design Panel.
- 6.3 If the Council approves the SHAs in this report then they will yield approximately a further 27 residential units (net) on top of the already approved 1481 residential units enabled in Nelson under the HASHAA.

7. Conclusion

- 7.1 Officers have received requests for SHAs to be approved at 3D Hill Street North, 2 City Heights, 31 Tipahi Street, and 397 Suffolk Rd.
- 7.2 The Council as an Accord Territorial Authority is able to consider these requests for recommendation to the Associate Minister of Housing and Urban Development.
- 7.3 Council Officers have evaluated the requests in accordance with the HASHAA and Nelson Housing Accord intentions and commitments and provided recommendations accordingly.

Alastair Upton

Senior City Development Planner

Attachments

Attachment 1: SHA 3D Hill Street North (A1923031) U

Attachment 2: SHA 2 City Heights (A1922971) U

Attachment 3: SHA 31 Tipahi Street (A1923200) U

Attachment 4: SHA 397 Suffolk Road (A1923185) U

Important considerations for decision making

1. Fit with Purpose of Local Government

This recommendation is consistent with Local Government's role to provide efficient and effective performance of regulatory functions appropriate to present and anticipated future circumstances by using the enhanced regulatory powers afforded under the HASHAA and the Nelson Housing Accord to enable the release of additional land for housing.

2. Consistency with Community Outcomes and Council Policy

The recommendation is largely consistent with the Nelson Housing Accord and the Community Outcome: *Our urban and rural environments are people-friendly, well planned and sustainably managed.*

3. Risk

Risks associated with this recommendation include matters of public perception. The principle risk arises due to the lower level of notification afforded under the HASHAA. Other risks exist that the credibility of the SHA programme, and by extension the Council, is undermined if approved areas are not developed due to uneconomic infrastructure requirements; or do not yield significant housing benefits. If SHAs recommended in this report are not approved then there is a risk that development of those sites is not enabled, and the goal of furthering the supply of residential units as part of the Housing Accord is not met.

4. Financial impact

The key financial impact of the SHA requests and recommendation process is the operational expenditure cost of its administration. There is no means for the Council to recover part or all of these costs from applicants and therefore this is a general expenditure of rates.

The costs of processing qualifying development consents are recovered from the applicants through charges, which are applied similarly to other consent fees.

5. Degree of significance and level of engagement

The approval of SHAs located in existing residential zones is of low to medium significance because it does not significantly impact the community outside of immediate neighbours. The SHA proposed at 3D Hill Street (Rural Small Holdings Higher Density zoning) is of medium to high significance because the community would not necessarily anticipate development of that site under the intentions set out in the Nelson Housing Accord.

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The establishment of SHAs recommended in this report will result in qualifying development applications, and at that time engagement with adjacent landowners will occur if the Council's regulatory arm considers that they are affected. Overall, the establishment of SHAs recommended in this report will assist with increasing housing supply in Nelson which will be of benefit to the wider community.

6. Inclusion of Māori in the decision making process

Maori have not been consulted on this matter.

7. Delegations

No committee of the Council has delegations for the Housing Accord and Special Housing Areas Act 2013 and therefore the matter needs to be considered by the Council.

Under Section 85 of the HASHAA, the Council's Chief Executive is "a consent authority under the RMA and has all associated powers required to effectively carry out his or her functions for the purposes of [the HASHAA]."

Nelson City Housing Accord – Special Housing Area



Recommendation	Suitable
SHA Name	3D Hill Street SHA
Address	3D Hill Street
	Pt Lot 1 DP 8212, CT 8C/678
Approximate size	1.7Ha
Landowner	3D Hill Limited
Developer	3D Hill Limited
SHA request received	31 January 2018
Brownfield/Greenfield	Greenfield, zoned Rural - Higher Density Small Holdings
Approximate yield	15 units

Qualifying Development Criteria

- Maximum number of storeys that building may have: 2
- Maximum calculated height that building must not exceed:7.5m
- · Minimum dwelling or residential site capacity: 15

Criteria	Summary	Notes
Consistent with Nelson City Housing Accord	yes	The Housing Accord states a preference for SHAs to be located in residential areas where servicing exists. The site is zoned rural small holdings however the applicants have provided advice that they are able to achieve a connected infrastructure and open space network with the existing urban environment and the proposed Saxton SHA. SHA status of the site will contribute to the Housing Accords alm of enhancing housing supply and affordability.
Alignment with the District Plan	no	The proposed SHA is located on rural small holdings zoned land on the edge of recent residential development/residential plan change 18 area. The Rural Small Holdings Zone is not supportive of residential development, however the site does adjoin the residential zone, and the area could be considered a logical extension of the residential zone being flat and close to shops, schools and transport networks. The risk that infrastructure may not be integrated or consider future development as is required in the Residential Zone, can been mitigated by the applicants entering into a Deed with Council.
Infrastructure availability/readiness , including available capacity. (Note: this criterion relates to Section 16 HASHAA which	yes	Services with adequate capacity are not yet available to this area. The area is likely to have suitable provision for infrastructure to support the development but this relies on the developer(s) in the area supplying infrastructure capacity/connection where there is currently insufficient capacity/connection and it is not provided for in the Long Term Plan.

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requires that the Minister must be satisfied that adequate infrastructure either exists or is likely to exist having regard to relevant planning documents, strategies, policies and any other relevant information. The onus will still be on the developer under section 34 HASHAA to satisfy Council that there will be sufficient and appropriate infrastructure to support the development through the HASHAA resource consent process).	yes	The developer will be required to extend the NCC water supply network in Saxbor/Suffolk Road to serve the site and this is most efficiently achieved in a coordinated manner with adjoining landowners seeking to develop in the area, or by Council. There are currently no projects in the LTP to fund water supply to this area. Any work required to ensure flow and pressure is available to the site shall be designed, constructed and funded by the developer and be of sufficient capacity to provide the service to adjoin properties with development potential. Stormwater Insufficient downstream stormwater capacity exists and the developer will be required to provide onsite measures to offset the additional capacity required by the development until such time as Saxton Creek is upgraded from Champion Road to the sea. Work is progressing but not yet complete on the Saxton Creek upgrade. Any works required to provide stormwater infrastructure to the site will need to be designed, constructed and funded by the developer. Wastewater A reticulated wastewater system in accordance with the standards in the Land Development Manual is not yet available to serve this site. Wastewater from this site is planned to drain to the gravity line within the Daelyn subdivision once it has been extended to Hill Street. A temporary solution of pumping wastewater into the system in Ngati Rarua Street is possible, however this solution is not supported by Officers as the Ngati Rarua system has not been designed to cater for flows from this site and it results in a potentially high maintenance system that requires retrofitting once gravity reticulation is available. This option is therefore an inefficient use of infrastructure resources given the likely relatively short time period between development and extension of the gravity line from Daelyn. Any works required to provide suitable wastewater reticulation to the site will need to be designed, constructed and funded by the developer and be of sufficient capacity to serve the development wil
Demand to build	yes	There is ongoing demand to build
Demand for housing	yes	There is ongoing demand for housing
Demaila for floasing	kes	there is originally demand for housing

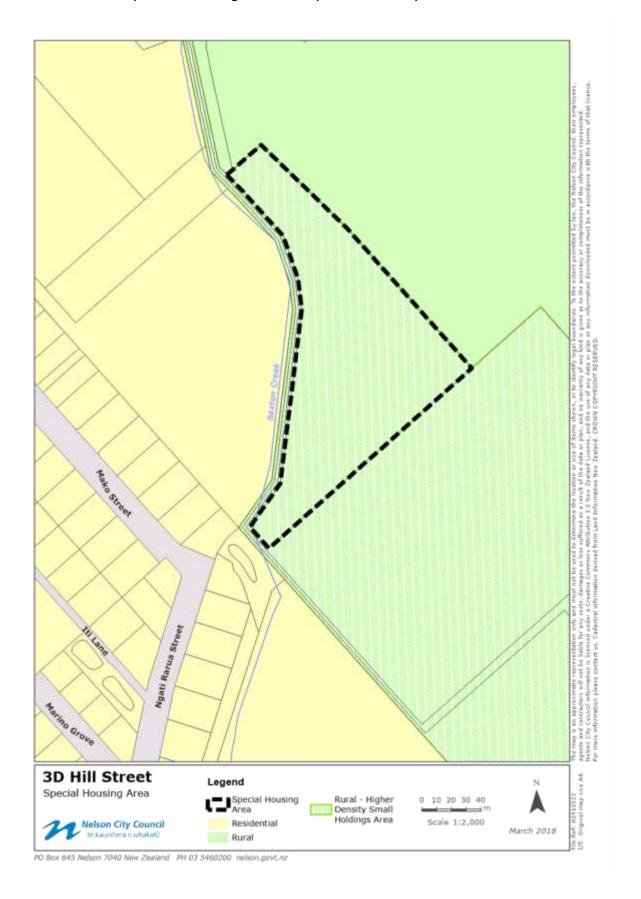
Item 10: Special Housing Areas Requests January 2018: Attachment 1

Other Comments	
Reasons for using SHA process	To further incentivise development in this area. To make more productive use of the site bringing housing supply to the market more quickly than under an RMA plan change process.
Planning history	This area is being considered by officers for consultation with the community on rezoning as part of an updated urban growth strategy in the 2019 Nelson Plan.

Reviewed by:	Shane Overend and Sue M	tcAuley
Transport		۸ .
Stormwater	S.w.od	Swan Meduley
Waste water/water	2.00	Camer.

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Item 10: Special Housing Areas Requests January 2018: Attachment 1



Nelson City Housing Accord – Special Housing Area



Recommendation	suitable
SHA Name	City Heights SHA
Address	2 City Heights, Nelson Part of Lot 2 DP 430993 and Lot 8 DP 409312 (CT 520180)
Approximate size	5200m² more or less
Landowner	Cleveland Heights Limited
Developer	Cleveland Heights Limited
SHA request received	26 January 2018
Brownfield/Greenfield	Inner city greenfield, zoned Residential
Approximate yield	5 units (0 existing, 5 growth)

Qualifying Development Criteria

- · Maximum number of storeys that building may have: 2
- · Maximum calculated height that building must not exceed: 12m
- · Minimum dwelling or residential site capacity: 5

Criteria	Summary	Notes
Consistent with Nelson City Housing Accord	yes	Aligns with principle aim to increase the supply of housing in Nelson with a preference for development in urban zoned land that is serviced.
Alignment with the District Plan	yes	Aligns with objectives of the existing zone; although request is for greater height than is a permitted activity under that zone.
Infrastructure availability/readiness, including available capacity. (Note: this criterion relates to Section 16 HASHAA which requires	yes	The area is likely to have suitable provision for infrastructure to support the development. This will be a mix of Council supplied capacity currently available to the site and developer supplied infrastructure capacity/connection where there is currently insufficient capacity/connection and it is not provided for in the Long Term Plan.
that the Minister must be satisfied that adequate infrastructure either exists or is likely to exist having regard to relevant planning		Water The existing water line in the ROW is a 40mm diameter ridermain. Any work required to ensure flow and pressure is available to the site to support the 5 additional dwellings shall be designed, constructed and funded by the developer.
documents, strategies, policies and any other relevant information. The onus will still be on the developer under section 34 HASHAA to		Stormwater The downstream stormwater system will need to be investigated to determine whether it has adequate capacity or whether stormwater will need to be detained

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satisfy Council that there will be sufficient and appropriate infrastructure to support the development through the HASHAA resource consent process).		on site. Any works required to provide stormwater infrastructure to serve the site will need to be designed, constructed and funded by the developer. Wastewater The network this site discharges into has potential wastewater capacity issues under wet weather conditions
		due to inflow and infiltration. Council has an Inflow and Infiltration Strategy for the city which is expected will address these issues in the medium term (next 10 years). The scale of this development proposal is not considered to have more than minor effects on inflow and infiltration or wet weather discharges in the immediate area.
		The land is lower than the nearest sewer main. For this reason a pumped system will be required. The pump system should incorporate individual, private pumps for each dwelling with Consent Notices setting out the obligations of each landowner for the ongoing costs and maintenance requirements. Any works required to provide suitable wastewater reticulation to the site will need to be designed, constructed and funded by the developer.
		Transport
		City Heights is a private right of way serving more than 6 lots. There are 9 existing lots. This proposal for five dwellings at 2 City Heights would result in a total of 13 dwellings on the right of way. The maximum permitted by the LDM is 6. The applicant should provide an assessment of the capacity/safety of the ROW to accommodate the additional traffic from a suitably experienced Transport Professional. Any work required to the access to ensure adequate transport infrastructure to support the development of the site shall be designed, constructed and funded by the Developer.
		All internal infrastructure will be provided by the developer in accordance with the NCC Land Development Manual 2010,
Landowner views	yes	Supportive of SHA
Demand to build	yes	There is ongoing demand to build
Demand for housing	yes	There is ongoing demand for housing

Other Comments	There appears to be in a natural gully in this area and potentially a secondary, overland flood route. A flood risk assessment undertaken by a suitably experienced Chartered Professional Engineer should be provided.
Reasons for using SHA process	To further incentivise development in this area.
Planning history	

Reviewed by:	Shane Overend and Sue I	McAuley
Transport		
Stormwater	S.w.od	Susan Me anley
Waste water/water) - 0.00	Comm.

Item 10: Special Housing Areas Requests January 2018: Attachment 2



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Nelson City Housing Accord – Special Housing Area



Recommendation	Suitable	
SHA Name	31 Tipahi Street	
Address	31 Tipahi Street	
	Lots 1 and 2 DP 6619, CT 1D/556	
Approximate size	1163m²	
Landowner	Nick Fisher and Tammy Pegg	
Developer	Nick Fisher and Tammy Pegg	
SHA request received	26 January 2018	
Brownfield/Greenfield	Brownfield zoned Residential	
Approximate yield	4 units (1 existing, 3 growth)	

Qualifying Development Criteria

- Maximum number of storeys that building may have: 2
- · Maximum calculated height that building must not exceed:9m
- · Minimum dwelling or residential site capacity: 3 units

Criteria	Summary	Notes
Consistent with Nelson City Housing Accord	yes	Aligns with principle aim to increase the supply of housing in Nelson with a preference for development in urban zoned land that is serviced.
Alignment with the District Plan	yes	Aligns with objectives of the existing zone. Aligns with objectives of the existing zone; although request is for greater height than is a permitted activity under that zone.
Infrastructure availability/readiness , including available capacity. (Note: this criterion relates to Section 16	yes	The area is likely to have suitable provision for infrastructure to support the development. This will be a mix of Council supplied capacity currently available to the site and developer supplied infrastructure capacity/connection where there is currently insufficient capacity/connection and it is not provided for in the Long Term Plan. Water
HASHAA which requires that the Minister must be satisfied that adequate infrastructure either exists or is likely to		Connection is available from the main in Tipahi Street. Any work required to ensure flow and pressure is available to the site to support the additional dwellings shall be designed, constructed and funded by the developer. Stormwater
exist having regard to relevant planning documents, strategies, policies and any other relevant information.		There are possible capacity constraints within the downstream system. The applicant will need to demonstrate that adequate capacity exists or demonstrate what other means will be implemented to mitigate the effects of any increased flows. Any works required to provide stormwater

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Item 10: Special Housing Areas Requests January 2018: Attachment 3

The onus will still be on the developer under section 34 HASHAA to satisfy Council that there will be sufficient and appropriate infrastructure to support the development through the HASHAA resource consent process).		infrastructure to serve the site will need to be designed, constructed and funded by the developer. Wastewater The existing 150mm diameter sewer main through the site may need to be re-laid on an alternative alignment to provide adequate clearance between the new buildings and the main. Any works required to provide suitable wastewater reticulation to the site will need to be designed, constructed and funded by the developer. Transport The existing vehicle access points and parking will need to be formalised and the future streetscape discussed with NCC. All internal infrastructure will be provided by the developer in accordance with the NCC Land Development Manual 2010.
Landowner views	yes	Supportive of SHA
Demand to build	yes	There is ongoing demand to build
Demand for housing	yes	There is ongoing demand for housing

Other Comments	There appears to be a natural gully in this area and potentially a secondary overland flow route. A flood risk assessment undertaken by a suitably qualified experienced Chartered Professional Engineer will need to be provided with any development application.
Reasons for using SHA process	To further incentivise development in this area.
Planning history	

Reviewed by:	Shane Overend and Sue McAuley	
Transport		
Stormwater	8. w. o.d.	Susan Meduley
Waste water/water) - W. 4	Olour. 1

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Item 10: Special Housing Areas Requests January 2018: Attachment 3



Nelson City Housing Accord – Special Housing Area



Recommendation	Suitable	
SHA Name	397 Suffolk Road SHA	
Address	397 Suffolk Road, 7A, & B and 7C Andy Whiting Place	
	Pt Lot 1 DP 6810 Pt Lot 1 DP13880, CT 8B/748	
	Lot 18 DP 499751, CT 742320	
Approximate size	2897m² more or less	
	Note: 7B and 7C Andy Whiting Place were included in the request for access purposes only (shared right of way)	
Landowner	KFW Developments Limited	
Developer	KFW Developments Limited	
SHA request received	26 January 2018	
Brownfield/Greenfield	Residential Zone	
Approximate yield	8 (1 existing , 7 additional)	

Qualifying Development Criteria

- · Maximum number of storeys that building may have: 2
- Maximum calculated height that building must not exceed:7.5m
- · Minimum dwelling or residential site capacity: 8

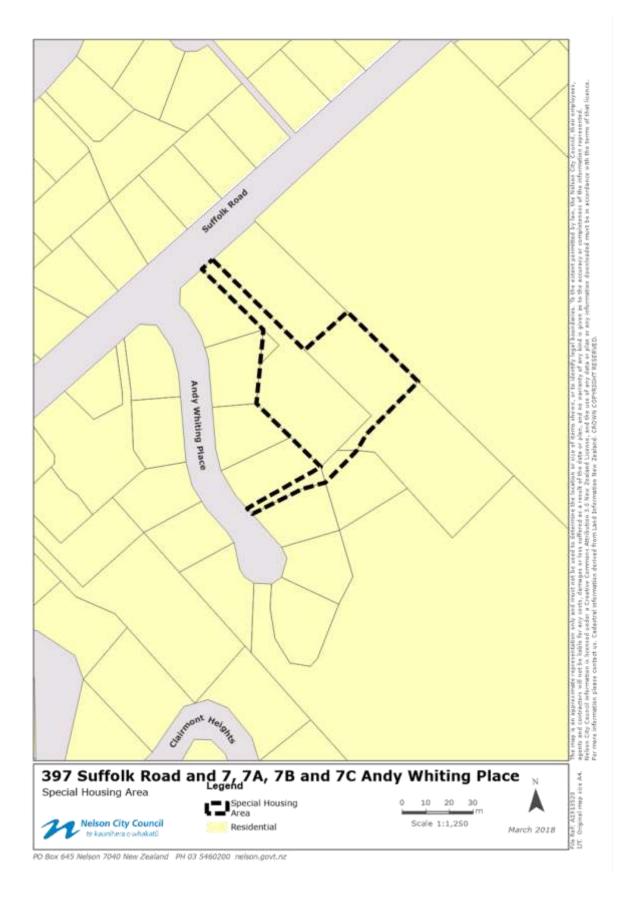
Criteria	Summary	Notes
Consistent with Nelson City Housing Accord	yes	Aligns with principle aim to increase the supply of housing in Nelson with a preference for development in urban zoned land that is serviced.
Alignment with the District Plan	yes	Aligns with objectives of the existing zone.
Infrastructure availability/readiness , including available capacity. (Note: this criterion relates to Section 16 HASHAA which	yes	The area is likely to have suitable provision for infrastructure to support the development. This will be a mix of Council supplied capacity currently available to the site and developer supplied infrastructure capacity/connection where there is currently insufficient capacity/connection and it is not provided for in the Long Term Plan. Water
requires that the Minister must be satisfied that adequate infrastructure either exists or is likely to exist having regard to relevant planning		Connection is available from the main in Suffolk Road Street. 7A, 7B and 7C have connections available from Andy Whiting Place. Any work required to ensure flow and pressure is available to the site to support the additional dwellings shall be designed, constructed and funded by the developer. Stormwater

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Other Comments	
Reasons for using SHA process	To further incentivise development in this area.
Planning history	

Reviewed by:	Shane Overend and Sue I	Shane Overend and Sue McAuley	
Transport		۸ .	
Stormwater	S.w.od	Sugan Medinley	
Waste water/water	J. W.	Moure	

Item 10: Special Housing Areas Requests January 2018: Attachment 4



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Council

20 March 2018

REPORT R9061

Adoption of the Consultation Document for the Long Term Plan 2018 - 28 and Related Documents

1. Purpose of Report

1.1 To adopt the Consultation Document for the Long Term Plan 2018 - 28 and related documents for public consultation.

2. Recommendation

That the Council

<u>Receives</u> the report Adoption of the Consultation Document for the Long Term Plan 2018 - 28 and Related Documents (R9061) and its attachments:

- Community Outcomes (A1901398);
- Council Activity Summaries (A1889191 and A1895587);
- Forecasting Assumptions (A1725210);
- Financial Strategy (A1816122);
- Infrastructure Strategy (A1816478);
- Statement on Fostering Māori Participation in Council Decision Making (A1703725);
- Revenue and Financing Policy (A1849376);
- Funding Impact Statement (A1911642);
- Rates Remission Policy (A1912191);
- Financial Statements (Accounting Information) (A1928909);

- Liability Management Policy (A1765543);
- Investment Policy (A1261457);
- Council Controlled Organisations (A1784915);
- Consultation Document (A1927914) be received and

<u>Approves</u> the draft Long Term Plan 2018-28 Consultation Document and related documents for public consultation and

Adopts the Community Outcomes (A1901398), Council Activity Summaries (A1889191 and A1895587), Forecasting **Assumptions** (A1725210), Financial Strategy (A1816122), Infrastructure Strategy (A1816478), Statement on fostering Māori participation in Council decision making (A1703725), Revenue and Financing Policy (A1849367); the Funding Impact Statement (rates) (A1911642); the Rates Remission Policy (A1912191); the Financial Statements (Accounting Information) (A1928909); the Liability Management Policy (A1765543); the Investment Policy (A1261457) the Council Controlled Organisations (A1784915) as supporting information for the Consultation Document as required by section 93 G of the Local Government Act 2002 and

Adopts the Revenue and Financing Policy (A1849376) and Rates Remission Policy (A1912191) for concurrent consultation with the Consultation Document under the provisions of section 82 of Local Government Act 2002, having considered all the reasonably practicable options and

Approves an extension to 23 April of the consultation period for the Statement of Proposal relating to the proposed contribution to the Waimea Dam project, in order to receive public feedback on the OPUS report, Drought Security – Maitai Dam and its supporting documents (A1928877) and

<u>Adopts</u> the Request for Further Submissions on the Proposed Contribution to the Waimea Dam Project and

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Adopts the Long Term Plan 2018-28 Consultation Document (A1927914) for a public submission process to run from 23 March to 23 April 2018 and

<u>Delegates</u> the Mayor and Chief Executive to make any necessary minor editorial amendments prior to the documents being released for public consultation.

3. Background

- 3.1 Every three years Council is required, under the Local Government Act 2002, to prepare and adopt a Long Term Plan (LTP) containing Council's 10 year work programme including all the services and activities it plans to deliver and the estimated costs of those. Council is required to consult with the community on its 10 year plan through a Consultation Document.
- 3.2 The Consultation Document must "provide an effective basis for public participation in local authority decision-making processes" relating to the Long Term Plan. It needs to explain key issues, provide options for consideration and give information on how Council proposals will impact on rates and debt. It must also include a summary of Council's Financial Strategy, its Infrastructure Strategy, changes to funding arrangements (which include changes to development contributions), changes to levels of service and changes to rates and debt levels.
- 3.3 The Consultation Document and supporting documents were approved to go to Audit at the Council meeting on 22 February 2018.
- 3.4 A revised Consultation Document (Attachment 16) is now ready for adoption. Changes to the document as a result of the audit process, legal advice and minor corrections are highlighted. A design version of the Consultation Document will be circulated separately.
- 3.5 The Consultation Document, when published, will include a report from the Auditor General confirming that it meets its purpose and discussing the quality of the underlying information and assumptions.

4. Discussion

Related Documents

4.1 Consistent with the process set out in the Local Government Act 2002, Council is consulting on the Consultation Document and a number of related documents. To simplify the process for the community a single submission form will be used for all feedback on the Consultation

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Item 11: Adoption of the Consultation Document for the Long Term Plan 2018 - 28 and Related Documents

Document and related documents. Submissions will be heard on 7-9 May and deliberations will be held 15-17 May. Adoption of the Long Term Plan 2018-28 is scheduled for 28 June.

- 4.2 Some of the documents are provided as additional information to assist submitters, some require a special consultative procedure and others require consultation under section 82 of the Act.
- 4.3 As required by section 93G of the Local Government Act 2002 Council must adopt the Consultation Document after it has adopted the other documents which support it.

Waimea Dam

- 4.4 It is recommended that the Waimea Dam special consultative procedure be extended to allow public feedback on the OPUS report on drought security. All previous submitters have been advised of the opportunity to provide extra feedback and the wider public will be informed through the usual channels (Our Nelson, press release, public notice and Council's website). Submissions would then close on 23 April. This process is a separate Special Consultative Procedure and would have its own hearings and deliberations during the time the Long Term Plan hearings and deliberations are held. The Consultation document is Attachment 15 (A1928877) and includes:
 - 4.4.1 Request for Further Submissions on the Proposed Contribution to the Waimea Dam Project
 - 4.4.2 Opus Report Drought Security Maitai Dam Report
 - 4.4.3 Peer Review Report on the Opus Report
- 4.5 With the extended timeframe for the special consultative procedure for consideration of a contribution to the Waimea Dam now overlapping with the Consultation Document, the Long Term Plan needs to be consistent with Council's proposal. There is therefore now an amount of \$5 million included in financial statements, in year three.

5. Consultation

- 5.1 Council is required to follow the special consultative procedure to seek public feedback to inform the Long Term Plan 2018-28 (Local Government Act 2002 section 93 subsection (2) and section 83).
- 5.2 Council is also required to consult on a number of other matters at the same time as the Consultation Document. Some matters will be consulted on using a special consultative procedure, but for others the council can use its discretion so long as it considers the principles of consultation and information requirements set out in section 82 and 82A of the LGA 2002.

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- Item 11: Adoption of the Consultation Document for the Long Term Plan 2018 28 and Related Documents
- 5.3 It is proposed that the following documents be consulted on concurrently with the Consultation Document:
 - Development Contributions Policy (the subject of a separate report at this meeting)
 - Revenue and Financing Policy
 - Rates Remission Policy
- 5.4 The aim of the consultation process is to:
 - 5.4.1 improve public awareness and understanding of Council's Long Term Plan 2018-28
 - 5.4.2 seek public views on the key issues, proposals and options for the long Term Plan 2018-28
 - 5.4.3 meet statutory requirements for consultation on the Long Term Plan and related decisions.
- 5.5 The public will be made aware of the consultation through a range of means: flyers delivered to every household, articles in Our Nelson, press release, public notice and Council's website.

6. Options

- 6.1 Council can choose to amend or delay release of the attached documents provided as supporting information or for parallel consultation but that would put at risk completion of the LTP within statutory timeframes. The documents have been developed as part of an intensive process to review and test the 10 year work programme in order to reflect Council's views.
- 6.2 Development of a Consultation Document is a legal obligation under sections 93B and 93C of the LGA 2002. Council can choose to amend the Consultation Document or delay its release to the community but that would put at risk completion of the LTP within statutory timeframes.

7. Conclusion

7.1 It is recommended that the related documents and Consultation Document be adopted to support the consultation process for the Long Term Plan 2018-28.

Nicky McDonald **Senior Strategic Adviser**

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Item 11: Adoption of the Consultation Document for the Long Term Plan 2018 - 28 and Related Documents

Attachments

Attachment 1: A1901398 - Community Outcomes (Circulated separately) ⇒ Attachment 2: A1889191 - Council Activity Summaries (Part 1) (Circulated separately) ⇒ Attachment 3: A1895587 - Council Activity Summaries (Part 2) (Circulated separately) ⇒ Attachment 4: A1725210 - Forecasting Assumptions (Circulated separately) ⇒ Attachment 5: A1816122 - Financial Strategy (Circulated separately) ⇒ Attachment 6: A1816478 - Infrastructure Strategy (Circulated separately) ⇒ Attachment 7: A1703725 - Māori Participation in Council Decision Making (Circulated separately) ⇒ Attachment 8: A1849376 - Revenue and Financing Policy (Circulated separately) ⇒ A1911642 - Funding Impact Statement (Circulated separately) Attachment 9: Attachment 10: A1912191 - Rates Remission Policy (Circulated separately) ⇒ Attachment 11: A1928909 - Financial Statements (Circulated separately) ⇒ Attachment 12: A1765543 - Liability Management Policy (Circulated separately) Attachment 13: A1261457 - Investment Policy (Circulated separately) ⇒ Attachment 14: A1784915 - Council Controlled Organisations (Circulated separately) ⇒ Attachment 15: A1928877 - Waimea Dam Consultation Document (Circulated separately) ⇒ Attachment 16: A1927914 - Consultation Document (Circulated separately) ⇒

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Important considerations for decision making

1. Fit with Purpose of Local Government

Adoption of the Consultation Document and supporting documents is required under section 93 of the Local Government Act 2002.

2. Consistency with Community Outcomes and Council Policy

Consultation on the Consultation Document and related documents supports all community outcomes.

3. Risk

Consultation reduces the risk that Council will fund services or projects that are not acceptable to part or all of the community.

4. Financial impact

Consultation will be undertaken within existing budgets. The financial impact of the Long Term Plan itself is as set out in the attached documents.

5. Degree of significance and level of engagement

The Consultation Document and supporting documents are of high significance because they set out Council's 10 year work programme. Public consultation will follow using a special consultative procedure.

6. Inclusion of Māori in the decision making process

Māori will be consulted as part of the overall consultation process.

7. Delegations

The Council has responsibility for considering the development of the Long Term Plan and its related processes.



Council

20 March 2018

REPORT R8921

Review of the Development and Financial Contributions Policy 2015

1. Purpose of Report

- 1.1 To consider the attached draft Development Contributions Policy 2018.
- To approve for public consultation, concurrently with the Long Term Plan 2018-2028, the attached draft Development Contributions Policy 2018.

2. Summary

- 2.1 This report outlines Council's statutory obligations in respect of development contributions; and
- 2.2 Summarises the review process which has been undertaken in respect of the Council's current policy the Policy on Development Contributions and Financial Contributions 2015 (the 2015 Policy); and
- 2.3 Outlines the options for changes to the 2015 Policy; and
- 2.4 Recommends the adoption of a new policy for development contributions, (the draft Policy) subject to public consultation as part of the Long Term Plan 2018-28 consultation process.

3. Recommendation

That the Council:

<u>Receives</u> the report Review of the Development and Financial Contributions Policy 2015 (R8921) and its attachments (A1918429 and A1928523); and

<u>Approves</u> the adoption of the draft Development Contributions Policy 2018 and consultation document for concurrent consultation with the Long Term Plan 2018-2028.

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4. Background

4.1 Under Section 102(2)(d) of the Local Government Act 2002 (LGA), every local authority must adopt a policy on development contributions or financial contributions. The current 2015 Policy was adopted by Council on 23 June 2015 as part of the Long Term Plan 2015-25. Section 3.3 of the 2015 Policy provides:

"It is anticipated that this policy will be reviewed, and if necessary amended, on a tri-annual basis as part of the LTP process."

4.2 A review of the 2015 Policy has been carried out by Council officers with the assistance of consultants who have previously assisted the Council with a review of the development contributions policy. As part of the review process, there have been two workshops with development stakeholders to discuss current issues and receive their preliminary feedback on policies which should be retained or changed and three Council workshops.

5. Discussion and Recommendations

- 5.1 The review of the 2015 Policy has considered several issues:
 - 5.1.1 Whether Council should continue to seek a contribution from developers for the cost to Council of capital expenditure necessary to service growth.
 - 5.1.2 What the objectives of a development contributions policy should be
 - 5.1.3 If contributions are sought, whether they should come by way of development contributions under the LGA and/or as financial contributions under the Resource Management Act 1991 (RMA).
 - 5.1.4 Whether contributions should be sought for all capital expenditure in respect of which contributions may be levied under the LGA, namely network infrastructure, community infrastructure and reserves.
 - 5.1.5 Whether there should be any exceptions to the requirement to pay development contributions.
- 5.2 In addition to these issues, the review of the 2015 Policy has also involved updating:
 - 5.2.1 The growth projections for Nelson City for the period 2018-28.
 - 5.2.2 The development areas across the City, and the estimated number of developments within these areas across the period.
 - 5.2.3 The budgeted capital expenditure on community facilities for the 2018-28 period.

5.2.4 The portion of that capital expenditure which can be attributed to growth.

Updates to growth projection and capital projects

- 5.3 Council prepared growth projections in 2017. These projections used the high series population projections and household estimates from the Statistics NZ September 2017. These projections have been used consistently across asset management planning, the infrastructure strategy, long term planning, National Policy Statement Urban Development Capacity planning, and here in Development Contributions Policy. Any change in the projections adopted will mean an increase in the quantum of development contribution by \$5K. A review and assessment of implications will also need to be made on all underlying planning documents.
- 5.4 Changes to growth forecasts from those included in the 2015 Policy include:
 - 5.4.1 A significant increase forecast in capital expenditure for the 2018-2028 period.
 - 5.4.2 An increase in capital expenditure is offset by a greater increase in forecast growth (from 2,000 Household Units of Demands (HUDs) to 3,500 HUDs).
- 5.5 Section 9 of the draft Policy contains appendices which provide details of growth; proposed capital projects and costs, and the proportions of capital expenditure attributable to growth for each activity.

Continuation of levying contributions from developments

- 5.6 Local authorities are not required to levy development contributions. Some councils choose not to levy them either because they have very limited growth-related capital expenditure, or because they wish to create an additional incentive for development. However the majority of councils (45 of 67 territorial authorities) do use development contributions.
- 5.7 The LGA provides that the purpose of development contributions is to:
 - "...enable TLAs to recover from development a <u>fair</u>, <u>equitable</u>, <u>and</u> <u>proportionate portion</u> of the capital cost necessary to service growth over the long term." (s.197AA)

Therefore contributions <u>may</u> be required if:

"...the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, the territorial authority incurs capital expenditure to provide appropriately for (a) reserves; (b) network infrastructure; (c) community infrastructure." (s.199)

- Development and financial contributions are only a small source (approximately 2% of Nelson's total revenue) as compared with other councils in New Zealand. The contribution levied on developers for network infrastructure under the draft Policy of approximately. \$12,820/Household Unit of Demand (HUD) plus reserves is significantly lower than many other cities and districts, including Tasman District Council. If development contributions were to be removed altogether there would be an additional financial burden on rates or some other means to meet this funding gap. This is not considered to be fair or equitable for the purposes of the LGA as outlined in section 5.6 above, and accordingly the rationale behind the draft Policy is that those who cause the need for new infrastructure and services pay their share of that cost.
- 5.9 Under the 2015 Policy the development contribution charge is \$10,570 plus financial contribution for reserves per HUD. If all recommendations in this report are adopted, the development contribution will be \$12,820 plus reserves per HUD, or an increase of \$2,250 (21%).

Recommendation - Retain development contributions		
Advantages	Ensures a fair and equitable apportionment of capital costs across the community to service growth.	
Risks and Disadvantages	 May be seen by some developers as a disincentive to develop; however, the Council's existing and proposed charge is significantly lower than comparable charges levied in other areas including Tasman District. 	
Remove development contributions		
Advantages	Decreases costs for developers.	
Risks and Disadvantages	Creates a revenue shortfall that would need to be met from rates.	
	Placing the costs of growth on existing ratepayers lacks fairness and equity.	

Policy objectives

- 5.10 The objectives of the 2015 Policy are to provide predictability on funding growth, transparency about how growth is funded, fair and proportionate payments, and to support Nelson City Community Outcomes.
- 5.11 Discussions reached a general consensus that more specific policy objectives would be beneficial in assisting with administering the policy, and in particular to provide further guidance in the exercise of discretions under the Policy. The objectives which are proposed are:

• Fairness;

- Simplicity and transparency;
- Certainty;
- Consistency;
- · Statutory Compliance; and
- Contribution to Nelson City Community Outcomes.

Sources of development-related revenue

- 5.12 Council currently seeks contributions for developments which impact on infrastructure and community facilities from two sources. Development contributions are levied under the LGA to fund growth-related capital expenditure. Financial contributions have been levied by the Council for neighbourhood reserves. Under the Resource Legislation Amendment Act 2017, local authorities will no longer be able to levy financial contributions from April 2022. It is recommended that for the 2018-28 LTP period financial contributions are no longer levied under the Resource Management Act, and that under the draft Policy that development contributions are levied for reserves under the LGA. See section 5.22 below for the impact of this change on development contributions charges per HUD.
- 5.13 Levying contributions from two sources adds time, cost and complexity to the development process for both Council and developers. Levying only development contributions under a new policy would simplify matters.
- 5.14 Removing the liability to pay financial contributions would mean the loss of up to \$500,000 in revenue for neighbourhood reserves in the 2018-28 LTP period. However, even if the Council did decide to continue with financial contributions only the portion of that amount payable up until April 2022 (four out of the ten years' worth) would be recoverable.
- 5.15 The loss of revenue from financial contributions would be offset by the proposed introduction of development contributions for reserves (which under the LGA means both general reserves and neighbourhood reserves). The forecast 2018-28 revenue from DCs for general reserves for the high growth scenario is \$4.1m (see page 30 of the draft Policy). This is a significantly greater amount than the \$500,000 that staff expect would be recovered via financial contributions over the equivalent period.

Recommendation - Policy	Remove financial contributions from draft
Advantages	Simplifies current framework, saving time and money for Council and developers.
	Loss of revenue from financial contributions will be offset by development contributions.

	 Development contributions levied for reserves may be used for both neighbourhood and general reserves. 	
Risks and Disadvantages	• No statutory obligation to remove financial contributions until 2022.	
Remove financial contributions in 2022		
Advantages	• Expected revenue for neighbourhood reserves is received over the next four years.	
Risks and Disadvantages	• Financial contributions are not popular with developers.	
	Cumbersome to administer.	
	 Financial contributions levied for neighbourhood reserves may not be used for general reserves. 	

Capital expenditure for which development contributions are sought

- 5.16 Section 199 of the LGA provides that development contributions may be sought for capital expenditure on reserves, community infrastructure (community centres or halls, play equipment, and public toilets), and network infrastructure (roads and other transport, water, wastewater, and storm water collection and management).
- 5.17 The Council does not currently levy any contributions (financial or development) for community infrastructure under the 2015 Policy or otherwise. This means that the growth portion of community infrastructure is generally funded through rates.
- 5.18 Consideration has been given to extending development contributions to all community infrastructure, including reserves, and removing financial contributions for neighbourhood reserves.
- 5.19 While developers are comfortable with the status quo, the proposed Policy objectives of fairness and consistency require that whenever a development has a capital expenditure impact (i.e. requiring new assets to be created, or increasing the capacity of existing assets), the growth-related share of that capital expenditure should be met from those who cause the need. As discussed in section 5.8 above, the most appropriate means for the Council to achieve those objectives is considered to be through development contributions.
- 5.20 The expected revenue from a new development contributions charge for community infrastructure is \$760,000 for the 2018-28 LTP period.
- 5.21 The expected revenue from development contributions for reserves is \$4.1m, or a net increase of \$2.6m if financial contributions for reserves is removed (see 5.12 5.15 above).

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- 5.22 The proposed extension of the Policy to all types of community facilities including general reserves, coupled with the proposed removal of financial contributions, would mean that:
 - 5.22.1 A new community infrastructure contribution of \$280 per housing-unit-of-demand (HUD) is introduced to fund growth-related capital expenditure over the period of the LTP.
 - 5.22.2 A general reserves contribution of \$1,160 per HUD is introduced for all growth-related capital expenditure over the period of the LTP.
 - 5.22.3 The current financial contribution for neighbourhood reserves is replaced by a development contribution. This contribution requires either provision of 40m² of land per HUD (being an amount consistent with Council's current level of service for neighbourhood reserves), or the cash equivalent calculated according to local land values.

Recommendation - Extend development contributions to community infrastructure and all reserves		
Advantages	 Provides Council with \$760,000 additional revenue to fund the cost of all growth-related capital expenditure on community infrastructure. 	
	 Provides the Council with at least an additional approximately \$2.6m (high growth scenario) over the LTP period for reserves (both neighbourhood and general reserves). 	
	 Is consistent with the LGA and is the approach taken by most other councils. 	
	 Is well-aligned with the Council's proposed Policy objectives of fairness, consistency, transparency, and supporting Nelson Community Outcomes. 	
Risks and Disadvantages	Adds additional minor cost to developers.	
Status quo		
Advantages	Popular with developers.	
Risks and Disadvantages	 Does not introduce a new source of revenue for new community infrastructure, the costs of which would continue to be met by ratepayers. 	
	 Development contributions do not fund an additional approximately \$2.6m for reserves of the 2018-28 LTP period. 	

Item 13: Review of the Development and Financial Contributions Policy 2015

• Is not consistent with the approach of most other councils.
 Lacks alignment with the Council's proposed Policy objectives of fairness, consistency, transparency, and supporting Nelson Community Outcomes.

Inclusion of additional activities to network infrastructure development contributions

- 5.23 Council already levies a development contribution for network infrastructure and it is proposed to continue this under the draft Policy. It is also proposed to include two significant areas of capital expenditure to this contribution.
- Nelson Regional Sewerage Business Unit (NRSBU) treatment plant upgrade: The NRSBU is a regional sewerage scheme jointly administered by the Council and the Tasman District Council. It services both Councils as well as industrial wastewater from three large companies. The capital costs associated with the pipe upgrade for the NSRBU have previously been included in development contributions, but the treatment plant upgrade has not. It is part of the Council's total network infrastructure capital expenditure and therefore it is recommended that the growth-related portion of these costs be included in the draft Policy as a matter of consistency.
- 5.25 The addition of the NRSBU treatment plant upgrade to the development contributions policy would fund approximately \$7.4m of capital works over the 10 year LTP period (in the high growth scenario). This represents around 42% of all the projected growth expenditure on wastewater over that period.
- The proposed addition of the NRSBU treatment plant upgrade to the development contributions policy would mean that an additional approximately \$2,070 per HUD is applied to the network infrastructure contribution to fund growth-related capital expenditure over the period of the LTP, out of a total of \$4,880 per HUD for wastewater.
- 5.27 Stormwater Management Costs of Flood protection: Development contributions for network infrastructure are currently levied for stormwater collection and management. The Council currently only levies a contribution for stormwater management as it relates to the reticulated (piped) network. Stormwater management outside of this (for example, capital improvements on rivers or creeks to reduce flooding risks) have not been included. Climate change will have an increasing impact on the capital costs of managing stormwater, and as a result Council asset managers consider it appropriate to include these activities in the draft Policy.

- 5.28 A review of practices in other New Zealand metropolitan centres (including Auckland, Hamilton, Tauranga, Hutt City, Wellington and Christchurch) highlights that a contribution for flooding protection is included as part of their stormwater management capital costs, and that a portion of this expenditure is required to service growth.
- 5.29 Council staff have considered the implications of including stormwater management for flood protection purposes in the draft Policy, and are satisfied that development contributions can be levied for the projects included in the draft Policy.
- 5.30 The addition of stormwater management for flood protection projects to the development contributions policy would fund approximately \$4.8m of capital works over the 10 year LTP period (in the high growth scenario). This represents around 43% of all the projected growth expenditure on stormwater over that period.
- 5.31 The draft Policy is based on a single catchment, aggregated-cost-of-growth approach. A statement has been included in the Policy (section 6.1 of the attachment) weighing the administrative efficiency of a single catchment approach (used for all network infrastructure) versus the cost of implementing a more complex catchment model. Staff consider that a sub-catchment based hydrological model which would be needed for stormwater management would be unnecessarily complex and not significantly increase the degree of fairness or equity of the process. Therefore there is no proposed departure from the single catchment approach for stormwater.
- 5.32 The proposed extension of the Policy to include stormwater management for flood protection projects to the development contribution would mean that an additional \$1,366 per HUD is applied to the network infrastructure contribution to fund growth-related capital expenditure over the period of the LTP, out of a total of \$3160 per HUD for stormwater.

Recommendation - Include growth-related costs of NRSBU and the stormwater management costs of flood protection in network infrastructure development contribution		
Advantages	 Provides Council with approximately \$4.8m additional revenue (high growth scenario) to fund the cost of growth-related capital expenditure on stormwater infrastructure. 	
	 Provides Council with approximately \$3.4m additional revenue (high growth scenario) to fund the cost of growth-related capital expenditure on the NRSBU. 	
	• Is consistent with the approach of most other councils.	

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	 Is well aligned to the draft Policy objectives of fairness, consistency, transparency, and supporting Nelson Community Outcomes.
Risks and Disadvantages	Adds additional minor cost to developers.
Status quo – no inclusion	
Advantages	Popular with developers.
Risks and Disadvantages	Results in a loss of revenue which has to be sourced from ratepayers.
	• Is inconsistent with the approach of most other councils.
	 Lacks alignment to the Policy objectives of fairness, consistency, transparency, and supporting Nelson Community Outcomes.

Exceptions to development contributions obligations

- 5.33 In addition to developments which the LGA does not permit contributions to be levied, the 2015 Policy contains the following (full or partial) exceptions to paying development contributions:
 - 5.31.1 The first 30 residential HUDs developed within the Inner City each financial year;
 - 5.33.2 Developments which have low impact stormwater infrastructure;
 - 5.31.3 Developments which are unable to connect to water or wastewater networks;
 - 5.31.4 Developments which have water supplied by Tasman District Council;
 - 5.31.5 A number of named entities;
 - 5.33.6 Kindergartens and play centres;
 - 5.33.7 Childcare and day care centres; and
 - 5.31.8 Integrated schools.

Inner City Residential Developments

5.34 The inner city residential development exemption was introduced in the 2015 Policy with the objectives of intensifying development in the City, Centre which would in turn create a vibrant and attractive City, encourage residential intensification, enable a wider range of housing choice, and encourage higher density clusters around key commercial centres. The incentive has been well received by the development community.

- 5.35 It is acknowledged that there may be incidences where residential units (or portions of those units) that are exempt under this policy are subsequently re-used as short-term accommodation. Taking in to consideration the low likelihood of significant change in demands on infrastructure, and that the overall intensification objectives of the policy continue to be met, it is not considered necessary to introduce measures to address any subsequent changes of use provided these are within the bounds of what was authorised at the time that the development was assessed for development contributions. Any significant change of use from primarily residential to commercial activity would lead to a new consent and with that a new contributions assessment.
- 5.36 The policy objectives remain, and it is therefore recommended that the exemption should be retained. However, the merits of providing it rest on the assumption that once granted, the development should proceed within a reasonable period. Accordingly, it is recommended that the exemption is granted on the condition that construction commences within 12 months. If the condition is not met the exemption will no longer apply and a development contribution will be required.

Low Impact Stormwater Developments

5.37 It is also recommended that the low impact stormwater exemption should be retained. However, the current provision lacks detailed criteria for assessing impact. Accordingly, some drafting changes are proposed which provide greater clarity for the application of the exemption, and which mirror those used in the Tasman District.

Ad Hoc Exceptions

- 5.38 The Local Government Act provides for a reconsideration and objections process for development contributions assessments. These are not exemptions processes as such. Instead they provide formal processes for reviewing whether Council has applied its policy correctly.
- 5.39 If the Policy objectives of fairness and consistency are to be adopted, then it is important that no single development receives special treatment unless there is a clear and compelling reason to do so, and future developments which are substantially similar are treated in a similar manner. The past practice of making exceptions (albeit very limited exceptions) therefore runs the risk of the Policy being unreasonable.
- 5.40 It is not recommended that specific exemptions should be removed, as these are accrued rights which should not be retrospectively taken away. However, it is recommended that generic exceptions, such as play centres (which may have the same profit-making objectives as any other commercial development), should be removed. The replacement should be a very limited exemption which does not undermine the revenue goals or fairness and consistency objectives of the Policy.
- 5.41 The policy approach to exemptions from payment is not consistent throughout New Zealand local authorities, but a number of councils'

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 - policies do provide for exemptions in very limited circumstances. Having regard to these, and the proposed policy objectives, it is recommended that future ad hoc listed exemptions are not provided for.
- 5.42 Instead it is recommended that a general power of exemption is provided for on the following conditions:
 - 5.39.1 Exemptions are discretionary and only granted by the Council in exceptional circumstances; and
 - 5.42.2 Officers may make a recommendation to the Council to approve an exemption, based on the Officer's assessment of the request against a set of defined criteria; and
 - 5.39.3 The Criteria to be applied to a request for an exemption being;
 - (a) whether the development is part of a not-for-profit entity; and
 - (b) any unique contribution that the development is making towards Nelson City Community Outcomes; and
 - (c) whether the basis of application has high degree of consistency with the general application of the 2018 Policy; and
 - 5.39.4 Council officers have the authority to consider and decline an application for exemption, using the criteria listed above, with no further right of review; and
 - 5.42.5 In the case that the criteria are met and a recommendation is made there is nonetheless no obligation on the Council or delegated committee to approve any exemption.
 - 5.42.6 All requests for exemptions will be reported to the Council or a delegated Council committee on a quarterly basis.

Recommendation - General power of exemption			
Advantages	 Allows for limited and principle-based exemptions. 		
	Adopted by some other councils.		
Risks and Disadvantages	 Results in some loss of revenue opportunities. May result in an influx of applications for exemption. 		
	 In practice the processing of exemption requests will likely involve significant staff time especially if any decisions are made by Council that are inconsistent with the Policy 		

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Status quo – listed exemptions		
Advantages	Provides certainty of exemptions being made.	
	Administratively simpler than general power of exemption.	
Risks and	Arbitrary – lacks a principles base.	
Disadvantages	Results in a loss of revenue opportunities.	
No exemptions		
Advantages	Provides certainty.	
	Administratively simpler than either the status quo or a general power of exemption.	
	Adopted by some other councils.	
	Does not result in loss of revenue opportunity.	
	Aligned to Policy objective of consistency.	
Risks and Disadvantages	 Potentially unpopular with community organisations and developers. 	

6. Options

6.1 The Council's options for consideration are summarised below. It is recommended that Option 1 is adopted.

Option 1: Approve for public consultation, concurrently with the Long Term Plan 2018-2028, the attached draft Development Contributions Policy 2018		
Advantages	The recommended Policy would allow the Council to:	
	 Continue to ensure a fair and equitable apportionment of capital costs across the community to service growth; and 	
	 Align with forthcoming changes to legislation by removing the use of financial contributions; and 	
	 Collect new development contributions to fund community infrastructure; and 	
	 Collect development contributions for capital expenditure on growth-related costs of the Nelson Regional Sewerage Business Unit; and 	

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	 Collect development contributions for capital expenditure on flood protection as part of stormwater management; and Decrease risk to the Council's revenue by reducing the scope for exemptions.
Risks and Disadvantages	The resulting increase in the overall charge compared to the 2015 Policy may be viewed by developers as a disincentive to develop; however the Council's existing and proposed charge is significantly lower than comparable charges levied including those in the Tasman District.
Option 2: Reject the Policy 2018	ne attached draft Development Contributions
Advantages	No advantages as it's a statutory requirement to review the policy every 3 years.
Risks and Disadvantages	Rejection of the recommended Policy would mean that:
	 The Council would continue to collect both financial contributions and development Contributions where Development Contributions would suffice until a future review in 2022 if not before; and be able to collect.
	 Community infrastructure needed for growth would continue to be funded principally by rates.
	 The Council would face a funding shortfall for stormwater activities including flood protection projects, growth costs of the Nelson Regional Sewerage Business Unit, and community infrastructure works which would need to be met by general rates.
	 Exemptions, ad-hoc exceptions, and a stated provision for postponement of payment may expose the Council to the risk of legal challenge and to the risk of a loss of revenue.
	 New capital projects required to support growth would not be funded by development contributions.

7. Conclusion

- 7.1 The review of the 2015 Policy has concluded that:
 - 7.1.1 Continuation of development contributions: Consistent with the approach taken in the majority of other local authorities in New Zealand, development contributions remain a fair and equitable source of revenue to fund the growth-related share of capital expenditure on infrastructure and community facilities in Nelson.
 - 7.1.2 Removal of financial contributions: Administering a dual system of financial contributions and development contributions is unnecessarily cumbersome and consumes time and costs for Council and developers alike. Because financial contributions will no longer be capable of being levied past 2022, and because the same charges can be levied with a broader scope to include all reserves by way of a development contribution, it is recommended Council move to a single system with the draft 2018 Policy.
 - 7.1.3 Scope of development contributions policy: Logic, consistency and fairness require that development contributions should be levied for all infrastructure covered by the provisions of the LGA. Accordingly, it is recommended that the gaps in the 2015 Policy community infrastructure, general reserves, the growth-related costs of the Nelson regional Sewerage Business Unit, and the stormwater management costs of flood protection should be remedied in the draft Policy.
 - 7.1.4 Exemptions: While the objectives of fairness and consistency mean that like developments should be assessed in a like manner, there may be a small number of occasions where it is reasonable to exempt a development. Such exceptions, however, should be confined to exceptional circumstances and be based on principles which are consistently applied.

Lisa Gibellini

Team Leader City Development

Attachments

Attachment 1: Draft Development Contributions Policy 2018 (A1925909) U

Attachment 2: Consultation document for Policy on Development Contributions

2018 (A1928523) J

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Important considerations for decision making

1. Fit with Purpose of Local Government

The recommended Development Contributions Policy fits with the Purpose of Local Government (<u>LGA 2002 s10</u>) by providing a means for the Council to fund good-quality local infrastructure in a way that is effective and equitable, in so far that it enables the Council "to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term".

2. Consistency with Community Outcomes and Council Policy

The recommended Development Contributions Policy aligns with the following Community Outcomes:

• Our Region is supported by an innovative and sustainable economy.

3. Risk

It is very likely that the recommended Development Contributions Policy 2018 will continue to achieve the Council's objectives. It has been selected as the best mechanism to ensure the cost of growth is apportioned to those who have created the need for that cost. The outcome of this policy is to avoid the risk of funding deficit to meet the cost of growth network infrastructure and community facilities. Without this policy the cost of growth would have to be covered by general rates or by some other charge.

4. Financial impact

There may be an increase in operating costs of adopting the draft Policy versus the 2015 policy due to the more formal assessment of exemptions under a 'general power of exemption model'. However this is likely to be off set by simplification resulting from the removal of financial contributions.

The draft policy:

- introduces additional growth expenditure for community infrastructure to be levied by development contributions; and
- increases the scope of growth expenditure on stormwater and wastewater activities to be levied by development contributions; and
- introduces revenue for all reserves infrastructure to be levied by development contributions; and
- removes revenue for neighbourhood reserves by removing financial contributions.

5. Degree of significance and level of engagement

This matter is of medium-high significance due to the level of impact of Council's revenue and costs decisions on the community. Therefore the Special Consultative Process will be used in tandem with the Long Term Plan notification process.

6. Inclusion of Māori in the decision making process

Māori have not been engaged separately for this recommendation.

7. Delegations

The Planning and Regulatory Committee has the responsibility for considering Development Contributions and Financial Contributions.

The Planning and Regulatory Committee has delegated this matter to full Council for consideration.

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NELSON CITY COUNCIL

POLICY ON DEVELOPMENT CONTRIBUTIONS 2018

1 July 2018





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GLOSSARY AND DEFINITIONS

Accommodation units	Defined in the LGA as:
	"units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation."
Allotment	Defined in section 218 of the Resource Management Act 1991:
	 a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not: (i) the subdivision shown on the survey plan has been allowed, o subdivision approval has been granted, under another Act; or (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or
	 any parcel of land or building or part of a building that is shown or identified separately; (i) on a survey plan; or (ii) on a licence within the meaning of Part 7A of the Land Transfer Act 1952; or
	c) any unit on a unit plan; or
	d) any parcel of land not subject to the Land Transfer Act 1952
Allotment Value	Valuation of residential allotment values will be the GST-included valuation.
Applicant	The person(s) applying for a resource consent, building consent, or service connection.
Asset Management Plan	Council plans for the management of assets, applying technical and financial management techniques to ensure that specified levels of service are provided in the most cost-effective manner over the life-cycle of the asset.
Bedroom	For the purpose of assessing 1 and 2 bedroom residential units, a bedroom is any room in a residential unit that is greater than 4.5m ² in floor area and capable to be used for sleeping purposes.
Building Work	Work for, or in connection with, the construction, alteration, or demolition of a building.
Capital Expenditure	The cost Council expects to incur to acquire new assets, or to upgrade or renew existing assets.
Community Facilities	Defined in the LGA as:
	Reserves, network infrastructure, or community infrastructure for which development contributions may be required.

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Community infrastructure	Defined in the LGA as the following assets when owned, operated, or controlled by a territorial authority:
	(a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated:
	(b) play equipment that is located on a neighbourhood reserve:
	(c) toilets for use by the public
Community Outcomes	The outcomes that Council aims to achieve in meeting the current and future needs of the community for good-quality local infrastructure, local public services, and performance of regulatory functions.
Consent Holder	The person(s) to whom the resource consent, building consent, or service connection was granted.
Crown Entity	Crown entities are bodies established by law in which the Government has a controlling interest.
Development	Defined in the LGA as:
	(a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
	(b) does not include the pipes or lines of a network utility operator
Development Agreement	Defined in the LGA as: A voluntary contractual agreement made under Sections 207A to 207F between one or more developers and 1 or more territorial authorities, for the provision, supply or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in 1 or more districts or part of a district.
Development Contribution	Defined in the LGA as:
	A contribution that is:
	 a) provided for in a Development Contributions Policy included in the Council's Long Term Plan; and
	 b) calculated in accordance with the methodology; and
	 c) comprising (i) money; or (ii) land, including a reserve or esplanade reserve other than in relation to a subdivision consent, but excluding Maori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or (iii) both.
District	The district of a territorial authority, in this case, the Nelson City area.
Estimated Building Value	The estimated aggregate of the values determined in accordance with Section 10 of the Goods and Services Tax Act 1985 of all goods and services to be supplied for that building work.

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Household Unit of Demand (HUD)	The same meaning as Residential Unit in the Nelson Resource Management Plan applies. The HUD is equivalent to one residential title containing one residential unit.
ISA	Impermeable surface area
Land Development Manual	The Nelson City Council Land Development Manual 2010 forms the basis for design and construction of all Nelson City's roads, drains, water supply and reserve areas.
Lodged	The point in time at which an application that complies with all the requirements in Section 88(2) of the Resource Management Act 1991 or Section 45 of the Building Act 2004, has been received by the Council
LGA	The Local Government Act 2002
Methodology	The method by which development contributions are calculated.
NRMP	Nelson Resource Management Plan
Network Infrastructure	Defined in the LGA as:
	The provision of roads and other transport, water supply, wastewater, and stormwater collection and management.
Non-Residential Development	Any development that is not for a residential unit.
Residential Unit	A single self-contained household unit, used principally for residential activities, whether by one or more persons and including accessory buildings. Where more than one kitchen facility is provided on site, there shall be deemed to be more than one residential unit. For the purposes of the policy, retirement villages are covered by this definition.
RMA	The Resource Management Act 1991.
Service Connection	Defined in the LGA as:
	A physical connection to a service provided by, or on behalf of, Council

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Service Overlay	Chapter 3 of the NRMP:
	AD11.3.3 Services overlay
	AD11.3.3.i The Services Overlay relates to the availability and capacity of services such as wastewater, water supply, stormwater drainage, and roads. The overlay areas contain one or more of the following servicing constraints:
	a) Development of the area is beyond the immediate scope of the Long Term Plan or Council's Nelson Development Strategy.
	 The area is low lying and requires filling before servicing can occur
	c) The area is one where extension of services is required to serve other land or contribute to a network. This includes the provision of legal road and utilities up to the boundary of the development site to serve the development potential of adjoining land in the Services Overlay.
	 d) Services in the area are inadequate and require comprehensive upgrading before development can proceed
	The area is above the contour for which water can be supplied to meet the requirements of the Council's Land Development
	Manual. (The standards are based on the NZS4404: Land Development and Subdivision, and the New Zealand Fire Service Water Supplies Code of Practice).
	These constraints must be addressed before development of these areas can proceed. Resource consent will not be declined for servicing constraint reasons when they have been resolved.
	AD11.3.3.ii The Services Overlay also deals with situations where services need to be developed in the area in a comprehensive manner in conjunction with the Council and other property owners.
Subdivision	Defined in section 218 of the RMA:
	The division of an allotment by:
	 a) an application to the District Land Registrar for the issue of a separate certificate of title for any part of the allotment; or
	 the disposition by way of sale or offer for sale of the fee simple to part of the allotment; or
	 a lease of part of the allotment which, including renewals, is or could be for a term of more than 35 years; or
	 d) the grant of a company lease or cross lease in respect of any part of the allotment; or
	e) the deposit of a unit plan, or an application to a Registrar General of Land for the issue of a separate certificate of title for any part of a unit on a unit plan; or an application to Registrar-General of Land for the issue of a separate certificate of title in circumstances where the issue of that certificate of title is prohibited by Section 226.

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Explanatory Note

This note is only a guide to the major changes from the Development Contributions and Financial Contributions Policy 2015 and this Policy, but does not form substantive Policy. Developers and their advisers should read the Policy in its entirety to familiarise themselves as to the policy changes made in this document.

Significant changes which have been made in this Policy to the Development Contributions and Financial Contributions Policy 2015 include:

- Removal of financial contributions for neighbourhood reserve land in respect of new developments;
- Inclusion of Nelson Regional Sewerage Business Unit capital projects within the wastewater development contribution;
- Inclusion of flood protection capital projects that have a growth-related component within the stormwater collection and management development contribution, and where each relevant flood protection project is required, at least in part, to collect or manage stormwater run-off from developments or to protect developments from stormwater run-off.
- Introduction of a development contribution for neighbourhood reserve land based on either a land contribution of 40m²/HUD or the equivalent in cash based on local land values;
- Introduction of a development contribution of \$1,160/HUD for general reserves and improvements;
- Introduction of a development contribution of \$280/HUD for community infrastructure (community centres, public toilets, and playgrounds on council reserves);
- Removal of the some of the listed exemptions from paying development contributions and introduction of a general exemption provision for applicants providing evidence of exceptional circumstances:
- Making the exemption from development contributions for residential developments in the city centre condition upon construction commencing within one year (this is shortened from the current policy requirement of two years). This only applies to the first 30 HUDs applying for an exemption in each financial year.

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1 INTRODUCTION

1.1 Overview

Nelson city continues to experience strong growth in its population, visitors, development and the local economy. This growth generates increased levels of subdivision and development activity which places greater pressure on the assets and services provided by the Council. Significant investment is required to meet the demands of growth through providing additional assets, or increasing the capacity of existing assets.

Historically, Council has sought a contribution towards the expansion of the city's reserves, community facilities and infrastructure from those developments that place additional demands on these services. Council has previously levied these contributions under two pieces of legislation:

- Development Contributions: are levied under the provisions of Part 8 Subpart 5 and Schedule 13 of the Local Government Act 2002 (LGA). To make use of these provisions Council must adopt a Policy on Development Contributions as part of the Council's 10-Year Plan ("Long Term Plan" or "LTP").
- 2) Financial Contributions: are imposed as a condition of a resource consent pursuant to sections 108, 220, 407 or 409 of the Resource Management Act (RMA) 1991. Under the Resource Legislation Amendment Act 2017, Councils will no longer be able to levy financial contributions after April 2022. However, in order to streamline and simplify the development process, this Policy removes the levying of financial contributions. All growth-related costs for community facilities and reserve land that are attributable to development will be charged through development contributions.

1.2 Transition between policies

This policy shall come into force from 1 July 2018, and applies to applications for a resource consent, building consent, or service connection received on or after that date.

For the purpose of determining when an application is received, all the required and relevant information must accompany an application for it to be considered complete.

1.3 Updating the policy

It is anticipated that this policy will be reviewed, and if necessary amended, at least every three years as part of the LTP process. For the financial years in between LTPs, the development contributions will be inflated based on the rate of increase (if any) in the Producers Price Index Outputs for Construction provided by Statistics New Zealand since the development contribution was last set. Any increase will only apply to the proportion of the development contribution that does not relate to the interest component

Before any increase takes effect, council will make publicly available information setting out the amount of the newly adjusted development contribution and show how any increase was calculated.

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2 PURPOSE AND OBJECTIVES

Section 197AA of the LGA states that the purpose of development contributions is:

"...to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term."

Under this Policy, Council intends to entirely fund the portion of capital expenditure ("capex") that is attributable to growth by development contributions wherever it can be done so lawfully, fairly, reasonably, and practically.

Council considers that development contributions are the best mechanism available to ensure the cost of growth is apportioned to those who have created the need for that cost. Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth.

Accordingly, the objectives of this policy are:

- (i) Fairness: ensure that those who create a need for new or additional assets or assets of increased capacity fund contribute their fair share to the cost of providing those asset., and to also ensure that the cost of providing new or additional assets, or assets of increased capacity is allocated proportionately between those who benefit from the assets to be provided as well as those who create a need for those assets.
- (ii) Simplicity: ensure that the Policy is easy to understand and administratively simple to apply.
- (iii) Certainty and transparency: provide developers with a clear understanding of what will be funded from development contributions, what they will have to pay towards those costs, and when.
- (iv) Consistency: ensure that like developments are treated in a like manner.
- (v) Contribution to Nelson goals: support and facilitate the wider outcomes sought by Nelson City Council.

In developing this Policy, the principles in section 197AB of the LGA have also been taken into account, namely that:

- (a) development contributions are only required where the effects or cumulative effects of developments will create or have created a requirement for the council to provide or to have provided new or additional assets or assets of increased capacity;
- (b) development contributions are determined in a manner that is generally consistent with the capacity life of the assets for which they are intended to be used and in a way that avoids over-recovery of costs allocated to development contribution funding:
- (c) cost allocations used to establish development contributions are determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets;
- (d) development contributions are used -
 - for or towards the purpose of the activity or the group of activities for which the contributions were required; and

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- for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required;
- the council should make sufficient information available to demonstrate what development contributions are being used for and why they are being used;
- (f) development contributions should be predictable and be consistent with the methodology and schedules of this Policy;
- (g) in calculating and requiring development contributions, the council may group together certain developments by geographic area or categories of land use, provided that-
 - the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
 - grouping by geographic area avoids grouping across an entire district wherever practical.

Other considerations which form part of the development of this policy include:

- (a) Council will use development contributions only for capital expenditure in respect of the activity for which they are collected. For instance, contributions collected because of a need to increase water supply capacity will be spent only on the water supply system. This will be according to an aggregated project basis for each of the activities. Any particular development contribution will not be allocated to any specific project within an activity.
- (b) Development contributions are not used to fund operational costs to maintain or to improve levels of service for existing users.
- (c) Development contributions are not required if:
 - Council has imposed a condition on a resource consent in relation to the same development for the same purpose; or
 - the developer will fund or otherwise provide for the same network infrastructure;
 - (iii) Council has already required a development contribution for the same purpose in respect of the same building work; or
 - (iv) Council has received or will receive funding from a third party for the project or provision of the same network infrastructure.

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3 APPLICATION OF THE POLICY

3.1 Who is assessed?

A development that creates additional demand will be assessed for development. A development can be any subdivision, building, land use, or work that generates a demand for reserves, network infrastructure or community infrastructure.

A development contribution may be required to be made to Council when:

- a resource consent is granted under the RMA,
- (ii) a building consent is granted under the Building Act 2004, or
- (iii) an authorisation for a service connection is granted.

3.2 What contributions are payable?

Council may require development contributions in relation to developments where the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, Council incurs capital expenditure to provide appropriately for:1

- Reserve land and improvements.
- (ii) Network infrastructure.
- (iii) Community infrastructure.

For the purpose of this policy, the transportation activity has been considered as an integrated activity that includes all modes of transport.

3.3 How much is payable?

Council applies a standard development contribution for all development within the city-wide catchment. Due to the relatively small and compact nature of the city, Council considers that the benefits from capital works on community facilities will generally flow through to developers and the community as a whole. Accordingly, a one-catchment approach is the fairest and simplest for all. A more targeted, catchment by catchment approach is considered to be significantly more complex to develop and assess; more costly and inefficient to administer; and inconsistent with other funding streams. All developments benefit from the network infrastructure provided, accordingly it is considered appropriate that all pay the same equitable amount for the additional capacity built into council's network.

The city-wide development contribution per household unit of demand (HUD) for each of the network infrastructure activities is shown below.

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¹ Definitions of the assets for which development contributions may be payable can be found in the Glossary and Definitions section of this Policy

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Table 1: 2018/19 Development contributions by activity

Activity	\$ per HUD (exc GST)
NETWORK INFRASTRUCTURE	\$11,380
Stormwater ¹	\$3,160
Wastewater	\$4,880
Water supply	\$1,920
Transportation	\$1,420
COMMUNITY INFRASTRUCTURE	\$280
Community infrastructure	\$280
RESERVES	\$1,160 + 40m²/HUD
General reserves ²	\$1,160
Neighbourhood reserve land	40m² land/HUD, or cash equivalent
Total	\$12,820

The development contributions levied for consents in previous financial years are shown in Section 9. The development contribution payable is quantified for all types of developments using a HUD. The number of HUDs payable reflects the additional demand on council infrastructure created by the development. Only the additional demand created will be considered when assessing development contributions.

Table 2: Assessment of contributions

Development	Stormwater	Waste water	100.00	/ater upply	Transport	L	nunity ructure	Reser	Ves:
Subdivision					le for each a 4 for exemp				
Residential building New residential units on one title over and above 1 HUD			= 0.5 b = 0. Three or	HUD for edroom .75 HUD more be	m residential r each activit residential ur of for each act edroom reside for each activ	y Two nit ivity ential unit			
Non-residential building If additional to 1 HUD paid at subdivision	HUDs = ISA (b) / 2	Greater of: increase in pans, 2 pan: = 1 HUD an- water pipe size.	s pipe	ater e size see low)	HUDs = Car parks / 4	accomi u Remai	UD per modation unit inder not cable (c)	0.5 HL accomm unit (G Rese Remain applica	nodation eneral rves) der not
nternal diameter o	f water connect	ion (mm)	20	25	32	40	50	100	15
HUDs			1	1.56	2.56	4	6.25	25	56.2

¹This includes flood protection capital projects that have a growth-related component within the stormwater collection and management development contribution, and where each relevant flood protection project is required, at least in part, to collect or manage stormwater run-off from developments or to protect developments from stormwater run-off.

² General Reserves includes the land and the improvements to that land.

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Notes to Table 2:

- (a) Assessment applies to all developments in the city-wide catchment, refer Section 3.4.
- (b) ISA = impermeable surface area
- (c) Accommodation units are deemed to be residential (reference s198A (2) LGA).

3.4 Development areas?

The provision of infrastructure to enable development will be prioritised through the LTP to ensure that:

- growth projections are aligned with capital spending for growth to enable infrastructure to be provided at the optimal time – not too early and not too late;
- · optimal use is made of existing infrastructure;
- residential intensification is prioritised.
- sufficient capacity is provided to meet the requirements of the National Policy Statement on Urban Development Capacity.

Under this approach, not all identified development areas will be serviced in the next ten years. Therefore, the assessment of development contributions under this policy has been split into three categories:

Category 1: Development where no services overlay applies. (See Glossary for definition of a "service overlay.")

Category 2: Development where a services overlay is currently in place, but the existing constraints relating to council provided infrastructure (to the development boundary at the bottom of the catchment) will be removed by works planned in the 2018-2028 LTP.

Category 3: Development where a services overlay is in place, and where the existing constraints relating to council provided infrastructure are not planned to be fully removed by works planned in the 2018-2028 LTP.

Maps of these development areas can be found in Section 9.

3.4.1 Development areas to be assessed under the standard rules of this policy:

Categories 1 and 2 will be assessed for the city-wide development contribution identified in this policy. The development areas, and the number of titles that meet the criteria of category 2 are shown in the following table.

Table 3: Development areas catered for under this policy

No.	Development Area Name	Estimated Total Yield (Titles)	Titles available Years 1-5	Titles available Years 6-10
3	Ngawhatu Valley	800	0	345
4	Marsden Valley	1,000	0	650
9	Tasman Heights	500	314	0
11	Toi Toi	202	202	0
12	Washington Valley	39	34	0
19D	Lower Bayview	100	0	100
19E	Upper Bayview	250	0	250
22	Todd Valley	4	0	4
26C	Saxton - Summerset, Wakatu	350	350	0
23	Nelson South	173	173	0

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3.4.2 Development areas that will not be assessed under the standard rules of this policy

The third category is for any development areas not included in the above table, or for development above the limits set in the titles available years 1-5 and titles available years 6-10 columns in the table above.

For these areas, Council has not included the capital projects to remove all council provided infrastructure constraints within the 2018/19-2027/28 LTP. Therefore, the additional growth-related costs have not been included in the development contribution calculations. These development areas are shown below.

Table 4 : Development areas not fully catered for under this policy

No.	Development Area Name	Estimated Total Yield (Titles)
7	Quarantine Road	30
8	Airport and Golf Road	40
10A	Emano	96
10B	Murphy	75
16	Atmore Terrace/Cleveland Terrace	15
17	Upper Nile Street	10
19A	Brooklands	15
19B	Paremata	10
20	Werneth	20
21	Wastney Terrace	29
24	Enner Glynn	110
25	Ralphine Way	30

In order to proceed with developments under this category, a Private Development Agreement (PDA) between Council and the developer may be required. Details on PDAs are provided in Section 8. Any PDA is likely to require a bespoke development contribution based on the standard contribution plus consideration of any works that the developer may need to undertake.

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4 ASSESSMENT, PAYMENT AND EXEMPTIONS

4.4 Timing of assessment

Council will calculate contributions on a development's first application for a resource or building consent or connection authorisation and will re-calculate a development for contributions on any subsequent application after the first in relation to the same development.

4.5 Timing of payment

Invoices become due for payment immediately upon issue and will be generated at the following points:

Consent type	Issue of invoice/Payment timing
Resource consent (subdivision)	At the time of applying for a certificate under s.224(c) of the RMA
Resource consents (others)	Prior to the commencement of work
Building consent	At the time the building consent is granted
Service connections	At the time service connection approval is sought

Where invoices remain unpaid under Council's payment terms [the 20th day of the month following issue of invoice], normal debt collection practices to recover outstanding debts may be invoked.

Alternative enforcement action may include:

- · Withholding the section 224(c) certificate on a subdivision;
- Preventing the commencement of a resource consent for a development;
- Withholding a code of compliance certificate under the Building Act;
- Withholding a certificate of acceptance under the Building Act;
- · Withholding a service connection to a development; and
- Registering the development contribution under the Statutory Land Charges Registration Act 1928 as a charge on the title of the land in respect of which the development contribution was required.

4.6 Exemptions

The following exemptions to payment of development contributions will apply to developments assessed under this policy:

4.6.1 Central City residential developments

Council wishes to encourage residential growth in the central city in order to intensify development within networks of existing infrastructure. Accordingly, an exemption to development contributions shall apply for the development of:

- (a) additional residential units, or a mixed development of residential and commercial units (provided that the exemption shall apply only in respect of the residential portion of the development), in the City Centre Zone of the Inner City Zone; and
- (b) additional residential units in the City Fringe Zone of the Inner City Zone as defined in the NRMP (refer Map 2 in Section 9).

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The following conditions will apply in respect of this exemption:

- (i) The exemption shall be limited to 30 additional HUDs per financial year (1 July to 30 June);
- (ii) The allocation of the exemption will be based on the date the application for resource or building consent was submitted accompanied by all required information. The earliest applications will be granted the exemption until the limit is reached. Any unused exemption will not carry forward to the following financial year;
- (iii) The exemption shall be granted on the condition that construction commences within 12 months after the exemption is granted. If this condition is not met the exemption will no longer apply and the Development Contribution will be required at that time.

4.6.2 Low infrastructure impact developments

Council will consider exemptions, or partial exemptions, for developments which have low impact on network infrastructure requirements. Applications for exemptions must include clear evidence that the low impact design will reduce the demand on council services at peak times. It is envisaged these will be applied as such:

- (a) Stormwater: Council recognises that some developments control the additional stormwater they produce and consequently, have a reduced impact on Council's network. Where this impact is permanent and won't become redundant as a result of Council works in the future, Council may reduce development contributions for stormwater. In exercising this discretion, Council will be guided by the following:
 - Where, following not less than a one in 15 years storm event, stormwater will not discharge into a Council managed system, stormwater development contributions may be reduced by up to 50%;
 - ii. Where, following not less than a one in 15 years storm event, the stormwater will discharge into a Council managed system, stormwater development contributions: may be reduced by up to:
 - 25% where primary stormwater flows are managed to pre-development levels:
 - 50% where both primary and secondary stormwater flows are managed to pre-development levels

The maximum 50% discount reflects the fact that the developed property will receive benefit from associated stormwater mitigation capital expenditure work by Council in the catchment area. It will either be directly protected or the ability to move around the area unencumbered during storm events will be improved.

4.6.3 Water supply and wastewater:

If a development is unable to connect to the water supply or wastewater network then a contribution for these activities will not be required.

4.6.4 Tasman District water supply:

Where water for a development is to be supplied by Tasman District Council, the development contribution for water will be levied in accordance with the Tasman District Council's Development Contributions Policy current at the time, and not under this Policy. Applicants will be advised when consent applications are processed.

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4.6.5 Other exemptions

The Council's general policy is that there are no other exemptions. Council will only consider any other application for exemption from payment of a development contribution at its absolute discretion and in exceptional circumstances.

An application must be made to [delegated council officer] prior to an invoice being issued. Each application will be considered on its own merits but the [council officer] may have regard to (i) whether the development is part of a not-for-profit entity; (ii) any unique contribution that the development is making towards Nelson City Community Outcomes and (iii) consistency with the general application of the 2018 Policy.

A decision to decline the application will not be subject to further review or reconsideration within the Council. If the council officer recommends the application be granted, the exemption may only be granted by a resolution of the Council (or a Committee or Subcommittee acting under delegated authority).

4.7 Listed exemptions

The following developments are exempt from development contributions

- (a) Boundary adjustments, and subdivisions undertaken to place existing building development onto separate titles, either unit titles or freehold titles, i.e. those subdivisions that do not create additional titles and/or do not involve the erection of additional household units of demand.
- (b) Additions and alterations to buildings where no additional HUD is created.
- (c) Accessory buildings that do not create an additional unit of demand e.g. hay sheds, unserviced utility buildings.
- (d) Developments undertaken by entities of the Crown.
- (e) Social housing developments undertaken by the following organisations: Abbeyfield, Habitat for Humanity, Nelson Tasman Housing Trust and any other partnership where Council has entered into an agreement to provide social housing.
- (f) Development undertaken at Whakatu Marae
- (g) Utility titles (e.g. for power transformers), access ways or legal roads.

4.8 Refunds

Where a development or subdivision does not proceed, any refund of money or return of land will be applied in accordance with section 209 of the LGA. Any refunds will be issued to or any returns made to the consent holder of the development to which they apply and will not be subject to any interest or inflationary adjustment.

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5 RECONSIDERATIONS AND OBJECTIONS

5.4 Reconsideration of a development contribution

An applicant may request the reconsideration of a development contribution within 10 working days of receiving notice to pay. The request must be in writing, stating the grounds for a reconsideration, and the relief sought. As provided for in section 199A(1) of the LGA those grounds are that:

- (a) the development contribution was incorrectly calculated or assessed under council's Development Contribution Policy; or
- (b) Council incorrectly applied its Development Contributions Policy; or
- (c) the information used to assess the person's development against the Development Contributions Policy, or the way council has recorded or used it when requiring a development contribution, was incomplete or contained errors.

If reconsideration is applied for in relation to the first two grounds described above, no fee will be charged. In the case of the third ground (paragraph (c)) for reconsideration, if any error in recording of information or the manner in which it has been used is proven to be the fault of Council, no fee will be charged. If the information used to assess the person's development against the Development Contributions Policy is incomplete or contains errors and these errors or omissions are attributable to the applicant, a fee of \$255 + GST will be charged.

Requests for reconsideration can be lodged with Council in writing using the prescribed form and payment of any applicable fee. Applications with insufficient information or without payment of fee will be returned to the applicant with a request for additional information or payment.

Applications for reconsideration will be considered by a panel of up to three staff, including at least one person with delegated authority to determine the matter. A decision in writing shall be given to the person who made the reconsideration request within 15 working days after the date on which Council receives all required information relating to a request.

5.5 Objection to a development contribution

In accordance with sections 199C and 199D of the LGA, a person may object to any development contribution requirement. The right to object does not apply to challenges to the content of a Development Contributions Policy prepared in accordance with the Act, but can apply if the objector believes:

- (a) Council has failed to properly take into account features of the objector's development that on their own or cumulatively with other developments, would substantially reduce the impact of the development upon the requirement for Council to provide community facilities; or
- (b) Council required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
- (c) Council has required a development contribution in breach of Section 200 of the LGA; or
- (d) Council has incorrectly applied its Development Contributions Policy to the objector's development.

Any objection must be lodged with the Council within 15 working days of receiving notice to pay a development contribution, or within 15 working days of receiving the outcome of any request for reconsideration. Objectors must pay a deposit of \$2,750.00 + GST and are liable for all costs incurred

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in the objection process, including staff and commissioner time, and other costs incurred by Council associated with any hearings unless the Council is directed to remit costs by the Commissioner.

The other aspects of the objections process are defined in Sections 199E to 199P and Schedule 13A of the LGA. It should be noted that when considering a development contribution objection and any evidence provided in relation to that objection, development contributions commissioners must give due consideration to the following:

- (a) the grounds on which the development contribution objection was made:
- (b) the purpose and principles of development contributions under Sections 197AA and 197AB:
- (c) the provisions of the development contributions policy under which the development contribution that is the subject of the objection was, or is, required:
- (d) the cumulative effects of the objector's development in combination with the other developments in a district or parts of a district, on the requirement to provide the community facilities that the development contribution is to be used for or toward:
- (e) any other relevant factor associated with the relationship between the objector's development and the development contribution to which the objection relates.

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6 CALCULATION METHODOLOGY

This section provides an introduction to the development contributions calculation method for development contributions.

6.4 One-catchment approach

The Council assessed the effects of adopting a multiple catchment approach for planning and funding services in 2006 and again in 2014 when this Policy was reviewed in line with principles outlined in the LGA. The funding framework of Nelson City has been based on a one-catchment approach to reflect the compact nature of the city (see Chapter 6 of the NRMP).

For the reasons stated in section 3.3, Council has adopted a one-catchment approach to calculating development contributions.

6.5 Calculation method

The key concept of the approach is to define the total capital expenditure (capex) for growth consumed by the growth population over a period of time. This consumption of capex for growth is then apportioned among the increased number of household units of demand (HUDs) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the dwelling equivalent contribution.

The calculation method can be summarised by the following steps:

- STEP 1: Assess capital expenditure for growth on an asset by asset basis using financial reports (past expenditure) and projected expenditure.
- STEP 2: Apportion capital expenditure for growth by the growth population (HUDs) over the design life of the asset, to assess the \$/unit of demand.
- STEP 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely \$/unit of demand x the number units of demand.
- STEP 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in \$.
- STEP 5: Sum each year in the ten-year analysis period and divide by the growth population (new dwelling equivalents) projected over the analysis period to determine the dwelling equivalent contribution.

6.5.1 Growth costs

Capital expenditure may be attributable to one or more factors: growth, changes to levels of service, statutory requirements, or asset renewal. Under this Policy all projects have been assessed to calculate a fair, equitable and proportionate portion of council's infrastructure costs that can be attributed to growth. The growth costs reflect the cost that council has or will incur because of growth. The growth-related costs are solely those required to meet the additional demand created by the effects (including cumulative effects) of all development within the citywide catchment. This includes capacity in all up and downstream areas of the network, and not just the capacity in the locality of a given development. For example, the growth costs include the capacity in the headwork's assets such as treatment plants and storage asset.

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Projects that were/are completed solely to address the demands of, and the benefits to, development, are considered to be 100% growth. Projects that were/are solely to replace existing assets or change levels of service are considered to be 0% growth. Projects that benefit both the existing community and the future community are apportioned using the following formula:

Growth % = (Demand at capacity - Demand at construction) / Demand at capacity

Where possible the demand has been quantified using first principles, e.g. traffic flow, litres used, impermeable surface area (ISA). In other cases the demand is quantified using the number of HUDs, and the increase over the capacity life of the asset. This ensures that only a fair, equitable and proportionate portion of the total costs is passed onto the future community via development contributions.

This approach can be used on projects where growth is not the main driver. For example, an upgrade to a wastewater treatment plant may be a combination of both level of service change for the existing community and provision of capacity for the future community.

6.5.2 Average cost of growth

The development contributions are based on the long-term average cost of growth across the city and reflect the average cost of infrastructure required to service new development for each activity. This includes those growth-related projects planned for in the 2018-2028 LTP and also those growth-related projects that have already been completed.

The calculation method uses the capacity life of each asset to fairly apportion the growth costs across the capacity life of the asset created. This ensures that all developments that benefit from the growth-related capital expenditure contribute an equitable portion. This also ensures that the rate the capacity is consumed is considered in the calculation so that early and late developers do not pay an unfairly high proportion of the growth costs. This also means that not all growth costs incurred in the LTP period will be funded over that period.

The standard contribution (\$/HUD) is based on the average cost of growth for each activity over a 10year analysis period.

This method is summarised in the following diagram:

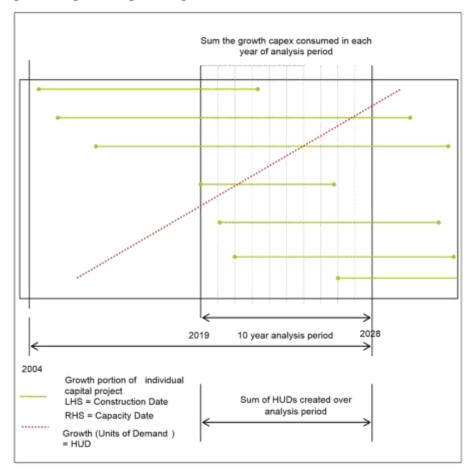
Item 13: Review of the Development and Financial Contributions Policy 2015:

Attachment 1

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Figure 1 - Long run average cost of growth



Although the method uses a bottom up approach at the project level, the standard contribution reflects the average cost of growth for the overall activity. This is considered the fairest way to ensure all development in the city-wide catchment pays a fair and equitable contribution to fund each activity and service growth over the long term.

For the purpose of the calculations, the design life of the longer life assets has been capped at 30 years. This design life is used in both the calculation of the growth portion and the consumption of the growth costs. This ensures that the interest costs of funding long life assets are not disproportionally high. The 30 years was chosen as it is consistent with Council's 30 Year Infrastructure Strategy.

6.5.3 Interest considerations

Interest costs have been assessed based on 5% interest per annum, as adopted in the draft 2018 LTP. The interest component of the standard contribution is based on the average interest costs over the 10-year analysis window. This includes consideration of the existing growth-related debt which is based on the growth costs to date and the contribution income received to date.

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6.5.4 Neighbourhood reserve land

The basis of the 40m² / HUD is linked back to the level of service for neighbourhood reserves. This is currently 1.7Ha per 1,000 persons. Based on an average household size of 2.4 people this equates to 1.7Ha per 400 HUD, or 40m² / HUD. Provision of this land ensures that sufficient neighbourhood reserves land is provided to maintain the desired level of service.

6.6 Significant assumptions

6.6.1 Best available knowledge

All information used in the calculation of development contributions is the best available knowledge at the time of the calculation models being prepared.

Capital expenditure projections are those that have been forecast in the Long Term Plan. Actual expenditure for the years to and including 2007/08 to 2016/17, and estimates for 2017/18 have been used. Amendments to the capital programme have been made to account for budgets carried forward and expenditure changes. The public scrutiny and the audit of these capital projections provides additional confidence as to the process.

6.6.2 Growth projections

Council prepared growth projections in 2018. These projections used Statistics New Zealand census data and projections. These show that Nelson's population is expected to grow by over 6,000 residents and by 2028 the population is expected to be over 59,000. The number of households is expected to increase by over 3,500 in the life of this LTP, before continuing to grow at a slightly slower rate.

The increase in residential HUDs in the development contribution model is based on the projected increase in households. The growth in non-residential rating units is assumed to be 1%, as adopted in the 2018 LTP.

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7 ASSESSMENT OF DEVELOPMENT CONTRIBUTIONS

7.4 Developments over more than one allotment

Where a development is over more than one allotment and is subject to Sections 75 and 77 of the Building Act 2004, then the development contributions will be assessed as for one allotment.

7.5 Staged subdivision

Where a staged subdivision development is undertaken via a single consent, the development contribution payable will be assessed based on the date the application for consent was submitted and will continue to apply to each stage of the development for which a separate certificate under section 224(c) of the RMA is applied for.

Where a staged subdivision development is undertaken via multiple consent applications, each development contribution requirement will be assessed according to the policy applying at the time each separate application for consent is submitted.

7.6 Quantifying demand

The following conversion factors shall be used to quantify the demand created by each type of development.

7.6.1 Residential

Each additional residential title created where the standard development contributions are applicable shall pay 1 HUD.

New residential units on one title over and above 1 HUD, shall be assessed as follows:

- · 0.5 HUD for a one bedroom residential unit,
- 0.75 HUD for a two bedroom residential unit,
- 1 HUD for a residential unit of three or more bedrooms.

Council considers this the fairest and simplest way to acknowledge that a smaller residential unit places a lower demand on council's infrastructure, compared to a typical dwelling. This also achieves Councils strategic outcome of promoting intensification for residential development throughout the city, encourages greater housing choice, and may also promote housing affordability.

7.6.2 Non-residential

Each additional non-residential title shall pay 1 HUD for each activity at subdivision stage. In addition, non-residential developments that create additional demand shall be converted to HUDs at building consent stage based on:

- Stormwater impermeable surface area in addition to the existing shall be converted to HUDs based on 316m² per HUD.
- Water Supply the increase in pipe size from the existing shall be used to calculate the HUD.
- Wastewater the greater of the number of pans in addition to existing, where each two
 additional pans equates to 1 HUD, or the increase in water pipe size from the existing.

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The conversion table for both water and wastewater is shown below:

Internal diameter of water connection (mm)	20	25	32	40	50	100	150
HUDs	1	1.56	2.56	4	6.25	25	56.25

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• Transportation - The number of car parks shall be used as a proxy to quantify the additional demand created by a non-residential development, i.e. the more car parks, the higher the increase in demand. The standard approach defined below shall be applied to all developments in the city-wide catchment, regardless of the actual car parking requirements of the consent conditions. A development not required to provide car parks (e.g. in the city centre) will still be assessed for a transportation contribution under the standard approach because Council considers that regardless of the car parking being on-site or off-site, all non-residential development will create additional demand on the transportation network.

The number of car parks for all non-residential developments will be calculated under the formula set out in Table 10.3.1 in Appendix 10 of the NRMP based on the development type (e.g. commercial activity, industrial activity etc) and size. The number of car parks shall be converted to HUDs based on 4 car parks per HUD, e.g. 6 car parks = 1.5 HUD.

- General Reserves and Community Infrastructure 0.5 HUD per accommodation unit for Accommodation developments (considered "residential" for the purpose of assessing reserve land contributions).
- Neighbourhood reserve land not applicable.

7.7 Assessment method

When Council receives an application for a resource consent, building consent or service connection, it will:

- test that the application represents a "development" (as defined under Section 197 of the LGA);
- determine whether the development, alone or cumulatively with other developments, has the effect of requiring new or additional assets of increased capacity;
- assess whether it has required or will require council, as a consequence, to incur capital expenditure to provide for this.

If Council is satisfied that the legal requirements have been met, as outlined above, and that a development contribution is required and provided for under this Policy, it will then assess the level of contribution payable as follows:

Step One: Assess demand currently on the development site

In attributing units of demand to a particular development or type of development the Council will identify the number of units of demand that existed on the site prior to the development.

Step Two: Assess the post development demand

The number of HUDs post development can be quantified based on the size of the development using the same method.

Step Three: Assess the additional demand

The additional demand is simply the difference between pre-development and post development, quantified in HUDs for each activity.

Step Four: Calculating the Development Contribution to be charged

To calculate the contribution the number of additional HUDs is multiplied by the standard contribution of each activity.

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Table 5: Assessment method - summary table

	A	В	C = (B - A)	D	CxD
Activity	Pre Development HUDs	Post Development HUDs	Additional Demand HUDs	Standard DC \$ per HUD (exc GST)	Total DC \$ per HUD (exc GST)
NETWORK INFRAST	TRUCTURE				
Stormwater				\$3,160	
Wastewater				\$4,880	
Water Supply				\$1,920	
Transportation				\$1,420	
COMMUNITY INFRAS	TRUCTURE				
Community infrastructure				\$280	
RESERVES					
General reserves				\$1,160	
Neighbourhood reserve land				40m²/HUD	
TOTAL				\$12,820 + 40m²/HUD	

The Neighbourhood Reserve Land contribution may be paid as cash or by provision of land. The land must meet the requirements of the Land Development Manual in order to be deemed an acceptable contribution.

Where the Neighbourhood Reserve Land contribution is paid in cash, the contribution will be based on a land valuation of the developed lot. The valuation must be provided by a suitably qualified professional and be within 12 months of the contribution payment date.

Section 203 (1) of the LGA 2002 states that the total reserve contribution must not exceed the greater of:

- (a) 7.5% of the value of the additional lot created by a subdivision; and
- (b) the value equivalent of 20 square metres of land for each additional HUD created by the development.

The total reserve contribution is the sum of the General Reserve contribution and the equivalent cash value of the Neighbourhood Reserve Land contribution.

For a subdivision consent the greater of (a) and (b) shall apply. For a development that is not a subdivision (e.g. a secondary dwelling on an existing lot) the above provisions of (b) shall apply, namely a maximum value equivalent of 20m² per HUD

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8 DEVELOPMENT AGREEMENTS

Sections 207A to 207F of the Act provides for the Council and a developer to enter into specific arrangements for the provision of particular infrastructure to meet the special needs of a development.

These will typically be used for development occurring ahead of when it was anticipated or development areas not included in the long term plan and therefore not considered under the standard schedule of this policy.

Development agreements may provide that:

- Council pays the full costs of the growth-related reserves, community and network infrastructure, and recovers the costs through a bespoke, targeted development contribution from the developer(s) specific to the subject site; or
- The developer(s) pays for the cost of the growth-related reserves, community and network infrastructure, and is responsible for recovering the costs from any other developers that receive the benefit of the infrastructure. This provision of infrastructure would off-set any development contributions for each specific activity; or
- c) A combination of (a) and (b) above.

A development agreement may be entered into after being requested in writing by either the developer, or the Council. Regardless of which party requests the Agreement, the request may be accepted in whole or in part, subject to any amendments agreed by the Council and the developer, or may be declined by the Council. Council will provide the developer who made the request with a written notice of its decision and the reasons for its decision.

A development agreement is a legally enforceable contract, and comes into force when all parties that will be bound by the agreement have signed it.

A development agreement does not oblige Council to grant a resource consent, building consent, service authorisation, or to issue certification. Council may not refuse to grant or issue a consent, certificate, or authorisation on the basis that a development agreement has not been entered into.

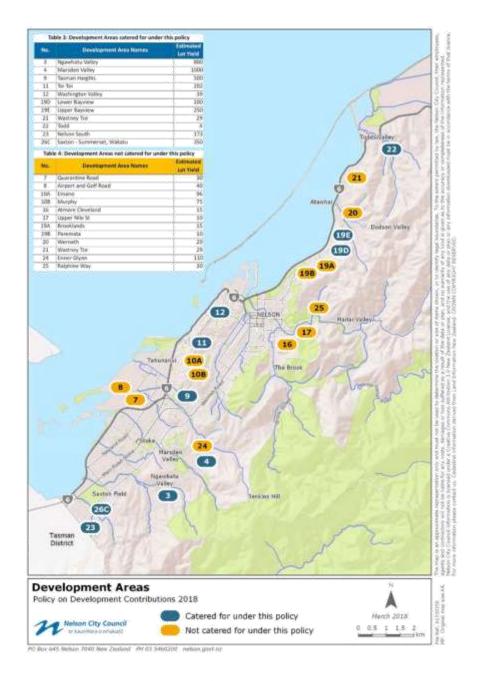
Item 13: Review of the Development and Financial Contributions Policy 2015: Attachment 1

Nelson City Council

Policy on Development Contributions - 2018

9 APPENDIX – DISCLOSURE SCHEDULES AND SUPPORTING INFORMATION

9.4 Maps - Map 1 - Development areas



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Map 2 - Inner City Zone



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9.5 Consideration of activity funding - Section 101(3)

Section 101(3)	Consideration of services
(a)(i) the community outcomes to which the activity primarily contributes	Network infrastructure, community infrastructure and reserves contribute to several of the Council's joint regional community outcomes:
	 Our unique natural environment is healthy and protected - Development Contributions enable Council to provide network infrastructure that reduces the impact of people on the environment.
	 Our urban and rural environments are people-friendly, well planned and sustainably managed - Development contributions enable provision of good quality, sustainable and effective infrastructure and facilities.
	 Our infrastructure is efficient, cost effective and meets current and future needs – the Policy provides a funding framework that helps enable integrated land use planning and development by providing efficient and effective infrastructure that meets current and future needs.
	 Our communities are healthy, safe, safe, inclusive and resilient - Development contributions enable council to provide network infrastructure that enables a healthy, safe community.
	 Our region is supported by an innovative and sustainable economy - Development contributions ensure that the cost of growth is fairly and reasonably met by new developments.
(a)(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals	Due to the relatively small and compact nature of the city, Council considers that the benefits from capital works on community facilities will generally flow through to developers and the community as a whole. Accordingly, a one-catchment approach is the fairest and simplest for all. A more targeted, catchment by catchment approach is considered to be significantly more complex to develop and assess; more costly and inefficient to administer; and inconsistent with other funding streams. All developments benefit from the network infrastructure provided, accordingly it is considered appropriate that all pay the same equitable amount for the additional capacity built into council's network.

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Section 101(3)	Consideration of services
(a) (iii)the period in or over which those benefits are expected to occur	The purpose of development contributions is to assist in providing infrastructure that will ensure intergenerational equity. The approach determines the capacity of each asset and the amount of capacity that will be utilised by the growth community. The length of time over which the asset created will provide a benefit to the future community has been considered. Many of the assets may provide capacity beyond the 10 year window of the LTP. If this benefit extends beyond the current LTP horizon, then growth costs shall be recovered in this LTP and the next, as the capacity is taken up. This approach ensures the developers today do not subsidise future development in an inequitable manner.
(a)(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity	Development contributions are a fair source of funding for each of the activities for which they are collected because they allow the capital costs of the activity to be allocated to those that create the need for capital expenditure.
(a)(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and	Development contributions received for a specific activity will only be used for, or towards, the capital expenditure of that activity for which the contributions were required. Using development contributions to fund the cost of providing additional services for growth, provides greater transparency. The benefits of this approach include intergenerational equity, fairer apportionment of costs and a more targeted, user pays system. These benefits are considered to significantly exceed the costs of assessing development contributions.
(b) the overall impact of any allocation of liability for revenue needs on the community	Council believe that the level of contributions required do not place an overly burdensome requirement on developers. The use of contributions ensure that the existing community do not have to subside all growth-related costs through rates. Similarly, the city-wide catchment approach ensures that the liability for revenue does not unreasonably fall on a particular area of the development community.

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9.6 Summary of capital expenditure for growth

The planned expenditure over the 10-year plan, the growth portion and the development contribution revenue projected to be recovered during the 10 year window is shown Delow. The historic total cost and growth costs considered in the calculations of development contributions are also shown.

Table 6 : 2018/19-2027/28 LTP – Summary of capital costs, growth costs and projected contribution revenue

	Historical	ncal	2018/19 to 2027/28 LTP	327/28 LTP	State September 1	2018/19 5	2018/19 to 2027/28 LTP
Activity	NGC Capital Costs	Growth Costs	NCC Capital Costs	Growth Costs	Total Growth Costs Considered	Total 10 Year Interest Costs	Projected Revenue from development contributions
Stormwater	40,765,000	8,828,000	82,618,000	11,528,000	20,357,000	3,257,000	11,197,000
Wastewater	45,948,000	16,460,000	66,072,000	13,675,000	30,134,000	4,462,000	17,315,000
Water Supply	38,463,000	9,114,000	58,914,000	2,985,000	12,099,000	1,332,000	6,745,000
Transportation	21,558,000	2,476,000	100,747,000	10,644,000	13,120,000	968,000	5,456,000
Community Infrastructure	9,272,000	1,499,000	6,720,000	225,000	1,724,000	0	766,000
General Reserves	9,120,000	3,541,000	27,244,000	4,940,000	8,481,000	409,000	4,070,000
Grand Total	165,126,000	41,918,000	342,315,000	43,997,000	85,915,000	10,428,000	45,549,000

1 Due to the transitional nature of the policy, a portion of the revenue may be financial contributions, depending on the location of the future development

2. Council intends to fund all growth costs through development contributions. The projected revenue is based on the forecast number of new HUDs over the next 10 years. The revenue is subject to a number of factors such as the speed of development, the quantum of remissions and exemptions, the lag time between consent and certification (payment)

Neighbourhood reserve land is not shown as a \$ value as this will be provided as a combination of land and money.

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The proposed growth costs for each year of the 2018 LTP are summarised in the below table for each activity.

Table 7: 2018/19-2027/28 LTP growth costs by year (\$000s)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Grand
Stormwater	706	1,631	2,036	1,133	752	1,334	669	666	845	1,394	11,528
Wastewater	551	827	3,545	3,844	379	1,562	1,546	428	340	654	13,675
Water Supply	99	83	132	264	928	903	88	240	227	53	2,985
Transportation	514	277	950	982	1,146	1,818	2,545	764	580	787	10,644
Community infrastructure	48	80	86								225
General Reserves	326	1,121	465	701	337	628	344	684	170	164	4,940
Grand Total	2,210	4,319	7,226	6,923	3,542	6,245	5,223	3,115	2,162	3,032	43,996

7. Schedule of assets

The following table shows the core component and the interest component of the development contribution for each activity. These have been rounded the nearest \$10.

Table 8 : Summary of development contributions component

Activity	Component	Interest	Total Development Contribution
Stormwater	2,240	920	3,160
Wastewater	3,620	1,260	4,880
Water Supply	1,540	380	1,920
Transportation	1,170	250	1,420
Community infrastructure	280	0	280
General Reserves	1,040	120	\$ 1,160
Neighbourhood reserve land			40m ² /HUD
Grand Total	068'6	2,930	\$ 12,820 +40m ² /HUD

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The following tables show the schedule of assets as required by Section 201A of the LGA 2002. This table includes both historical and planned capital projects, these have been split out for each activity. The component each project makes up of the total contribution for each activity is also shown. Projects in year 10 of the 2015 to 2025 LTP are not included in this table as the capacity does not start getting consumed until the year following construction, therefore the projects are not included in the contributions.

Development contributions are to be assessed when the first of any of the following actions or events occur:

- a resource consent (land use or subdivision) is granted; or
- a building consent is issued; or
- an authorisation for a service connection is approved.

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Table 9 : Schedule of assets

vity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growt Costs to b funde throug developmen contribution
mwater	113,394,877	18%	82%	20,356,51
istoric	38,753,175	23%	77%	8,828,25
Arapiki Stream (first stage)	6,320,007	28%	72%	1,741,38
Q15 reticulation upgrades (Q15 pipelines) - pre-2009	5,070,537	29%	71%	1,492,91
Q15 reticulation upgrades (pump station catchment) - pre-2009	4,400,016	29%	71%	1,295,49
Hampden St East Little Go Stream: Stage 2	3,980,830	23%	77%	909,94
Orchard Creek	2,361,308	28%	72%	650,62
Other conditioned projects (prior to Jul 2006)	283,942	100%	9%0	283,94
Nayland Road (to Saxton)	874,924	29%	71%	252,05
Saxton Creek upgrade	4,265,682	5%	92%	203,12
Capital: York Stream Channel Upgrade	3,297,145	9%9	95%	181,24
Orphanage Stream upgrade	649,995	24%	76%	156,31
Salt Water Creek/Haven Rd Culvert	601,913	25%	75%	148,82
Railway Reserve - Saxton Rd West - Dryden Street	599,495	23%	77%	137,21
Montcalm/Arrow/Wash Vly/Hastings	558,481	24%	76%	135,42
Orphanage Stream upgrade (saxton Road East Culvert)	526,808	22%	78%	114,59
Tasman St upgrade(Nile to Bronte)	436,157	25%	75%	107,24
Stanley Beachville (stage 1)	333,218	29%	71%	95,99
Iwa Road	299,405	28%	72%	84,36
Stanley/Beachville stormwater	235,953	24%	78%	56,29
Hampton St East- Little Go Stream	189,561	24%	76%	46,23
Orphanage Stream / Sunningdale	188,124	22%	78%	41,23
New Pumps (part of Pump Station Catchment Wood Area)	178,000	24%	76%	43,54
Wastney Terrace stormwater (pvt drain prgm)	182,148	23%	77%	42,70
Tahuna Slip Pvt/ Pub Drains	166,520	22%	78%	36,49
Maire Stream: Stage 1	171,638	22%	78%	37,78
NealeiKea/Kaka/Railway Reserve	160,119	27%	73%	43,12
Tahuna Slope Risk Area	145,285	23%	77%	34,08

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ctivity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Gosts to be funded through development contributions	Component \$/HUD
Tasman (Cambria/Grove) (part of Pump Station Catchment Wood Area)	140,978	26%	74%	36,487	\$2
147A to 149 Waimea Road Stormwater	114,309	23%	77%	26,031	\$5
LOS: York catchment evaluation	106,723	25%	75%	26,505	\$
Little Go Stream upgrade Rutherford St	100,353	22%	78%	21,829	25
Saxton Creek Culvert Upgrade	222,089	10%	%06	21,787	\$3
Pvt/Pub Drains programme	92,255	24%	76%	21,976	\$3
Tahunanui Hills Stormwater- Moana Avenue to Rocks Road	88,321	22%	78%	19,212	\$3
Airlie St	87,411	22%	78%	19,014	\$3
Rutherford Stage 1: Girls College	79,251	23%	77%	18,448	\$3
LOS: Nile Street East SW & flood protection	78,671	24%	26%	19,111	\$3
Fideshire	75,525	23%	77%	17,199	\$3
Wakapuaka Flats Stormwater Network Upgrade	73,654	25%	75%	18,294	\$3
North Esk/Beccles	71,773	25%	75%	17,663	\$3
Vanguard Street Stormwater	69,292	23%	77%	16,247	\$2
Wastney Terrace stormwater (pvt drain prgm)	59,698	22%	78%	12,985	\$2
Capital: Mount St / Konini St	52,659	22%	78%	11,454	\$2
Piping Ditches programme	50,026	24%	76%	11,758	\$2
St Vincenti Hastings St Culvert	50,000	22%	78%	10,876	\$2
Saxton Creek upgrade Land Purchase	237,207	5%	95%	11,296	\$2
Atawhai Crescent Storm Water	40,000	22%	78%	8,701	\$1
Brook Stream Catchment Improvements	39,403	25%	75%	9,787	\$
Capital: Todds Valley Stream upgrade	38,139	25%	75%	9,371	\$1
Capital: Arapiki Road stormwater	38,003	23%	77%	8,795	\$60
Orphanage Stream - bunding and Suffolk Road Culvert	33,335	22%	78%	7,251	\$1
Catchment Mgt Plans: Maitai	26,323	25%	75%	6,538	\$1
Oldham Creek upgrade	24,036	22%	78%	5,267	\$1
LOS: Nile Street East	24,998	22%	78%	5,438	6
Bisley Avenue	21,208	22%	78%	4,613	\$1
Bisley Avenue	20,619	23%	77%	4,720	\$1
Suburban Club private drain subsidised (storm)	19,258	22%	78%	4,215	(0)

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Stansell Pvt/ Pub Drains	NCC Capital Cost	funded through development contributions	funded through other sources	funded through development contributions	Component \$/HUD
	17,010	20%	80%	3,436	51
Chamberlain stormwater upgrade	16,527	25%	75%	4,105	54
Airlie St Stormwater	16,555	23%	77%	3,770	\$1
Maitai flood management	13,519	24%	76%	3,284	\$0.48
St Vincent/Hastings St Culvert	11,326	24%	76%	2,696	\$0.40
Halifax St upgrade(Tasman to Milton)	9,179	24%	76%	2,185	\$0.33
Main Rd Stoke/Poormans St/Culvert op; Fire Station	5,050	24%	76%	1,236	\$0.18
Fifeshire	2,000	22%	78%	1,088	\$0.18
Athol Street Storm water	5,000	22%	78%	1,088	\$0.18
Ballard Dr stormwater upgrade	1,152	25%	75%	286	\$0.04
Ariesdale/Thompson Tce	127	22%	78%	28	\$0.00
2018 LTP	74,641,702	15%	85%	11,528,257	\$1,038
Saxton Creek Culvert Upgrade	8,389,855	19%	81%	1,596,956	\$212
Little Go Stream upgrade Rutherford St	2,867,000	20%	80%	559,142	\$77
Montcalm/Arrow/Wash Vly/Hastings	3,078,977	19%	81%	581,857	\$76
Tahunanui Hills Stormwater- Moana Avenue to Rocks Road	2,371,406	18%	82%	418,307	\$47
Orphanage Stream upgrade (saxton Road East Culvert)	1,666,640	19%	81%	324,153	\$45
Wastney Terrace stormwater (pvt drain prgm)	1,652,800	19%	81%	318,385	\$43
Marybank / Tresillian Ave	1,887,525	17%	83%	311,578	\$30
LOS: Nile Street East	807,904	21%	79%	167,662	\$26
Brook Stream Catchment Improvements	2,107,738	15%	85%	324,703	\$24
Capital: Mount St / Konini St	1,210,371	17%	83%	210,074	\$23
St Vincent/Hastings St Culvert	3,926,930	14%	86%	546,989	\$23
Saxton Creek upgrade	2,795,598	5%	95%	133,124	\$20
Tosswill to Tahuna Stormwater Upgrade	904,690	18%	82%	162,138	\$19
Pvt/Public Drains	1,150,265	16%	84%	185,254	\$16
Vanguard Street Stormwater	682,848	18%	82%	122,528	\$14
Rutherford Stage 2 - Box Culvert	3,243,760	14%	%98	439,086	\$14
Review of Jenkins & Arapiki (airport)	842,296	17%	83%	139,269	\$13
Capital: Main Rd Stoke (Louisson - Marsd	905,575	16%	84%	145,792	\$13

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	NCC Capital Cost	funded through development contributions	funded through other sources	funded through development contributions	Component \$/HUD
Maitai flood management	583,200	18%	82%	105,636	\$13
Emano Street Channel	1,473,383	15%	85%	215,053	\$12
Airlie St	388,666	19%	81%	73,965	\$10
Capital: Main Rd Stoke (Hays onr - Louis	678,303	16%	84%	109,571	\$10
Examiner	405,728	18%	82%	73,991	\$9
Public/Private Drains & Open Chanel Upgrade Progra	2,135,245	14%	86%	288,325	\$9
Main Rd Stoke/Poormans St/Culvert op; Fire Station	677,330	16%	84%	105,952	\$\$
Stansell Pvt/ Pub Drains	310,670	16%	84%	49,906	\$8
Renwick / Wellington Street / Waimea Road	451,153	17%	83%	77,567	\$8
Athol Street Storm water	673,650	15%	85%	104,278	\$8
Golf/ Parkers	544,524	16%	84%	88,188	\$8
Cherry/Baigent/Ridgeway	706,315	15%	85%	108,050	\$8
Capital: York Stream Channel Upgrade	2,329,890	5%	922%	128,072	\$8
Mahoe/Orsman/Matipo	634,186	15%	85%	98,266	\$7
Ngaio/Maitland	536,320	16%	84%	85,968	25
Manson Ave	371,462	17%	83%	64,439	\$7
Beach Road	312,960	18%	82%	56,507	\$7
Cawthron Crescent	303,306	18%	82%	55,301	\$7
Emano Reserve Stormwater	297,410	18%	82%	53,534	\$6
Seaton/Allisdair	323,465	17%	83%	56,571	\$6
Brooklands	228,304	19%	81%	43,954	\$6
Capital: Poynters Cres	401,228	16%	84%	65,239	\$6
Capital: Arapiki Road	326,023	17%	83%	55,785	\$6
Capital: Milton: Grove-Cambria	307,560	17%	83%	52,412	\$5
Maire Stream: Stage 1	330,750	17%	83%	55,130	\$5
Ariesdale/Thompson Tce	305,010	17%	83%	51,640	\$5
Riverside	336,696	16%	84%	54,934	\$5
Totara/Hutcheson	235,733	18%	82%	42,285	\$5
Capital: Shelbourne St s/w upgrade	229,442	18%	82%	41,390	\$2
Piping Ditches	296,480	17%	83%	49,710	\$2

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Activity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Comp
York Terrace	428,496	15%	85%	65,732	
Kowhai	322,539	16%	84%	52,091	
Beatson Road	523,422	15%	85%	76,995	
Dodson Valley	200,326	18%	82%	36,852	
Paru Paru	314,124	16%	84%	50,696	
Orphanage Stream / Sunningdale	132,103	21%	79%	27,415	
Tui Glen	192,322	18%	82%	34,588	
Black	261,570	16%	84%	42,124	
Isel Place	278,290	16%	84%	43,983	
Rotoiti	158,470	18%	82%	28,910	
Private Drains/Sub	242,414	16%	84%	38,490	
Hardy (Tasman-Alton)	692,880	14%	86%	94,070	
Bisley Avenue	122,030	18%	82%	22,102	
Martin	421,234	14%	86%	58,098	
Pateke	144,195	16%	84%	23,298	
Anglia/Scotia	235,228	15%	85%	34,209	
Kauri Street	66,471	20%	80%	13,237	
Murphy Street	1,470,400	13%	87%	187,222	
Ashdonleigh Grove Storm water	86,150	17%	83%	15,008	
Oldham Creek stormwater upgrade	1,176,680	13%	87%	149,713	
Strawbridge Sq Stormwater improvements	88,670	16%	84%	14,426	
Capital: Arapiki Stream	524,717	13%	87%	68,482	
Tipahi/Eckington	750,114	13%	87%	96,424	
Orphanage Stream Upgrade - Stage 2	248,959	14%	86%	33,664	
Poormans Stream	239,450	13%	87%	32,317	
Collingwood Street	440,505	13%	87%	57,153	
Capital: Railway Reserve/ Newall/Bledisloe	787,677	13%	87%	100,223	
Capital: Rangiora Tce	126,946	14%	%98	17,984	
Jellicoe/Bledisloe/Kaka/Kea/Freyberg/Maple	741,886	13%	87%	94,310	
Kauri/Matai/Titoki/Ranui	422,606	13%	87%	54,636	

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Kanaka FA26.66 13% 87% 55.84 \$1 Malanuka 709.79 13% 87% 50.146 \$1 Kolling 708.79 13% 87% 50.146 \$1 Cophiar Clastera 180.750 13% 87% 24.001 \$1 Cophiar Clastera 180.750 13% 87% 24.001 \$1 Jenkins Stream stormwater Network Upgrade 180.750 13% 87% 24.001 \$1 Stafford Ave 180.750 13% 87% 24.001 \$1 Makaputase Flats Stormwater Network Upgrade 225.025 13% 87% 24.001 \$1 Makaputase Flats Stormwater Network Upgrade 223.200 13% 87% 14.86.99 \$1 Capitat Halfins Stream stormwater Inprove 16.000 21% 87% 28.43 \$0.30 Broughan Storm water 25.000 13% 87% 14.86 \$0.30 \$0.30 Broughan View Natur 18.000 14.40 18% 87%	tivity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Core Component \$/HUD
Stream Todgs Valley Stream upgrade 180,750 13% 187% 19,746 19,750 13% 18,750 18,750 1	Karaka	432,626	13%	87%	55,881	\$1
Stream 326.879 13% 87% 42,380 Todds Valley Stream upgrade 180,750 13% 87% 24,001 Stream stormwater upgrade 180,750 13% 87% 24,001 JAMA Flats Stormwater upgrade 27,580 13% 87% 24,001 JAMA Pack Stormwater upgrade 27,025 13% 87% 24,001 Halfart St Tras-Mith 1,185,616 13% 87% 28,781 Halfart St Tras-Mith 1,500 232,230 13% 87% 28,781 Halfart St Tras-Mith 1,500 21% 87% 28,781 148,699 Halfart St Tras-Mith 1,500 21% 87% 28,781 1,899 Ann St Machine Long and open channel upgrade 23,232 14% 88% 8,775 1,899 Ann St Machine Long and Community Edgeway 10,000 21% 87% 1,899 1,899 1,899 1,899 1,899 1,899 1,899 1,899 1,899 1,899 1,899 1,899 1,899	Manuka	709,719	13%	87%	90,146	51
180,750 13% 87% 24,001 Todds Valley Stream upgrade 180,750 13% 87% 24,001 Todds Valley Stream upgrade 180,750 13% 87% 24,001 Stream stormwater upgrade 180,750 13% 87% 24,001 Ake Falst Stormwater Network Upgrade 225,880 13% 87% 87,880 14,88,801 Todd open channel upgrade 225,230 13% 87% 87% 148,890 138,801 Todo channel upgrade 225,230 13% 87% 87% 148,890 138,801 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,801 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,801 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,801 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 13% 87% 87% 148,890 138,802 Todo channel upgrade 25,000 100% 170% 13% 88,202 Todo channel upgrade 25,000 100% 100% 100% 150,892 Todo channel upgrade 25,000 100% 100% 100% 100% 100% 120,751 Todo channel upgrade 25,000 100% 100% 100% 100% 100% 100% 100%	Kipling	326,879	13%	87%	42,380	\$1
Stream upgrade	Orchard Stream	180,750	13%	87%	24,001	\$1
Stream stormwater upgrade 180,750 13% 87% 24,001 Avaka Flats Stormwater Network Upgrade 278,156 13% 87% 54,756 I Avaka Flats Stormwater Network Upgrade 221,025 13% 87% 54,756 Halfrax St. Tas-Millin 1,185,616 13% 87% 26,751 Halfrax St. Tas-Millin 1,185,616 13% 87% 2,849 Halfrax St. Tas-Millin 1,000 21% 87% 2,849 Halfrax St. Tas-Millin 1,000 21% 87% 2,849 Heact contract under 10,000 21% 87% 2,849 Am St Storm water 10,000 21% 1,86 8,25 Am St Storm water 10,40 19% 87% 4,33,45 8,25 And Avin Water 10,670 18% 82% 1,360 4,45 And Water to Pascoe Streat Stormwater 1,875,64 4,482,70 1,88 4,482,70 1,88 4,482,64 4,482,70 And Water to Pascoe Streat Stormwater Treatment Plant (MNWWYTP) - mechanic	Capital: Todds Valley Stream upgrade	180,750	13%	87%	24,001	\$1
Jake Flats Stormwater Network Upgrade 428,150 13% 87% 54,736 A kee 275,880 13% 87% 54,736 Ad open channel upgrade 52,105 13% 87% 66,252 Ad open channel upgrade 1,185,615 13% 87% 148,699 Haffitz St. Tas-Millin 1,185,61 13% 87% 2,849 Reserve (Bishopdale - St Vincent) stormwater improve 63,223 1,8% 87% 2,849 Reserve (Bishopdale - St Vincent) stormwater 63,21 1,4% 86% 2,849 Reserve (Bishopdale - St Vincent) stormwater 63,21 1,4% 86% 2,849 Reserve (Bishopdale - St Vincent) stormwater 63,21 1,4% 86% 2,849 All Stormwater 63,21 1,4% 86% 8,725 1,899 rock Drive Storm Water 10,40 19% 81% 1,890 1,890 n Street to Pascoe Street Stormwater 10,40 19% 87% 1,890 1,890 n Valley Turk / Express Sewer (Stage 1) 1,50,40<	Jenkins Stream stormwater upgrade	180,750	13%	87%	24,001	\$1
1 Ave depent channel upgrade 275,880 13% 87% 35,801 24 de open channel upgrade 521,025 13% 87% 35,801 24 de open channel upgrade 1,185,616 13% 87% 148,699 252,220 13% 87% 28,761 148,699 1 Reserve (Bishopdale - St Vincent) stormwater improve 16,005 18% 82% 2,849 1 Reserve (Bishopdale - St Vincent) stormwater 64,781 14% 86% 8,252 222,230 13% 14% 86% 8,252 223,245 14% 86% 8,779 224,170 14% 86% 8,779 225,245 14,48 86% 8,779 225,245 14,440 19% 81,779 1,899 225,245 14,440 19% 81,740 1,899 225,245 14,440 19% 81,440,420 1,703,455 3,445,440 225,245 14,440 19% 1,703,455 3,446,460 1,504,683 3,440,683	Wakapuaka Flats Stormwater Network Upgrade	428,150	13%	87%	54,736	\$1
Adoption channel upgrade 521,025 13% 87% 66,252 Ad affinx St. Tas-Miltin 1,185,616 13% 87% 148,699 Halfinx St. Tas-Miltin 1,185,616 13% 87% 28,771 Id opon channel upgrade 1,000 13% 87% 2,849 East Storm water 10,000 21% 86% 8,625 East Storm water 10,000 21% 86% 8,625 Viewmount/Ridgeway 10,440 14% 86% 8,779 Viewmount/Ridgeway 10,440 14% 86% 8,779 Viewmount/Ridgeway 10,440 14% 86% 8,779 Newmount/Ridgeway 10,440 14% 86% 8,779 Newmount/Ridgeway 10,440 14% 86% 8,779 Newmount/Ridgeway 10,440 14% 86% 8,779 In Street to Pascoe Street Storm water 10,440 14% 89% 14,459,45 Agyang Lama Yallank Pastore Street (Stage 1) 1,703,565 1,703,565	Stafford Ave	275,880	13%	87%	35,801	\$1
Halifax St. Tas-Miltin Halifax St. Tas-Milton	Haven Rd open channel upgrade	521,025	13%	87%	66,252	\$1
td opon channel upgrade 232,230 13% 87% 29,761 Reserve (Bishopdale - St Vincent) stormwater improve 16,005 18% 62% 2,849 East Storm water 63,215 14% 66% 8,625 am St storm water 10,000 121% 78 2,779 flow Storm Water 10,440 19% 81,779 1,890 nok Drive Storm Water 10,440 19% 82% 1,890 nok Drive Storm Water 10,670 18% 82% 1,890 nok Drive Storm Water 10,670 18% 82% 1,890 nok Drive Storm Water 10,670 18% 82% 1,890 n Street to Pascoe Street Stormwater 18,770 13% 82% 1,890 n Street to Pascoe Street Stormwater 18,770 13% 82% 1,890 n Street to Pascoe Street Stormwater 18,770 10,700 1,703,565 1,703,665 n Valley Trunk / Express Sewer (Stage 1) 1,703,665 1,703,66 1,703,665 n Valley Trunk / Exp	Capital: Halifax St. Tas-Mith	1,185,616	13%	87%	148,699	\$1
FReserve (Bishopdale - St Vincent) stormwater improve 16,005 21% 82% 2,849 \$5 East Storm water 10,000 21% 79% 2,075 \$5 am St 5 5 4 5 \$6 \$5 \$5 \$5 \$6 \$5 \$5 \$6 \$5 \$5 \$5 \$5 \$5 \$5 \$5 \$5 \$5 \$5 \$5<	Nikau Rd open channel upgrade	232,230	13%	87%	29,761	\$0.35
East Storm water 10,000 21% 79% 2,075 \$6 am St Sam St 63,215 14% 66% 8,625 \$78 Alvewmount/Ridgeway 10,440 14% 66% 8,625 \$8 Viewmount/Ridgeway 10,440 14% 66% 8,739 \$8 In Road storm Water 10,670 14% 86% 8,734 \$8 In Road storm water 10,670 13% 87% 1,899 \$8 In Road storm water 10,670 13% 87% 1,899 \$8 In Road storm water 10,670 13% 87% 1,43,425 \$3,43,435 \$3,43,435 \$3,43,435 \$3,43,435 \$3,43,435 \$3,43,435 \$3,43,435 \$3,43,435 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,43,345 \$4,	Railway Reserve (Bishopdale - St Vincent) stormwater improve	16,005	18%	82%	2,849	\$0.33
sam St 63,215 14% 86% 8,625 \$ V/ewmount/Ridgeway 64,781 14% 86% 8,779 \$ rook Drive Storm Water 10,440 19% 81% 1,960 \$ n Road storm water 10,670 18% 82% 1,899 \$ n Road storm water 10,670 13% 82% 1,899 \$ n Rivest to Pascoe Street Stormwater 78,795,641 38% 62% 1,899 \$ <td>Nile St East Storm water</td> <td>10,000</td> <td>21%</td> <td>79%</td> <td>2,075</td> <td>\$0.32</td>	Nile St East Storm water	10,000	21%	79%	2,075	\$0.32
VivavmountPRidgeway 64,781 14% 86% 8,779 \$6 rook Drive Storm Water 10,440 19% 81% 1,960 \$6 rook Drive Storm Water 10,670 18% 82% 1,899 \$6 n Road storm water 344,770 13% 87% 43,345 \$5 n Street to Pascoe Street Stormwater 78,795,641 38% 62% 30,134,25 \$5 n Street to Pascoe Street Stormwater 78,795,641 38% 62% 30,134,425 \$5 n Street to Pascoe Street Stormwater 4,182,704 100% 43,345 \$5 \$3 h Pack and Pack Stormwater 4,182,704 4,182,704 \$2 \$6 4,182,704 \$5 A Valley Trunk / Express Sewer (Stage 1) 1,703,565 1,703,565 \$5 \$3 \$3 \$4 \$40,663 \$3 \$4,40,663 \$2% \$1,704,683 \$5 \$4 \$4 \$6 \$2,806,639 \$5 \$6 \$2,806,639 \$5 \$6 \$2,806,639 \$6 \$2	Brougham St	63,215	14%	86%	8,625	\$0.30
rook Drive Storm Water 10,440 19% 81% 1,960 \$6 n Road storm water 10,670 18% 82% 1,899 \$6 n Street to Pascoe Street Stormwater 10,670 18% 82% 1,899 \$6 n Street to Pascoe Street Stormwater 78,795,641 38% 62% 30,134,25 \$5 n Street to Pascoe Street Stormwater 78,795,641 38% 62% 30,134,425 \$3,345 \$5 Jpgrade Primary Clarifier - NRSBU 4,182,704 4,182,704 0.% 4,182,704 \$2,261,609 \$3 Valley Trunk / Express Sewer (Stage 1) 1,703,565 1,703,565 \$3 1,703,565 \$3 \$4,40,663 22% 76% 1,703,565 \$3 \$3 \$4,40,663 22% 76% 1,504,683 \$3 \$3 \$4,40,663 \$2% \$62,636 \$3 \$4,40,663 \$2% \$2% \$62,636 \$3 \$4,40,663 \$2% \$2% \$62,636 \$3 \$3 \$3 \$4,182,704 \$3 \$3 \$4,40,	Capital: Viewmount/Ridgeway	64,781	14%	86%	8,779	\$0.28
n Road storm water 10,670 18% 82% 1,899 \$6 n Street to Pascoe Street Stormwater 344,770 13% 87% 43,345 \$7 78,795,641 38% 62% 30,134,425 \$3 \$3 \$4 \$5 \$4 \$3 \$4 \$5 \$4 \$5 \$4 \$5 \$4 \$5 \$4 \$5 \$4 \$5 \$4 \$5 \$4 \$5 \$5 \$4 \$5 \$6 \$4 \$2 \$6 <	Annesbrook Drive Storm Water	10,440	19%	81%	1,960	\$0.25
n Street to Pascoe Street Stormwater 344,770 13% 87% 43,345 \$6 78,795,641 38% 62% 30,134,425 \$3,345 \$3,425 \$4,345 \$3,434 \$4,182,704 \$2,043,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,425 \$3,134,426 \$3,134,425	Marsden Road storm water	10,670	18%	82%	1,899	\$0.22
78,795,641 38% 62% 30,134,425 \$3,425 \$4,425 \$4,425 \$4,425 \$4,425 \$4,425 \$4,425 \$4,425 \$4,42,704 \$2,861,609 \$2,861,609 \$4,182,704 \$2,861,609 \$3,721,760 \$29% 71% 2,861,609 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,721,760 \$3,861,609 </td <td>Otterson Street to Pascoe Street Stormwater</td> <td>344,770</td> <td>13%</td> <td>87%</td> <td>43,345</td> <td>\$0.20</td>	Otterson Street to Pascoe Street Stormwater	344,770	13%	87%	43,345	\$0.20
99,876,369 41% 59% 16,459,644 \$2,2 Upgrade Primary Clarifier - NRSBU 4,182,704 100% 0% 4,182,704 \$2,861,609 \$4,182,704 \$2,861,609 \$3,81,82,704 \$3,861,609 <td< td=""><td>stewater</td><td>78,795,641</td><td>38%</td><td>62%</td><td>30,134,425</td><td>\$3,623</td></td<>	stewater	78,795,641	38%	62%	30,134,425	\$3,623
VVTP) - mechanical treatment 4,182,704 100% 0% 4,182,704 \$ 9,721,760 29% 71% 2,861,609 \$ 1,703,565 100% 0% 1,703,665 \$ 5,978,796 30% 70% 1,793,839 \$ 6,248,784 24% 76% 1,504,683 \$ 4,440,663 22% 78% 966,039 \$ 3,416,983 28% 72% 962,636 \$ 682,280 100% 0% 682,280 \$ 720,751 100% 0% 720,751 \$ 539,592 100% 0% 539,592	Historia	39,876,369	41%	%69	16,459,644	\$2,220
WYTP) - mechanical treatment 9,721,760 29% 71% 2,861,609 \$ 1,703,565 100% 0% 1,703,565 \$ 5,979,796 30% 70% 1,793,839 \$ 6,248,784 24% 76% 1,504,683 \$ 4,440,663 22% 78% 966,039 \$ 3,416,983 28% 72% 962,636 \$ 682,280 100% 0% 682,280 \$ 720,751 100% 0% 539,592 \$	WWTP Upgrade Primary Clarifier - NRSBU	4,182,704	100%	%0	4,182,704	\$527
1,703,565 100% 0% 1,703,565 \$ 5,979,796 30% 70% 1,793,839 \$ 5,979,796 30% 70% 1,793,839 \$ 5,024,683 22% 78% 76% 1,504,683 \$ 3,416,983 28% 72% 966,039 \$ 5,3416,983 100% 0% 682,280 \$ 720,751 100% 0% 539,592	Nelson North Wastewater Treatment Plant (NNWWTP) - mechanical treatment	9,721,760	29%	71%	2,861,609	\$356
5,979,796 30% 70% 1,793,839 \$ 6,248,784 24% 76% 1,504,683 \$ 4,440,663 22% 78% 966,039 \$ 3,416,983 28% 72% 962,636 \$ 682,280 100% 0% 682,280 \$ 720,751 100% 0% 539,592 \$	Marsden Valley Trunk / Express Sewer (Stage 1)	1,703,565	100%	%0	1,703,565	\$237
6,248,784 24% 76% 1,504,683 \$ 4,440,663 22% 78% 966,039 \$ 3,416,983 28% 72% 962,636 \$ 682,280 100% 0% 682,280 \$ 720,751 100% 0% 720,751 \$ 539,592 100% 0% 539,592	Regional Pipeline - NRSBU	5,979,796	30%	70%	1,793,939	\$233
4,440,663 22% 78% 966,039 \$ 3,416,983 28% 72% 962,636 \$ 682,280 100% 0% 682,280 \$ 720,751 100% 0% 720,751 \$ 539,592 100% 0% 539,592	Corder Park Pump Station upgrade	6,248,784	24%	76%	1,504,683	\$223
3,416,983 28% 72% 962,636 \$ 682,280 100% 0% 682,280 \$ 720,751 100% 0% 720,751 \$ 539,592 100% 0% 539,592	Neale Park PS	4,440,663	22%	78%	966,039	\$157
682,280 100% 0% 682,280 \$ 720,751 100% 0% 720,751 \$ 539,592 100% 0% 539,592	NNWWTP - wetland treatment	3,416,983	28%	72%	962,636	\$124
720,751 100% 0% 720,751 \$ 539,592 100% 0% 539,592	Previous contribution conditions	682,280	100%	%0	682,280	\$104
539,592 100% 0% 539,592	Marsden Valley Trunk / Express Sewer (Stage 2)	720,751	100%	%0	720,751	\$101
	Ngawhatu Valley sewer trunk main	539,592	100%	%0	539,592	\$78

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Item 13: Review of the Development and Financial Contributions Policy 2015: Attachment 1 $\,$

Draft Policy on Development Contributions 2018

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Activity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Component \$/HUD
Quarantine/Songer sewer trunk main	937,921	25%	75%	232,932	\$34
Neale Park PS upgrade	559,177	24%	76%	132,875	\$20
Vanguard and Paru Paru pump stations	316,903	24%	76%	77,341	\$12
Nelson WWTP trickling filter cover	182,803	25%	75%	45,400	\$7
Awatea Place Pump station	111,158	22%	78%	24,182	\$\$
Corder Park Pump Station	54,398	22%	78%	11,834	\$2
Awatea Place	49,336	23%	77%	11,236	\$2
Gracefield Beheading	27,795	22%	78%	6,047	\$1
2018 LTP	38,919,273	35%	%99	13,674,781	\$1,403
Regional Pipeline Upgrade - NRSBU	7,371,750	85%	15%	6,265,988	\$773
Ngawhatu Valley TM - Stage 2	2,677,529	100%	%0	2,677,529	\$211
Awatea Place Pump station	5,178,684	19%	81%	988,496	\$131
System Performance Improvements	12,362,100	15%	85%	1,868,329	\$127
Neale Park PS	2,116,729	21%	79%	439,363	\$67
Gracefield Beheading	2,433,713	18%	82%	443,902	\$54
Atawhai Pump Stations (Brooklands & Marybank)	1,465,508	17%	83%	243,166	\$23
Wastewater Network Upgrades	1,920,650	13%	87%	257,825	\$7
Wastewater model calibration	217,400	17%	83%	37,404	\$
Songer st upgrade- NRSBU	58,700	100%	%0	58,700	\$3
Quarantine Road Sewer Pump Station	2,093,300	13%	87%	263,494	\$
Hill Street sewer upgrad	25,000	21%	79%	5,189	\$1
Saxton Road sewer upgrade	998,210	13%	87%	125,395	\$0.5
Water Supply	47,754,385	25%	75%	12,099,081	\$1,542
Historic	29,625,507	31%	%69	9,114,336	\$1,270
Maitai Pipeline (Dam to Water Treatment Plant)	13,171,954	26%	74%	3,413,260	\$482
Stoke #3 reservoir and trunkmain	1,575,828	100%	%0	1,575,828	\$208
Maitai Pipeline (WTP Westbk Tce)	4,954,723	23%	77%	1,151,078	\$180
Obs. Hill Res & Pump	982,437	100%	%0	982,437	\$144
Cross city link return	2,500,000	32%	%89	807,869	\$95
WTP Membranes	4,170,012	13%	87%	523,516	\$78

Item 13: Review of the Development and Financial Contributions Policy 2015: Attachment 1

\$74 \$67 \$50 \$35 \$20

473,694

303,786 173,014 182,232

119,477 182,782 13,790

47,500 35,356

2,476,112 137,178 128,469 137,644

466,845

22% 24% 32% 23% 22% 22% 26% 31%

WC 452 UCP Saltwater Creek Crossing Tasman St upgrade(Nile to Bronte)

Nayland Road Princes Drive

Todd Bush Rd upgrade Ridgeway connection

Transportation

13,102,097

58,744,553 10,190,200 1,466,266 586,246 574,252 559,124

764,519 688,594

2,984,745

\$53 \$19 \$18 \$18 \$18 \$18

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\$0.07

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Nelson City Council

Growth
Costs to be
funded
through
development
contributions

Portion

42,716 15,122

160,272

Activity / Asset.	NCC Capital Cost	funded through development contributions
Todds Valley upgrade	760,944	32%
Maitai Pipeline design	537,295	29%
Wastney Tce pump station	520,191	31%
Water Loss Reduction Programme	210,641	20%
Maitai Pipeline Duplication	88,071	25%
Chamboard Place new water ridermain	68,781	22%
Maltal Pipeline (WTP - Westbk Tce)	40,000	22%
Ngawhatu Valley - Polstead/Suffolk ridermain	32,630	25%
Capital: Atawhai No	10,000	22%
Water Loss Reduction Programme	2,000	22%
2018 LTP	18,128,878	16%
Capital: Atawhai No	4,669,663	16%
Capital: Atawhai Trunkmain	4,199,056	16%
Dam Upgrades	2,800,573	17%
Water Loss Reduction Programme	1,980,468	15%
Capital: Atawhai Res & pump Ma	173,014	100%
Ngawhatu Valley high level reservoir	1,287,150	14%
Water Treatment Plant Upgrades	960,075	12%
water pump stations - upgrades	1,362,180	13%
Water supply H&S risk mitigation programme	72,660	19%
Maitai Pipeline Hazard mitigation	361,500	13%
NCC - TDC Link	262,540	13%

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Draft Policy on Development Contributions 2018

Nelson City Council

Activity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Component \$/HUD
Sundry Land Purchases - Growth	105,319	100%	%0	105,319	\$15
Footpath: Walkway Connection	443,930	26%	74%	113,867	\$14
Minor Improvements top up	408,080	26%	74%	104,672	\$13
Waimea Rd / Motueka St Intersection	575,280	14%	86%	82,871	\$13
Maitai Walkway (Akerston St to Traf St)	355,361	25%	75%	87,545	\$11
Bishopdale to the Ridgeway shared path	284,358	21%	79%	58,914	6\$
Stock Effluent Facility	256,698	25%	75%	63,415	8\$
Arapiki Rd retaining wall replacement	210,857	21%	79%	45,055	\$7
School approaches/frontage treatments	201,553	22%	78%	45,058	\$7
WC341 Maitai footbridge cathodic protection	210,731	22%	78%	46,179	\$7
Bronte Street new footpath, Scotland to Collingwood	193,154	22%	78%	42,202	\$6
Railway Reserve to CBD (via St Vincent (Stage II Gloucester Street to Haven Rd))	132,948	20%	80%	26,233	\$4
Manuka St minor improvements	130,458	21%	79%	27,214	\$4
Bridge St enhancement	127,129	24%	76%	30,536	\$4
Streetlight upgrade Programme	116,838	21%	79%	24,972	\$
WC341 Maori Rd Retaining wall	111,967	20%	80%	22,789	\$\$
Songer St new footpath - Nayland to Durham	102,439	19%	81%	19,937	\$3
WC 341 Oldham Bridge Replace	291,155	7%	93%	19,364	63
WC452 Main Road Stoke cycleway Saxton Creek to Champion Road	94,384	20%	80%	19,023	\$3
Corder Park Cycleway	87,731	30%	70%	28,421	\$3
WC 341 Elm Street Intersection safety improvements	86,661	19%	81%	16,889	\$3
Gloucester / Kerr / Oxford St cyclelane & Hardy St crossing	79,995	24%	76%	19,467	\$3
Ring Route Signage CBD	74,916	20%	80%	15,296	\$2
School frontage St Josephs and Central (Willow Walk)	73,230	21%	79%	15,658	\$2
Capital: Halifax/Traf St landscape improvements	64,974	21%	79%	13,893	\$2
Rocks Rd cycling and walking project	61,119	25%	75%	15,057	\$2
School frontage Nelson Intermediate	55,454	21%	79%	11,858	\$2
Church Street Improvements	53,600	19%	81%	10,432	\$2
Rocks Rd to Maltai shared path	52,866	21%	79%	11,257	\$2
WC 452 UCP Tahunanui Cycle Network	52,900	20%	80%	10,712	\$2

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\$0.43 \$0.36 \$0.23 \$0.23 \$0.41 \$0.32 Costs to be funded 10,605 6,515 5,543 6,452 5,017 5,165 5,342 5,478 4,045 4,383 3,143 3,142 10,472 5,287 4,383 4,383 4,468 2,561 through funded through other 78% 78% 78% 77% 81% 79% 78% 80% 78% 80% 80% funded development 28,498 28,082 29,441 27,100 26,413 26,037 25,766 25,000 20,000 20,000 20,000 19,564 16,149 13,100 50,367 47,787 45,559 41,924 43,376 40,808 30,469 30,641 11,552 9,904 Railway Reserve to CBD (via St Vincent (Stage I Railway Reserve to Gloucester Street)) WC 341 Maital shared path to Anzac Park active transport fac Wood to Infermediate via Colleges, part B (Brougham chgs) Murital SH6 Intersection (incl Ped crossing across SH6) WC452 Maitai shared path to Nelson east programme The Brook Area Cycling and Walking Improvements WC 341 Jenkins Creek shared path widening Maitai Valley Road shared path modifications Maitai shared path (Collingwood St to Nile St) Maitai Walkway (Saltwater Creek Crossing) Fahunanui to Annesbrook cycle connection WC341 Waimea Road Pedestrian Refuge WC212 York Stream Reseal Kawai Street WC341 Poleford Bridge seismic upgrade Roading Minor Improvement Programme WC 341 Hill Street to Suffolk Road Link WC 452 Gloucester Street Connections School frontage Auckland Point School WC 341 Brook Cycle&Walk Imprvmnts WC341 Gibbs Bridge Seismic upgrade WC341 Sharedzone - Beachville Cres WC 341 Anti Slip to Maitai Path deck WC341 Airport Bridge Replacement St Vincent to CBD cycle connection WC341 Nikau/Palm new footpaths WC341 Cable Bay catch fence Whakatu Drive / Beatson Road WC 341 Minor Improvements Atawhai Dr (near Founders) Nikau/Palm new footpaths Activity / Asset

\$0.18 \$0.16 \$0.16 \$0.04 \$0.04 \$0.03 \$0.03 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.02 \$0.03 \$0.02 \$0.02 \$0.03 \$0.02 \$0.02 \$0.03 \$0.03 \$0.02 \$0.03

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Nelson City Council

Activity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Com
10 Halstead Rd building conversion (aka Bata, Hub)	5,813	25%	75%	1,436	
Wood to Intermediate via Colleges, part C (Van Deiman St)	5,693	24%	76%	1,390	
School approach & Frontage treatments	5,220	21%	79%	1,116	
Todd Bush Rd	5,000	22%	78%	1,096	
WC341 Ridgeway/Marsden Valley Rd, minor improvements	3,054	20%	80%	623	
Wood to Intermediate via Colleges, part A (Sharrows to Tasman)	1,260	25%	75%	311	
Toi Toi: Vanguard St intersection	1,153	21%	79%	247	
Ring Route Signage CBD	2,084	966	91%	198	
WC 341 Cable Bay Road cycle safety signs	989	19%	81%	192	
Railway Res/Princes Dr ext overbridge	129	100%	%0	129	
Waimea/Motueka intersection upgrade	779	14%	86%	110	
Putaitai StMain Rd Stoke Right Turn	540	19%	81%	105	
Putaitai St/ Main Rd Stoke Right turn	502	19%	81%	93	
WC 341 Milton weka intersection safety	497	19%	81%	97	
Variable speed signs	464	25%	75%	115	
North Esk ToiToi Street intersections MS	292	25%	75%	72	
Collingwood St pedestrian refuge at New St	162	25%	75%	40	
WC 341 Maitai Path underpass flooding improvements	19,078	960	100%	15	
2018 LTP	48,554,353	22%	78%	10,625,985	
Marsden Valley Road Upgrade	2,146,549	%96	4%	2,060,687	
WC324 Main Rd Stoke/Marsden Rd	1,249,216	100%	%0	1,249,216	
WC 341 Minor Improvements	8,266,300	12%	88%	989,677	
WC 324 Quarantine/Nayland intersection upgrades	5,343,426	966	91%	472,257	
WC 341 Marsden Valley Ridgeway Upgrade	668,180	100%	%0	668,180	
WC 452 Tahunanui Cycle Network - SH6 Tahunanui Drive connect	2,066,000	20%	80%	406,324	
New Footpaths	2,666,250	17%	83%	453,654	
WC452 Cross Town Links Brook to Central Programme	1,940,970	17%	83%	327,747	
WC452 Maitai shared path to Nelson east programme	1,071,550	18%	82%	197,056	
WC324 Polstead Main Road Stoke Intersection Upgrade	1,333,820	17%	83%	228,947	
WC 341 Railway Reserve/Princes Dr cycle crossing upgrade	104,000	100%	%0	104,000	

Draft Policy on Development Contributions 2018

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ctivity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Component \$/HUD
Toi Toi St upgrade	782,660	19%	81%	150,647	\$17
Grove Street Footpath upgrade	933,720	18%	82%	165,366	\$15
WC 341 Waimea Road Franklyn Street intersection improvements	965,760	18%	82%	169,122	\$15
WC341 Toi Toi/Vanguard intersection upgrade	805,420	18%	82%	147,479	\$15
WC 341 Maitai shared path to Anzac Park active transport fac	597,600	20%	80%	118,172	\$14
Mount Street and Konini Street upgrade	652,690	19%	81%	123,297	\$13
WC452 Stoke East West Cycle Connection	1,005,550	17%	83%	168,015	\$12
WC 452 UCP Saltwater Creek Crossing	400,000	21%	79%	84,047	\$11
WC452 Main Road Stoke cycleway Saxton Creek to Champion Road	499,360	18%	82%	88,276	\$11
WC 324 Waimea Rd/Van Diemen Jct improvements	1,620,578	%89	92%	124,262	\$11
WC324 Arapki Road Upgrade	467,650	19%	81%	90,803	\$10
Milton St (Grove to Cambria)	662,230	17%	83%	113,437	89
WC 341 Gloucester Street intersection improvements	2,057,510	15%	85%	298,530	\$8
WC 341 St Vincent Street Toi Toi Street safety improvements	430,650	18%	82%	77,576	\$7
WC341 Montreal Princes Drive Intersection	1,173,425	15%	85%	177,163	2.5
WC341 Raileway Reserve improvements	727,228	16%	84%	116,226	\$7
WC341 Sharedzone - Wigzell	312,754	19%	81%	59,053	\$6
WC452 Nije Street cycle facilities	317,950	19%	81%	59,229	\$6
WC 531 CBD interchange	269,680	19%	81%	52,578	\$6
WC 341 Waimea Road / Hampden Street intersection upgrade	224,400	20%	80%	45,322	\$6
WC341 Stoke Pedestrain Refuges	322,960	18%	82%	58,194	\$2
WC341 Sharedzone - Beachville Cres	203,960	20%	80%	41,210	\$5
WC 531 Stoke interchange	386,183	17%	83%	64,576	\$5
WC341 Market Road/Bishopdale Ave Intersection improvements	255,400	18%	82%	45,097	3
Maitai Valley Road shared path modifications	130,000	21%	79%	27,315	\$4
WC 341 MI Waimea Ridgeway	190,960	19%	81%	35,490	\$\$
WC 341 Market Rd Intersection improvements	1,095,584	14%	86%	157,490	7
WC 341 Jenkins Creek shared path widening	125,350	21%	79%	26,338	\$4
Halifax (Maltai to Milton)	1,753,564	14%	86%	241,964	\$2
WC341 Polstead Suffolk Intersection Upgrade	305,270	15%	85%	46,065	\$2

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Draft Policy on Development Contributions 2018

Nelson City Council

ctivity / Asset.	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Component \$/HUD
WC 341 Toi Toi Emano Street intersection	495,166	14%	86%	71,094	\$2
WC 452 UCP Tahunanui Cycle Network	50,000	19%	81%	9,668	\$1
Putaitai St/ Main Rd Stoke Right turn	40,000	18%	82%	7,035	\$1
Hampden Street walkway upgrade	299,500	14%	86%	43,282	\$
WC341 Sharedzone - Mayroyd	30,000	21%	79%	6,304	\$1
WC 452 CBD Cycle parking facilities	51,024	18%	82%	9,029	\$1
WC 341 Vanguard Street Stormwater	67,250	17%	83%	11,189	\$1
WC341 Ngawhatu Suffolk Inersection	438,370	14%	86%	61,323	\$1
WC452 Atawhai Shared path extension to Todds Valley	533,515	14%	86%	73,450	\$
WC341 Stoke Centre Traffic Calming and Pedestrian Safety Wor	10,220	20%	80%	2,056	\$0.25
WC 341 Nile St/Clouston Tce intersection improvement	7,000	21%	79%	1,471	\$0.20
community Infrastructure	7,893,120	22%	78%	1,723,759	\$276
Historic	6,737,430	22%	78%	1,499,020	\$244
Greenmeadows Centre	6,609,773	22%	78%	1,469,423	\$240
CP: Greenmeadows Centre	125,336	23%	77%	29,054	\$2
AM: Greenmeadows Centre	1,322	24%	76%	315	\$0.05
Cafe facility	1,000	23%	77%	228	\$0.04
2018 LTP	1,155,690	19%	81%	224,740	\$32
Growth: Millers Acre Toilet	514,410	19%	81%	99,691	\$14
Tahunanui Lions Toilet Upgrade	516,280	19%	81%	99,165	\$14
Greenmeadows Centre	125,000	21%	79%	25,884	2
seneral Reserves	25,463,314	33%	67%	8,465,668	\$1,046
Historic	6,751,404	52%	48%	3,540,880	\$537
Capital: fand purchase (Daelyn)	689,314	100%	%0	689,314	\$115
New Reserve Development Programme	744,236	100%	%0	742,858	\$111
Capital: General Development	644,117	92%	%80	593,983	\$88
Relocate Overhead Power	868,538	26%	74%	225,143	\$32
Capital: Planting	145,947	97%	3%6	141,824	\$20
Capital: Fences and Walls	143,147	88%	12%	126,659	\$19
new Cycle / Path development	372,722	31%	%69	115,192	\$19

Draft Policy on Development Contributions 2018

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ctivity / Asset.	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Component \$/HUD
Road Entrance Main Rd Stoke	474,566	27%	73%	128,091	\$17
Capital: Furniture	109,912	95%	8%	101,668	\$15
Upgrade for multiuse	262,426	26%	74%	67,968	\$10
Saxton Creek recreation pond enhancements	256,525	23%	77%	58,389	\$3
Capital: Upgrd Accessways/Carp	63,591	100%	960	63,591	6\$
Cricket oval drainage remediation	243,025	26%	74%	62,997	6\$
Brook MTB Hub	135,000	22%	78%	29,327	\$5
CP: Saxton Field General Development	106,716	25%	75%	26,385	\$4
Esplanade & Foreshore Planting Prgm	103,992	22%	78%	22,591	2
Upgrade: Structures	27,591	85%	15%	23,467	\$3
Fringed hill Revegetation	84,256	22%	78%	18,303	\$3
Capital: Stadium Surface Water Deflection	80,001	24%	76%	19,462	\$3
Saxton Oval electrical improvements	77,856	24%	76%	18,536	\$3
Capital: Planting	77,847	22%	78%	16,911	\$3
Modellers Pond Solution	75,463	22%	78%	16,393	\$3
CP: Saxton -Walkways/cycleways	67,677	24%	76%	16,441	\$2
Minor LOS improvements	63,192	22%	78%	13,727	\$2
Capital: Acassway / Carparks	52,659	22%	78%	11,439	\$2
Saxton Oval Util shed & Fire Alarm (CWC)	51,349	25%	75%	12,766	\$2
Poormans walkway (Main rd - Neale ave)	49,000	22%	78%	10,644	\$2
New entrance signs	34,453	30%	70%	10,343	\$2
Cricket ODI	44,796	26%	74%	11,612	\$2
Codgers new MTB tracks	43,768	22%	78%	9,508	\$2
Capital: Park Upgrades	42,127	22%	78%	9,151	\$2
Hammer throw at Saxton Field	39,998	23%	77%	9,060	51
Marsden Valley mountain bike tracks stage one 2016-17	36,641	22%	78%	7,960	\$1
Maitai revegitation	31,598	22%	78%	6,864	87
OPs: Neighbourhood Parks Upgrade Prgm	24,930	24%	76%	5,965	51
Motor Vehicle	23,609	22%	78%	5,129	\$1
CP: Saxton Road Construction Main Road Stoke	22,071	27%	73%	5,957	\$

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Item 13: Review of the Development and Financial Contributions Policy 2015: Attachment 1 $\,$

Draft Policy on Development Contributions 2018

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	Capital	funded through development contributions	through other sources	funded through development contributions	Component S/HUD
CP: Grant: Road Entrance Champion Drive	22,105	23%	77%	5,136	\$1
Cricket World Cup Ltd	21,750	25%	75%	5,407	\$1
CP: Relocate Overhead Power	21,629	26%	74%	5,653	\$1
Capital: Wakapuaka Sandifats	21,063	22%	78%	4,576	\$1
Capital: Minor Development	21,063	22%	78%	4,576	\$1
Maitai MTB Hub	20,000	22%	78%	4,345	\$1
Cricket/Athletics Pavilion	4,819	100%	%0	4,819	\$1
Capital: Fences / Walls	15,800	22%	78%	3,432	\$1
Capital: Security Gates/Bollards	15,800	22%	78%	3,432	\$1
Growth: Furniture/Signs	15,800	22%	78%	3,432	69
Internet Upgrade	13,370	26%	74%	3,466	\$0.49
Athletics equipment shed	11,761	25%	75%	2,924	\$0.43
HoN: Bio & Eco Planting	3,031	100%	%0	3,031	\$0.41
Capital: Signs	10,532	22%	78%	2,288	\$0.38
Upgrade: Structures	10,532	22%	78%	2,288	\$0.38
Paremata Flats upgrade (growth)	10,532	22%	78%	2,288	\$0.38
OPs: New Planting Prgm	9,845	26%	74%	2,517	\$0.36
CWC Legacy	8,826	25%	75%	2,194	\$0.32
LOS: accessibility improvement items	8,415	22%	78%	1,828	\$0.30
Codgers MTB track reinstatement	7,573	22%	78%	1,645	\$0.27
PF: Neighbourhood Parks Upgrade Prgm	7,027	23%	77%	1,618	\$0.26
AM: Daelyn land purchase	5,846	25%	75%	1,458	\$0.21
Capital: Lighting / Signs	5,794	22%	78%	1,259	\$0.21
Minor Development	5,767	23%	77%	1,313	\$0.21
Tahuna Reserve Development Plan	5,381	22%	78%	1,169	\$0.19
Capital: Signs/Furniture	5,268	22%	78%	1,144	\$0.19
Capital: New Planting	5,268	22%	78%	1,144	\$0.19
HoN: Trees & Plants	1,344	100%	%0	1,344	\$0.18
CP: Cricket oval drainage remediation	4,601	26%	74%	1,193	\$0.17
PP: Saxton Field General Development	3,614	27%	73%	976	\$0.13

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ctivity / Asset.	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Costs to be funded through development contributions	Component \$/HUD
CP: Neigh Parks: Capital Accesswayscarparks	3,396	27%	73%	916	\$0.13
PP: Saxton Cycle Track (Regional Velodrome)	2,711	27%	73%	732	\$0.10
CP: Branford Park	1,811	27%	73%	484	\$0.07
PF: Neighbourhood Parks Planting Prgm	1,450	27%	73%	391	\$0.05
PP: Daelyn land purchase	758	26%	74%	200	\$0.03
ET: Neigh Parks: Capital Accesswayscarparks	640	26%	74%	168	\$0.02
CP: Cricket/Athletics Pavilion	414	27%	73%	112	\$0.02
PF: Saxton Field General Development	365	27%	73%	66	\$0.01
PP: Saxton -Walkways/cycleways	290	27%	73%	78	\$0.01
CP: Victory Square - Skateboard half pipe	232	23%	77%	53	\$0.01
PP: Branford Park cycleway	226	27%	73%	61	\$0.01
CP: Grant: Champion carpark	162	23%	77%	37	\$0.01
CP: Saxton Cycle Track (Regional Velodrome)	138	27%	73%	37	\$0.01
2018 LTP	18,711,910	26%	74%	4,924,788	\$209
New Reserve Development Programme	2,126,650	100%	%0	2,126,650	\$213
Capital: Grampians	2,221,700	16%	84%	358,883	\$33
Modellers Pond Solution	970,900	20%	80%	191,248	\$28
Maitai MTB Hub	789,800	20%	80%	154,208	\$22
Capital: General Development	999,270	16%	84%	161,627	\$15
Capital: Planting	889,460	16%	84%	141,739	\$13
Poormans walkway (Main rd - Neale ave)	428,800	20%	80%	84,687	\$12
Rutherford Park - Saltwater Cr path landscaping	490,240	19%	81%	91,861	\$12
Fringed hill Revegetation	648,415	17%	83%	107,559	\$11
Capital: Park Upgrades	610,665	16%	84%	98,772	\$9
Wakapuaka Sandflats bridges and walkway	343,200	19%	81%	64,769	\$8
Esplanade & Foreshore Planting Prgm	555,150	16%	84%	89,793	\$3
Capital: Mountainbike Tracks	616,650	16%	84%	95,935	\$8
Saltwater Cr bridge (Haven Rd - Traf Park)	433,300	17%	83%	73,947	\$8
new Cycle / Path development	245,280	20%	80%	48,308	\$7
Jenkins Stream (Pascoe to Airport)	617.508	15%	85%	92.526	\$7

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ctivity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Gosts to be funded through development contributions	Component \$/HUD
Alliance Green levelling, irrigation and drainage	292,300	18%	82%	52,252	\$6
Upgrade: Structures	359,610	17%	83%	60,422	9\$
Link to Manu Kau reserve	202,590	19%	81%	38,338	\$2
Maitai revegitation	333,090	16%	84%	53,876	\$5
Almond tree flats pedestrian and cycle bridge	210,095	18%	82%	38,685	\$5
Courtside lighting and seating for outdoor netball courts	223,620	18%	82%	39,788	\$5
Isel park bridge upgrade	163,300	20%	80%	32,268	\$5
Capital: Acessway / Carparks	335,750	16%	84%	53,261	\$5
Eureka Park walkway development	177,040	19%	81%	33,305	25
Miyazu Garden Pond Relining	232,850	17%	83%	39,748	\$
Saxton Creek path (Champion Dr - Saxton field)	371,324	15%	85%	55,331	25
Alliance Green toilets and pavilion	515,400	14%	86%	72,589	3
Capital: Minor Development	162,130	17%	83%	28,024	\$3
Saxton regional playground	317,825	15%	85%	46,296	\$3
Marsden Valley MTB Hub	189,040	16%	84%	30,281	\$3
Back beach car parking review	86,760	20%	80%	17,140	\$2
LOS: accessibility improvement items	94,880	18%	82%	17,364	\$2
Dog exercise park	83,300	19%	81%	15,676	\$2
Capital: Furniture	133,236	16%	84%	21,550	\$2
Capital: Upgrd Accessways/Carp	109,700	17%	83%	18,266	\$2
Capital: Fences and Walls	111,030	16%	84%	17,959	\$2
Capital: Security Gates/Bollards	111,030	16%	84%	17,959	\$2
Paremata Flats upgrade (growth)	88,824	16%	84%	14,367	\$1
Capital: Fences / Walls	77,721	16%	84%	12,571	\$
Capital: Planting	66,618	16%	84%	10,775	\$
Mountain Bike track development (P59)	30,000	21%	79%	6,212	\$1
Complete tree planting (Alliance and Champion)	30,660	20%	80%	6,039	69
Upgrade: Structures	55,515	16%	84%	8,979	\$1
Capital: Signs	55,515	16%	84%	8,979	\$
Alliance Green cricket wicket blocks (x2)	32,010	18%	82%	5,666	\$1

Item 13: Review of the Development and Financial Contributions Policy 2015: Attachment 1 $\,$

Draft Policy on Development Contributions 2018

Nelson City Council

Activity / Asset	NCC Capital Cost	Portion funded through development contributions	Portion funded through other sources	Growth Costs to be funded through development contributions	Component \$/HUD
Oval embankment steps/accessibility stand	20,000	21%	79%	4,141	\$1
Capital: Signs/Furniture	25,613	17%	83%	4,297	\$0.45
Temporary Seating	19,062	18%	82%	3,454	\$0.43
Glen - boulder bank pathway (P7)	15,660	19%	81%	2,928	\$0.39
Fitness trail	21,840	17%	83%	3,650	\$0.38
Growth: Furniture/Signs	22,206	16%	84%	3,592	\$0.34
Walkway link from the Wood (Cambria St) to Stanley Whitehead	10,440	19%	81%	1,952	\$0.26
Capital: Trafalgar Park Stand Removal	10,670	18%	82%	1,889	\$0.22
Walkway to connect Poorman Stream to Greenmeadows	10,670	18%	82%	1,889	\$0.22
Tahunanui sports field drainage	10,920	17%	83%	1,825	\$0.19
New entrance signs	10,970	17%	83%	1,827	\$0.19
Remove Trafalgar Park cycle track	11,180	16%	84%	1,767	\$0.15
Boardwalk Tahuna camp to beach	11,450	15%	85%	1,706	\$0.12
Flood lighting for concert safety	271,480	12%	88%	33,413	\$0.08
Grand Total	332,045,889	26%	74%	85,881,547	\$9,899

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Nelson City Council

9.8 Previous development contributions

Table 10: Historical Development Contributions and Financial Contribution exemption

tivity	2006/07	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
ormwater	3,884	3,843	3,897	3,991	2,999	3,043	3,075	2,370	2,394	2,442
astewater	3,221	3,832	3,886	3,980	2,756	2,796	2,825	4,270	4,319	4,418
ater Supply	1,871	2,436	2,470	2,529	3,054	3,098	3,131	2,950	2,984	3,053
ansport	2,196	2,414	2,448	2,507	882	895	904	980	988	1,034
tal Development Contributions ¹	11,172	12,525	12,701	13,007	9,691	9,832	9,935	10,570	10,695	10,947
nancial contribution exemption amount	71,031	82,777	83,949	85,964	88,371	89,657	\$90,598	\$91,974	\$92,747	\$94,299

Contributions set in the 2006, 2009, 2012 and 2015 Long Term Plans and adjusted for inflation in between



Consultation

Draft Policy on Development Contributions 2018

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Consultation

Draft Policy on Development Contributions 2018

The purpose of the Development Contribution's Policy is to ensure that those developing properties and who directly benefit, pay their share of the growth related costs of Council provided infrastructure.

Nelson continues to experience strong growth in its population, visitors, development and local economy. This growth generates increased levels of subdivision and development activity which places greater pressure on the assets and services provided by Council. Significant investment is required to meet the demands of growth through providing additional assets, or increasing the capacity of existing assets.

Council considers that development contributions are the best mechanism available to ensure the cost of growth is apportioned to those who have created the need for that cost. Council considers it inappropriate to impose those costs on the community as a whole, by way of rating or other payment means, to meet the cost of growth.

Under this policy, Council intends to entirely fund the portion of capital expenditure ("capex") that is attributable to growth by development contributions wherever it can be done so lawfully, fairly, reasonably and practically.

The draft Policy on Development Contributions 2018 contains an explanation of how development contributions will be calculated for residential and non-residential activities. You are invited to provide feedback on the draft Policy on Development Contributions 2018.

The purpose of this consultation is to obtain the community's view on the draft Policy. Following consultation, Council can either adopt the draft Policy or amend it based on the submissions received.

Proposed Significant Changes to the Policy

The proposed significant changes to the Development Contributions and Financial Contributions Policy 2015 include the following:

- Removal of financial contributions for neighbourhood reserve land in respect of new developments:
- Inclusion of the Nelson Regional Sewerage Business Unit capital projects within the wastewater development contribution;
- Inclusion of flood protection capital projects that have a growth-related component within the stormwater collection and management development contribution, and where each relevant flood protection project is required, at least in part, to collect or manage stormwater run-off from developments or to protect developments from stormwater run-off.
- Introduction of a development contribution for neighbourhood reserve land based on either a land contribution of 40m²/HUD or the equivalent in cash based on local land values;
- Introduction of a development contribution of \$1,160/HUD for general reserves and improvements:
- Introduction of a development contribution of \$280/HUD for community infrastructure (community centres, public toilets, and playgrounds on council reserves);

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- Removal of some of the listed exemptions from paying development contributions and introduction of a general exemption provision for applicants providing evidence of exceptional circumstances; and
- Making the exemption from development contributions for residential developments in the city
 centre condition upon construction commencing within one year (this is shortened from the
 current policy requirement of two years). This only applies to the first 30 HUDs applying for an
 exemption in each financial year.

The above is only a summary of the proposed significant changes to the Development Contributions and Financial Contributions Policy 2015. Interested parties are encouraged to read the attached draft 2018 Policy in its entirety in order to review all the proposed changes.

Make a Submission

Anyone may make a submission about any aspect of the draft Policy.

If you wish to discuss the draft Policy before making a submission, please contact Team Leader City Development, Lisa Gibellini on 03 546-0200 or via email lisa gibellini@ncc.govt.nz

A submission form is included at the end of this document. Submissions must be received no later than 5pm on 23 April 2018.

Any person who wishes to speak to the Council in support of their submission will be given the opportunity to address the Council at a hearing.

Submissions can be made:

- Online at nelson.govt.nz
- By post to Development Contributions Policy PO Box 645, Nelson 7010
- · By dropping off to Civic House, 110 Trafalgar Street, Nelson

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Submission Form

Policy on Development Contributions 2018

Name:	•••••
Organisation represented: (if applicable)	
Address:	
Email:Tel:	
Do you wish to speak at the hearing? Yes / No. If you do not circle eith assume you do not wish to be heard.	er, we will
Public Information: All submissions (including the names and contact det are public information and will be available to the public and media in various reincluding on the Nelson City Council website. Personal information will administration relating to the subject matter of submissions. Submitters have and correct any personal information included in any reports, information or submissions.	eports and formats also be used for the right to access
Comments:	

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Council

20 March 2018

REPORT R8866

Further Delegations to the Hearings Panel - Other

1. Purpose of Report

- 1.1 To delegate the Council's decision on changes to the schedules to the Parking and Vehicle Control Bylaw to the Hearings Panel Other (in addition to the current delegation to the Planning & Regulatory Committee).
- 1.2 To delegate the Council's administering body functions on rights of way and other easements under the Reserves Act 1977 (RA) to the Hearings Panel Other.

2. Summary

- 2.1 The functions identified in this report are legally able to be delegated to the Hearings Panel Other in accordance with the Local Government Act 2002 (LGA 02) and the RA.
- 2.2 The main reasons to delegate these functions are to provide a quicker decision for the customer or for Council staff to make the changes sooner than the six week Committee cycle currently provides for and to administer the provisions in section 48 of the RA more effectively.
- 2.3 The proposed delegations meet all the outcomes identified in the policy regarding delegations (section 4.0 of the Delegations Register, see A1183061).

3. Recommendation

That the Council

<u>Receives</u> the report Further Delegations to the Hearings Panel - Other (R8866) and its attachment (A1912628); and

<u>Delegates</u> the decision making on changes to the schedules to the Parking and Vehicle Control

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Bylaw that do not require public consultation to the Hearings Panel - Other; and

<u>Delegates</u> the hearing of submissions and recommendation on proposed changes to the schedules to the Parking and Vehicle Control Bylaw requiring public consultation to the Hearings Panel - Other; and

<u>Delegates</u> the administering body functions under section 48 of the Reserves Act 1977 on proposed rights of way and other easements on reserves vested in Council to the Hearings Panel – Other.

4. Background – Parking and Vehicle Control Bylaw schedules

- 4.1 The Nelson City Council Delegations Register identifies in section 2 the legal framework that enables the Council to delegate its responsibilities, duties or power to a committee or other subordinate decision-making body. Council's Legal Advisor has confirmed the Council can delegate the functions described above.
- 4.2 Currently, proposed changes to the schedules to the Parking and Vehicle Control Bylaw are decided by the Planning and Regulatory Committee. A report requesting approval of changes goes to nearly every Committee meeting. The changes are largely minor and are the result of proposed parking and safety improvements or a development requiring a change of access location and subsequent on-street changes for example. The changes are largely uncontroversial in nature and have an associated low decision making risk.
- 4.3 Changes that are more controversial are decided by the Committee after staff have sought feedback from directly affected parties and included this information in their report and recommendation.

5. Discussion

- 5.1 Schedule 7 clause 32 of the LGA 02 sets out Council's authority to delegate its responsibilities, duties or powers to subordinate decision-making bodies or officers for the purposes of efficiency and effectiveness in the conduct of a local authority's business. The Council may delegate any of its responsibilities, powers or duties subject to specified exceptions. One of these exceptions is that the Council must not delegate the power to make a bylaw.
- Under section 151(2) of the LGA 02 and section 22AB of the Land Transport Act 1998 (LTA), in making a bylaw, the Council may leave any matter to be regulated by Council resolution. Under clause 2.1 of the Parking and Vehicle Control Bylaw, the Council is required to resolve to specify controls in schedules to the bylaw. Under section 2.2 of the

Bylaw the Council may then resolve to change any of these specifications in the schedules.

- 5.3 The Planning and Regulatory Committee currently has the delegated authority from the Council to decide on changes to the schedules to this Bylaw. It is proposed to also delegate this function to the Hearings Panel Other, a panel of three Councillors, for these decisions to potentially be able to be considered quicker than the six weekly Committee cycle provides for. Should any matter require community consultation and the hearing of submissions the Hearings Panel Other can instruct staff to initiate this process. The Panel would then hear submissions and make a recommendation to Council. In those cases the Council would make the final decision. The Hearings Panel Other can also decide to refer the matter to the Council if warranted by the significance of the proposed changes.
- 5.4 Matters that require limited consultation with affected parties would be decided by the Hearings Panel Other if the parties are in agreement. If there is disagreement the same process for matters that require community consultation would occur.

6. Options

6.1 The preferred option is to delegate the decision making on the changes to the schedules to the Parking and Vehicle Control Bylaw that do not require public notification to the Hearings Panel – Other, in addition to the current delegation to the Planning and Regulatory Committee (option 1). The other options are to do nothing and leave the decision making at the Planning and Regulatory Committee level (option 2) or to delegate the decision making entirely to the Hearings Panel – Other (option 3).

Option 1: Hearings Panel – Other also has delegation to decide on changes to schedules to the Parking and Vehicle Control Bylaw (preferred option)

Advantages

- Decisions can be made quicker than the Committee and Council meeting cycle allows meaning an applicant can potentially gain this approval before applying for the associated resource consent(s);
- Having the option to go to the Hearings Panel

 Other or still be able to put a matter to the
 Committee or the Council for the more controversial matters, enables the decision making to be conducted at the appropriate level and more timely;
- Most matters are uncontroversial and do not warrant consideration from the wider Council so there will be some saving of time for

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Item 14: Further Delegations to the Hearings Panel - Other

	Councillors if the Hearing Panel can decide most matters.
Risks and Disadvantages	 Should the Hearing Panel decline an application the applicant may seek a judicial review of the decision (as is the current situation). Given most matters are uncontroversial this is unlikely.
_	g, decisions on Parking and Vehicle Control emains at Committee level
Advantages	 More Councillors are involved in the decision making.
Risks and Disadvantages	 The six weekly Council meeting cycle may overly delay the approval process leaving uncertainty for when projects can commence; and
	 The separate approval process may frustrate some resource consent conditions if Council approval is sought after obtaining resource consent.
	Hearings Panel – Other has delegation to Parking and Vehicle Control Schedule
Advantages	It is clear where the decisions are to be made;
	 It is quicker than the Committee and Council meeting cycle allows;
	 meeting cycle allows; More certainty for consent applicants who may be able to secure Council approval prior to the consent application being lodged leading to less potential for one process to frustrate the

7. Background – Reserve Act easements

7.1 The granting of rights of way or other easements on Council reserves is currently decided by the Council. The process is often triggered by an associated subdivision development that requires access or services such as underground pipes or stormwater detention ponds to be within land to be vested in Council as a reserve. Most proposals do not alter or damage the reserve or permanently affect the rights of the public in respect of

the reserve so can be decided without giving public notice (section 48(3) of the RA, see Attachment 1).

7.2 If public notice is required a Committee of the Council (the Sports and Recreation Committee has done this in the past), receives a report and confirms public notification is required, hears any submissions and makes a recommendation to the Council.

8. Discussion

- 8.1 Section 48 of the RA enables the administering body of a reserve vested in it to grant rights of way and other easements for the purpose of access, services and any public purpose, subject to obtaining the consent of the Minister of Conservation. Before granting any right of way or other easement, the administering body must first publicly notify the proposal, unless the reserve will not be materially altered or permanently damaged and the rights of the public in respect of the reserve will not be permanently affected.
- 8.2 The administering body can decide whether or not to give public notice under the RA. If public notice is required the Hearings Panel Other is the appropriate representative body for the Council to hear the submissions and to make a decision that is then put to the Council (as the delegate of the Minister) to give consent or not to the proposal. The Hearings Panel Other can also refer the matter to the Council should wider involvement of the Council be warranted.
- 8.3 The Reserves Act 1977 defines an administering body as including a local authority that is defined as being a territorial or regional council and includes any other public body declared by another enactment to be a local authority for the purposes of this Act. The consent of the Minister has been delegated to the Council and this aspect cannot be further delegated. Currently the Council is functioning as both the administering body and the decision maker as delegate of the Minister.

9. Options

9.1 It is preferred to delegate the function of the administering body under the Reserves Act 1977 to the Hearings Panel – Other (option 4). The other options are to do nothing and leave the Reserve Act functions identified above at the Council level (option 5) or to delegate the administering body function to the Community Services Committee as Parks and Facilities are now reporting to the GM Community Services (option 6).

Option 4: Delegate the administering body function under the Reserves Act 1977 to the Hearings Panel – Other (preferred option)			
Advantages	 More legal robustness in having clearer separation between the administering body 		

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Item 14: Further Delegations to the Hearings Panel - Other

	arm of the Council (being a function of the Hearings Panel – Other) and the Council as delegate of the Minister compared to the current situation of the matter being administered and decided by the Council at the same time;		
	• The Hearings Panel – Other is already set up to hear submissions on matters that require public consultation.		
Risks and Disadvantages	 An additional step to the current practice in having the matter go to the Hearings Panel – Other before going to the Council may add time to the approval process. 		
Option 5: Do nothing, the administering body function under the Reserves Act 1977 remains at Council level			
Advantages	• Potentially the decision will take less time with only one step rather than a two-step process.		
Risks and Disadvantages	Reduced legal robustness in having both the administering body role and the role of Council as the Minister's delegate merged at the one meeting; and		
	 Matters that require public notification will require submissions to be heard by the full Council also rather than have this function more efficiently carried out at a delegated level. 		
-	the administering body function under the to the Community Services Committee		
Advantages	 More legal robustness in having clear separation between the administering body arm of the Council (as a function of the Community Service Committee) and the Council as delegate of the Minister. 		
Risks and Disadvantages	 An additional step that will add time to the approval process; 		
	 Matters that require public notification will require submissions to be heard by the Committee rather than have this function more efficiently carried out at a delegated level. 		

10. Conclusion

- 10.1 The time efficiency advantages in being able to obtain Council approval quicker through the Hearings Panel Other, greatly outweigh the minor risk of the decision not being accepted by an applicant. Staff or the Panel can still opt to put the matter to Council or the relevant Committee if the matter warrants a greater level of involvement by Councillors.
- 10.2 Based on the types of matters currently going to the Committee or the Council it is anticipated most matters can be easily decided on by the Hearings Panel Other without posing any risk to the organisation.
- 10.3 Enabling the Hearings Panel Other to decide on matters stated in this report will increase the Council's efficiency and effectiveness or legal robustness for these processes.

Mandy Bishop

Manager Consents and Compliance

Attachments

Attachment 1: A1912628 Section 48 Reserves Act 1977 U

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Important considerations for decision making

1. Fit with Purpose of Local Government

The recommendations will provide more transparent or cost-effective options for households and businesses as approval can be achieved faster by fewer decision makers.

2. Consistency with Community Outcomes and Council Policy

The decision making is unlikely to change community outcomes from the current situation as the impacts on places and people are still considered as identified in Council's strategic documents. The only change is the decision will be either be made in a shorter timeframe or follow a more legally robust process.

3. Risk

Most matters are uncontroversial and present a low risk to the organisation. There is still the option to take the matter to Council or a Committee should the matter warrant more involvement.

4. Financial impact

There will be some staff and Councillor time saved in having the matter decided by a Panel of three instead of reporting to a Committee or Council.

5. Degree of significance and level of engagement

This matter is of low significance because the only impact on the level of service is faster decision making or a more robust process. Council could also rescind the delegation at any time. Therefore engagement with the development community will occur to inform them of any change to this process should it be approved.

6. Inclusion of Māori in the decision making process

No consultation with Māori has been undertaken.

7. Delegations

The Council has the power to decide to delegate.

Section 48 Reserves Act 1977

Attachment 1

48 Grants of rights of way and other easements

- (1) Subject to subsection (2) and to the Resource Management Act 1991, in the case of reserves vested in an administering body, the administering body, with the consent of the Minister and on such conditions as the Minister thinks fit, may grant rights of way and other easements over any part of the reserve for—
- (a) any public purpose; or
- (b) providing access to any area included in an agreement, lease, or licence granted under the powers conferred by this Act; or
- (c) the distribution or transmission by pipeline of natural or manufactured gas, petroleum, biofuel, or geothermal energy; or
- (d) an electrical installation or work, as defined in section 2 of the Electricity Act 1992; or
- (e) the provision of water systems; or
- (f) providing or facilitating access or the supply of water to or the drainage of any other land not forming part of the reserve or for any other purpose connected with any such land.
- (2) Before granting a right of way or an easement under subsection (1) over any part of a reserve vested in it, the administering body shall give public notice in accordance with section 119 specifying the right of way or other easement intended to be granted, and shall give full consideration, in accordance with section 120, to all objections and submissions received in respect of the proposal under that section.
- (3) Subsection (2) shall not apply in any case where—
- (a) the reserve is vested in an administering body and is not likely to be materially altered or permanently damaged; and
- (b) the rights of the public in respect of the reserve are not likely to be permanently affected— by the establishment and lawful exercise of the right of way or other easement.
- (4) The District Land Registrar for the land registration district in which is situated any reserve in respect of which any right or easement has been granted under this section shall, on the application of the administering body, register the instrument granting the right or easement against any certificate of title that may have been issued for the reserve, and, if the reserve is held on registered lease or licence, any such instrument may be registered in the same way as any dealing with the lease or licence.
- (5) Where no certificate of title has been issued for any reserve over which a right or easement has been granted under this section, the instrument granting the right or easement may be registered with the District Land Registrar in the same manner and

A1912628

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Item 14: Further Delegations to the Hearings Panel - Other: Attachment 1

with any necessary modifications as any lease or licence of Crown land may be registered under the Land Act 1948.

(6) Rights of way and other easements may be granted under this section to any person, including, notwithstanding any rule of law to the contrary, the administering body in which the reserve is vested, and, where the right of way or other easement is granted to the administering body, covenants and agreements in respect of any such transaction may be entered into by the administering body in the one capacity so as to bind or benefit the administering body in the other capacity as fully and effectually as if the administering body were a separate person in each capacity.

A1912628



Council

20 March 2018

REPORT R8960

Nelson Mountain Biking Economic study

1. Purpose of Report

1.1 To receive a report by Business and Economic Research Limited (BERL) following their study into the economic benefits generated for Nelson from mountain biking activity.

2. Recommendation

That the Council

<u>Receives</u> the report Nelson Mountain Biking Economic study (R8960) and its attachment (A1905058).

3. Background

- 3.1 Nelson has seen a steady increase in mountain biking participation from both residents and visitors, and Council has sought to undertake research in order to better understand the benefits the activity can bring to the community. This will help to guide future financial decisions on relevant maintenance and infrastructure projects.
- 3.2 In May 2016 Council resolved:

"That \$20,000 opex be allocated to extend the scope of the Off Roads Tracks and Trails Strategy to consider the potential economic benefits of developing mountain biking in the region and how to access these".

- Following an open tender process Business and Economic Research Limited (BERL) was engaged to undertake this work. Its report and findings are provided in Attachment 1.
- 3.4 The consultants will be in attendance at the meeting to present their report and answer questions.

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4. Discussion

4.1 Mountain biking is growing in popularity both for local residents and as a tourist activity, and Nelson is increasingly being recognised as a mountain biking destination. Along with this participation trend comes requests for investment in associated infrastructure. To better understand the wider economic benefit that this investment may achieve, Council wanted an analysis to help determine where that level of investment should lie.

Objectives and methodology

- 4.2 The objectives of the Nelson Mountain Biking Economic Study were to provide a current estimate of the economic benefits to Nelson of mountain biking from both visitors and residents, consider potential economic benefits to be gained by further mountain biking development and provide recommendations on how to access those benefits.
- 4.3 The research focused on the number of people participating in mountain biking, where those people come from and how much they spend.
- 4.4 Expenditure was quantified based on whether it was attracted or retained. Attracted expenditure is the amount of spending that is added to the Nelson economy by mountain biking i.e. domestic and international visitors. Retained expenditure is spending by Nelson residents who would otherwise travel outside the region to participate in mountain biking, e.g. if they were unable to participate locally (and includes people who would otherwise not live in Nelson at all).

Key findings

4.5 BERL's full findings are provided in Attachment 1. Findings are presented for the present situation and future scenarios, and show results for both Nelson City and the wider Nelson/Tasman region (the figures include consideration of the Great Taste Trail). Recommendations are also provided for future investment options to maximise economic benefits for the region.

Current snapshot

Nelson City

- 4.6 In total \$8.5 million of direct new and retained spending in Nelson City will occur annually as a result of the mountain bike trails in the region. This direct spending will in the first instance generate \$4.5 million in GDP and provide employment for 79 FTEs (Full Time Employees).
- 4.7 Once flow-on effects of this spending are taken into account (multiplier effects), the activity generates a total of \$14.5 million in annual expenditure, \$7.5 million in GDP and total additional employment of 106 FTEs.

Item 15: Nelson Mountain Biking Economic study

Wider Nelson/Tasman region

- 4.8 In total \$17.1 million of direct new and retained spending will occur annually as a result of mountain biking. This direct expenditure will in the first instance generate \$8.9 million in GDP and provide employment for 158 FTEs.
- 4.9 Once multiplier effects are taken into account the activity generates a total of \$30.5 million in annual spending, \$15.5 million in GDP and total additional employment of 211 FTEs.

Future potential

4.10 Note that the scenario below assumes no gondola has been developed and no major event has occurred, but does assume the Maitai Recreation Hub is progressed as planned.

Nelson City

- 4.11 Conservative estimates show that overall in ten years' time the direct expenditure within Nelson will measure \$21.7 million annually, with \$11.3 million of direct GDP being generated and the employment of 202 FTEs.
- 4.12 Once multiplier effects are taken into account, the total annual economic impact in ten years is expected to be \$36.8 million in spending, \$19.1 million in GDP and the total employment of 270 FTEs.

Wider Nelson/Tasman region

- 4.13 It is expected that in ten years' time the direct expenditure for the wider region will measure \$43.3 million, with \$22.6 million of direct GDP being generated and the employment of 403 FTEs.
- 4.14 Once multiplier effects are taken into account, the total annual economic impact in ten years' time is expected to be \$77.5 million in annual expenditure, \$39.5 million in GDP and the total employment of 538 FTEs.

Potential from an event

4.15 Crankworx in Rotorua is a week-long international mountain biking event. A similar event held in the Nelson region could add an additional spend of \$3.4 million to the region, with a total economic impact on the region of \$3.1 million in GDP and the employment of 42 FTEs.

5. Future investment and opportunities

5.1 BERL considers a key priority to be investment in trail head facilities, particularly in the Maitai Valley. Construction of the Brook Hub project is underway and on track, and funding is proposed in the draft Long Term Plan to investigate and construct a more significant recreational hub in the Maitai Valley. Officers will also consider providing additional minor facilities at other entrance points e.g. additional information signage,

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Item 15: Nelson Mountain Biking Economic study

- picnic tables, water fountains and rubbish bins. This work could largely be programmed within existing minor capital budgets.
- A need for greater promotion of the region's mountain biking offering was also identified, including developing a regional (Nelson-Tasman) approach to marketing and infrastructure development. Officers have a good working relationship with the Tasman District Council, Nelson Regional Development Agency and the Nelson Mountain Bike Club, and intend facilitating meetings in future to explore these opportunities.
- 5.3 A lack of uphill shuttle services was seen as another constraint. Council's role in enabling vehicle shuttling is limited to providing concessions to operate within its reserve land. Shuttle providers are also required to seek permission from other landowners and forestry management companies.
- The Mountain Bike Club will be submitting a proposal to host an Enduro World Series event in 2021. This will attract riders and their families from around the world and is expected to significantly raise Nelson's profile as a mountain biking destination. The Club has rejected an offer to host the 2019 Enduro World Series in order to focus resources into insuring the infrastructure is in place for 2021. Several smaller international events are also being held in the interim.
- 5.5 At the time of writing the draft Long Term Plan proposed including \$100,000 capital expenditure every second year (with \$10,000 in the interim years) for new mountain biking trails. The Mountain Bike Club have indicated to officers that it is seeking \$196,000 per year for the construction of easier grade trails to support the Maitai Hub and officers continue to engage with the Club in order to better define the scope of that request. The target trails for this funding would appeal to riders of all abilities, as well as other recreational users, and the club proposes matching this figure with its own resources to continue with the development of hand-built expert trails for which Nelson is becoming renowned for.
- 5.6 Future funding for new trails is a matter for consideration and confirmation through the Long Term Plan process, however officers note that trail maintenance budgets would also need revising if construction funding is increased. Officers are currently working with the Mountain Bike Club to develop a maintenance agreement for trails on Council land, which may also have a bearing on future maintenance funding.

6. Conclusion

- 6.1 Officers recommend the BERL report *Nelson Mountain Biking Economic Study* (Attachment 1) is received. Next steps will be to share the report with interested stakeholders including the Nelson Mountain Bike Club, Sport Tasman and Tasman District Council.
- 6.2 The Conservation and Landscape Reserves Management Plan is due for review in 2019, and the BERL report will provide useful guidance during

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Item 15: Nelson Mountain Biking Economic study

this process. In addition the document will provide a useful reference when deliberating on Long Term Plan submissions.

Paul Harrington

Property, Parks and Facilities Asset Planner

Attachments

Attachment 1: A1905058 - Nelson Mountain Biking Economic Study (BERL) U

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Important considerations for decision making

1. Fit with Purpose of Local Government

The report 'Nelson Mountain Biking Economic Study' has been commissioned to ensure Council has information to inform funding decisions on the provision of cost-effective local infrastructure.

2. Consistency with Community Outcomes and Council Policy

The recommendations in this report support the following community outcomes:

Our communities have access to a range of social, educational and recreational facilities and activities.

3. Risk

Receipt of the report 'Nelson Mountain Biking Economic Study' is unlikely to result in any risk for the Council.

4. Financial impact

Receiving the report does not create any financial impact.

5. Degree of significance and level of engagement

Receiving the report is considered to be of low significance overall although some stakeholders have a greater level of interest.

6. Inclusion of Māori in the decision making process

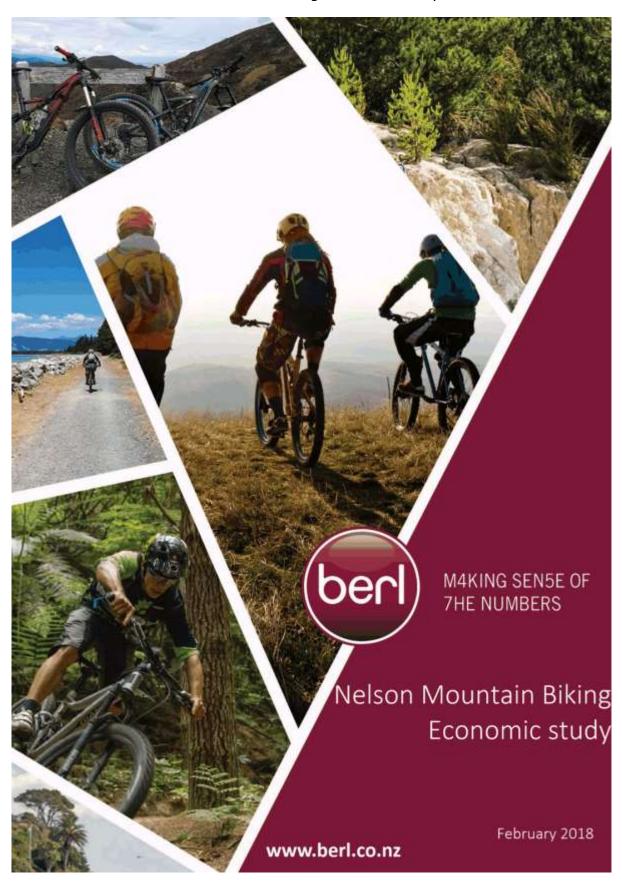
Māori have not been consulted in preparation of this report.

7. Delegations

The Sport and Recreation Committee has the delegation for considering matters in relation to mountain biking, however this report is being received by Council due to the availability of the consultants who authored the attached research. The Chair of the Sports and Recreation Committee is supportive of this delegation being passed to Council.

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Item 15: Nelson Mountain Biking Economic study: Attachment 1



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Authors: Mark Cox, Colin Drew and Hugh Dixon

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Making sense of the numbers

The Nelson-Tasman region is promoted and regarded as a cycling haven with an excellent mix of road cycling and mountain biking options for recreational and more competitive cyclists.

The aim of this report was to obtain an estimate of the amount of spending that is added to the Nelson economy by mountain biking. BERL has used the sum of the attracted and the retained expenditure to provide a measure of the direct economic benefits of mountain biking (MTB) to the Nelson-Tasman region. However, we also take account of the fact that both the attracted and the retained expenditure have flow-on effects.

Current snapshot

Nelson-Tasman region

In total \$17.1 million of new and retained spending will occur annually as a result of the mountain bike trails in the Nelson-Tasman region. Including the flow on effect of this spending (multiplier effects), it will generate for the Nelson-Tasman economy a total of \$15.5 million in GDP and total additional employment of 211 FTEs (Full Time Employees).

Nelson City

In total \$8.5 million of new and retained spending will occur annually as a result of the mountain bike trails in Nelson City. The \$8.5 million in direct spending will in the first instance generate \$4.5 million in GDP and provide employment for 79 FTEs. Once multiplier effects are taken into account, the activity generates a total of \$14.5 million in expenditure, \$7.5 million in GDP and total additional employment of 106 FTEs.

There is also a wide selection of associated commercial activity supporting the spending. This includes local bike shop sales, mountain bike hire / guide operation and trail journeys. In addition the activity brings health benefits, with walking and cycling being top recreational activities in the Nelson-Tasman region.

Future potential

Nelson-Tasman region

Our conservative estimate shows that, overall in ten years' time the direct expenditure will measure \$43.3 million, with \$22.6 million of direct GDP being generated in the region, and the employment of 403 FTEs. Once multiplier effects are taken into account, the total annual economic impact in ten years times will be \$39.5 million in GDP and the total employment of 538 FTEs.

Nelson City

Overall in ten years' time the direct expenditure will measure \$21.7 million, with \$11.3 million of direct GDP being generated in the City, and the employment of 202 FTEs. Once multiplier effects are taken into account, the total annual economic impact in ten years' time will be \$19.1 million in GDP and the total employment of 270 FTEs.

Using the example of Crankworx in Rotorua, a similar event held in the Nelson-Tasman region, could add an additional spend of \$3.4 million to the region, with a total economic impact on the region of \$3.1 million in GDP and the employment of 42 FTEs in the Nelson-Tasman region and would have a total economic impact to Nelson city of \$1.5 million in GDP with total employment of 21 FTEs.



Making sense of the numbers

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Constraints

Recent growth in mountain bike (MTB) events and visitor activity is evident, although future growth is believed to be constrained by limited uphill shuttle services (other than Wairoa Gorge), easy access or gondola options compared to Rotorua, Queenstown and Christchurch for example, and Inadequate support infrastructure at key entry points, particularly at the popular MTB parks and trails as in the Maitai Valley. This includes parking, toilets, rubbish bins, bike wash facilities, and bike repair and food outlets. The absence of such facilities limits the ability to hold MTB events and attract return visitors. Also, a need for greater promotion of the regional MTB offering including the diversity of options, attracting MTB events, "must do" trails, package deals and the case for coming to Nelson-Tasman for the best MTB experiences that NZ can offer.

Future focus

BERL recommends investment in a central hub for the Maitai Valley area including vehicle parking, toilets, bike wash, rubbish collection and space for commercial operations like hire, repair services and, cafés. Develop an extensive skills area in the Maitai Valley to encourage mountain biking by all ages.

Also, develop a regional (Nelson-Tasman) approach to providing further MTB support infrastructure at other key popular MTB areas including Richmond Hills/Silvan Forest and Kaiteriteri. Work with the Nelson MTB Club and Trails Trust to retain the region's IMBA Gold Ride Centre rating, and continue to raise the profile of the Nelson-Tasman region nationally as a premier MTB destination. Undertake a survey of mountain bike users in the Brook/Maltai Valley area to better understand local vs visitor use, frequency of use, visitor spend and length of stay, favourite tracks, improvements to be made and support for events.

Invest in the promotion of national and international events in conjunction with NMTBC, the Nelson-Tasman region all Development Agency and commercial MTB interests. Lastly, promote the multi-use of trails and the support infrastructure to encourage other uses such and walking/running. This would involve a combination of dedicated tracks for walkers and runners.



Making sense of the numbers

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1 Introduction

1.1 The purpose of this report

Nelson City Council (NCC) commissioned BERL to complete a report evaluating the potential economic benefits of developing mountain biking in Nelson and how to access these potential benefits. This report presents our findings.

NCC objectives were as follows:

- To provide a current estimate of the economic benefits to Nelson of mountain biking including those provided by visitors and by local residents;
- 2. To assess the future benefits of mountain bike (MTB) trails;
- 3. To make recommendations to assess economic benefits related to mountain biking;
- 4. To link the recommendations to Nelson City Council's Parks and Reserves Off-Road Tracks Strategy.

1.2 Methodology

For the purpose of studying mountain biking our baseline data is for Nelson-Tasman region, to ensure robust analysis. Using the baseline data BERL split the contribution 50/50 between Nelson and Tasman based on the commercial accommodation split (Nelson: 49%, Tasman: 51%) and international spend split (Nelson: 51%, Tasman: 49%) to calculate the Nelson City contribution.

Where there is sufficient relevant data, direct comparison is made between Nelson and Tasman. Eg Nelson MTB Club membership numbers, track usage counts, MTB related ACC claims.

The economic benefits of mountain biking in the Nelson-Tasman region are mainly a function of:

- the number of people participating in the activity,
- · where they come from, and
- · how much they spend.

Our research was driven by these three factors.

The aim was to obtain an estimate of the amount of spending that is added to the Nelson economy by mountain biking. Added spending is mainly from New Zealand residents who visit Nelson from outside the region, and from international visitors. We refer to this spending as attracted expenditure.

Added spending also includes spending by Nelson residents who would travel outside the region to participate in mountain biking, if they were unable to participate locally. It also includes some people who would otherwise not live in Nelson at all. In effect, both these groups would take their spending elsewhere if they could not go mountain biking in Nelson, and total spending in the City's economy would be lower as a consequence. We refer to this category of spending as <u>retained expenditure</u>.

The sum of the attracted and the retained expenditure provides a measure of the direct economic benefits of mountain biking to the Nelson-Tasman region. However, we also take account of the fact that both the attracted and the retained expenditure have flow-on effects (also called multiplier effects), which we estimated using a conventional multiplier model. As will be seen in section 4 of this report, the flow-on effects boost the direct effects considerably.



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Item 15: Nelson Mountain Biking Economic study: Attachment 1

Nelson mountain biking economic study February 2018

We express the total economic benefits of mountain biking to the Nelson economy in terms of expenditure, GDP and employment, but we also identify some other economic and non-economic effects that are important but not necessarily precisely measurable.

1.3 Data sources and their limitations

Our estimates of participation in mountain biking and the origin of participants are detailed in section 3. To derive estimates we used a range of data sources which we cite fully. However, it is important to note at the outset that the various data sources do not necessarily distinguish clearly between mountain biking and recreational trail riding on mountain bikes. The example of those riding mountain bikes on the Great Taste Trail as opposed to MTB Parks in the region is used to provide a split between these MTB users group. Again, reiterating that it is not practical to split MTB between Nelson and Tasman region.

Although we attempt to distinguish between the two activities and the two local authorities in what follows, the reality is that mountain biking and trail riding often involve a cross-over between the two, with participants sometimes engaging in elements of both activities in a single outing. In addition, some of the routes used by participants cross the boundary between Nelson and Tasman.

Nelson-Tasman mountain biking related data and information was largely drawn from discussions and interviews with local MTB groups and commercial operations. This was supplemented with national reports on the subject where there was Nelson-Tasman specific information available. MTB studies for Rotorua are cited as a basis for comparisons with Nelson-Tasman, however there are insufficient economic studies of other regions to provide further detailed analysis.



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2 The principal tracks and trails in the Nelson-Tasman region

The Nelson-Tasman region is promoted and regarded as a cycling haven with an excellent mix of road cycling and mountain biking options for recreational and more competitive cyclists. This report attempts to segment the mountain biking user market between easy/recreational (trail) and more advanced users. In general terms these two groups will require different tracks and supporting infrastructure, have different spend patterns, and be attracted to different types of events or activities.

Recreational users will tend to ride Grade 1-2 tracks/trails (easy) like the Great Taste Trail. More serious MTB users will be attracted to Grade 2-6 tracks (intermediate to advanced) that typically exist in local MTB trials including Codgers, Dun Mountain and the general Maitai Valley area.

The table below demonstrates the continuum of MTB users from very easy off-road riding through to extreme back country riding. MTB tracks in New Zealand are graded from 1-6 based on an international system that is also applied to other adventure sport such as kayaking and climbing. The Department of Conservation (DoC), Kennett Brothers (MTB guidebook authors) and Nga Haerenga The NZ Cycle Trail use the same grading system. Thus, users can generally determine if a track is suitable for their fitness and skill levels, regardless of location.

Table 2.1 Types of MTB riders and trail grading system

Recreational and fitness users looking for non- technical and well-groomed tracks		Recreational and advanced users with higher fitness levels, technical ability and thrill seeking		
Easy trail riders	Slightly adventurous riders	Single track MTB riders	Extreme/Enduro MTB Riders	
Typically Grade 1 mostly flat rides suitable for relaxed recreational and family use.	Typically Grade 1-2 offering some hills and fitness challenges on well-formed paths/tracks	Typically Grade 2-4+ specialist MTB trails and parks that require higher levels of fitness and technical abilities	Typically Grade 5-6 either back country locations or purpose build downhill technical trails with jumps and obstacles.	

The region offers MTB options across grades 1 to 6, although some suggest more are required at grade 2. Table 2.2 summarises the key MTB offerings throughout the Nelson-Tasman region. We use grades in the Classic NZ Mountain Bike Rides (Kennett Brothers, 2017) and note that grades are generally higher in wet conditions.

Table 2.2: The MTB offering in Nelson-Tasman

Name	Location	Туре	Grade
Dun Mountain Trail	Nelson - part of Nga Hearenga NZ Cycle Trail network	Historic trail to Coppermine Saddle and down into Maitai Valley	2-4
Network of front and back country trails roughly between the Maitai and Marsden Valley areas, including Hira Forest/Sharlands, Fringed Hill and associated ridges/descents through into the Barnicoat Range.	Nelson	Network of mostly single tracks. Some steep and technical sections. Access to forestry land (e.g. Hira Forest network) requires permit or NMTB Club membership.	3-6



The principal tracks and trails in the Nelson-Tasman region

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Name	Location	Туре	Grade
Codgers	Nelson (Brook Valley)	Popular network and a common access point for Dun Mountain. Grade 2 tracks recently added.	3-4
Heaphy Track	Tasman	Epic ¹ 2 day ride in Kahurangi National Park and generally ridden from Nelson-Tasman end.	4
Silvan Forest	Richmond	MTB Park built in a private forest, good uphill provides access to multiple track options. Links to Richmond Hills where other tracks are developing above Easby Park, including grade 5	2-5
Kaiteriteri Park	Kaiteriteri	MTB Park, variety of trails from easy at bottom to technical parts near the top.	2-5
Wairoa Gorge	Wakefield	Privately owned world-class MTB Park available for commercial use	3-5
Rabbit Island	Tasman	Small networks of trails in forest areas	2
Rameka Track	Takaka	Classic, top rated ride	4
Other	Nelson/Tasman	Various other shared trails, predominantly throughout the Tasman region in National Parks and popular recreational areas.	2-5
Great Taste Trail (not technically a MTB ride, although sections best undertaken on MTB).	Nelson-Tasman: part of Nga Hearenga NZ Cycle trail network	Popular trail originating in Nelson and circumventing Tasman District. Includes Rabbit Island and Spooners Tunnel. Used mostly by recreational mountain bikers/cyclists and may act as a step towards trying more advanced MTB trails.	1-2

Other Epic MTB rides including the Queen Charlotte Track in Marlborough and the Old Ghost Road in the Buller district as also accessed from Nelson by visitors, depending on where they are travelling from or to.

¹ Epic grading according to the Classic NZ Mountain Bike Rides (Kennett Brothers, 2017))



The principal tracks and trails in the Nelson-Tasman region

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Item 15: Nelson Mountain Biking Economic study: Attachment 1

Nelson mountain biking economic study February 2018

The Nelson-Tasman region is accredited by the International Mountain Bike Association (IMBA) as a "Gold Ride Centre" which places it amongst the best places to MTB in the world.

The Kennett Brothers Classic NZ Mountain Bike Rides (2017) introduces the area as follows:

"Nelson has it all, the lucky buggers! From downtown cafes, you can ride out to primo purpose-built single tracks to awesome back-country tracks. The quality and quantity of tracks makes Nelson one of the top mountain biking destinations in the country".

Despite such high praise, areas like Rotorua and Queenstown continue to attract national and international events more so than Nelson-Tasman. A Tourism NZ special interest report (2013) on international visitor cycling and mountain biking had Nelson-Tasman ranked 7th for visitor numbers. Sections 6 and 7 (Future Benefits and Recommendations) outline what improvements can be made to better capitalise on the region's MTB offerings and status.



The principal tracks and trails in the Nelson-Tasman region

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3 Participation in mountain biking

3.1 Participation at national level

Sport New Zealand's Active Recreational Survey² indicates that, at national level, the MTB participation rate (age 15 years and over) is 7.7 percent. Statistics New Zealand estimates that there were 3,709,280 people aged 15-80 in June 2017, and this implies that there are roughly 286,000 participants.

By contrast, Mountain Biking New Zealand estimates that around 500,000 people participate in the course of any one year, with the number remaining steady over time. The estimate is based on surveys of retailers / bike hirers and counts at trail heads. The number includes participants of all ages, and very occasional riders, e.g. people who will hire a bike for an afternoon on their annual holiday.

Most riders are recreational. Recently the national championships have attracted only ~150 riders for the crosscountry races and around 180 for the downhill races. The participation number above highlights the diversity of MTB participation for occasional users to elite racers.

3.2 Participation by local residents

The Sport New Zealand's Active Recreational Survey shows that participation in mountain biking amongst the Nelson population is 20.5 percent, while in Tasman it is 20.8 percent. These rates are almost three times higher than the national average of 7.7 percent cited above. In Nelson-Tasman, mountain biking ranks the fourth most popular activity after walking at 58 percent (for sport or leisure), gardening at 52.2 percent and cycling/biking at 32.3 percent.

Applying these participation rates to the population aged 15 to 80 years old equates to:

- Nelson: 39,710 x 20.5 percent = 8,140 participants
- Tasman: 39,570 x 20.8 percent = 8,230 participants

These numbers will be conservative to the extent that they exclude under 15 year olds as children use the local biking networks and trails for recreational and commute to school use. Nowadays most kids ride some form of MTB, many of whom will graduate into more advanced mountain biking. On the other hand the numbers will overstate participation to the extent that a relatively small proportion of people towards the top end of the 15-80 age range are likely to participate in more advanced mountain biking.

The Nelson MTB Club (NMTBC) has a large membership. According to a 2017 survey of 25 clubs by Mountain Biking NZ, the NMTBC was the only one with over 2,500 registered members. Typically, NZ club membership is in the range of 100-500.

High membership numbers for Nelson are a reflection of the additional incentives offered. These include access to the Wairoa Gorge MTB Park and permits for forestry access. To access the Wairoa Gorge riders are first required to be a member of NTMBC, and the club controls the booking system for the limited days that riders can go. Thus, there is a diverse membership by location.

Of the 2,756 individual members (Oct 2017), 540 are from elsewhere in NZ (20 percent) and 40 international. Nelson City membership numbers are 1,487 and Tasman 729. There is a significant bias towards Nelson City member numbers compared to those from Tasman. This is likely a factor of close proximity to more mountain biking areas for Nelson City users the enforcement of the need for forestry access permits to popular trails. The Tasman mountain biking community is concentrated in Richmond based on Silvan Park's high usage, although there are informal mountain bike groups in Motueka and Golden Bay for example.

² Sport NZ Active Recreational Survey (2013/14) results are available at a TA level to registered users



Participation in mountain biking

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Information on the level of individual trail use is limited by few trail counts being taken. Silvan Forest in Richmond recorded 49,000 trips for the 12 months to November 2017. Although there are no regular trail counts available for the Nelson MTB Parks, the NMTBC and MTB Trails Trust agree that user numbers for Codgers in the Maitai Valley would be similar to those for Silvan.

In terms of user numbers on the Great Taste Trail, the counts do not account for the origin of the ride – Nelson or Tasman. There will be some commuter bike traffic (17 percent is the national average on the trails network) on the Nelson-Richmond section. The Richmond-Rabbit Island section will predominantly be a mix of comfort and MTBs. By discounting commuter traffic at 17 percent on the sealed Nelson to Richmond section, the 2016 recreational bike use for this section and Richmond – Rabbit Island are 51,366 and 48,419 respectively.³

We conclude that local numbers participating in some form of mountain biking are equally apportioned across the Nelson and Tasman boundaries. However, frequency of MTB use will be a factor of proximity to suitable trails and thus more focused on Nelson and Richmond. Based on NMTBC membership numbers, we also assume that Nelson City has a greater percentage of more advanced mountain bikers. Feedback from MTB interests spoken with suggest a 60:40 split for Nelson and Tasman is realistic for this grouping.

3.3 Visitors from the rest of New Zealand

Between 2012 and 2017 the wider Nelson-Tasman region received a steady increase in annual guest nights, from 1.2 million to 1.5 million for the year to October 2017. The Commercial Accommodation Monitor (CAM), which shows a subset of total visitor numbers, reflected a similar pattern with visitor numbers rising 19 percent between 2009 and 2016 (a 16 percent increase in international visitors and 20 percent increase in domestic). International visitors make up around 37 percent of the total visitor numbers, and 63 percent domestic. The Nelson Tasman Commercial Accommodation Monitor for the last 12 months to October 2017 shows Total Guest Nights at 1,506,000 with an average length of stay of 2.44 nights. This equates to 617,213 guest arrivals.

Nelson City has 51 percent of the total guest nights while Tasman has a slightly higher percentage of international

There is limited evidence for Nelson-Tasman making a distinction between local and domestic visitor use of MTB parks and trails. The Ministry for Business, Innovation and Employment (MBIE) trail evaluation report⁶ does not make such a distinction for the Great Taste Trail or Dun Mountain. The NMTBC membership shows 20 percent are from elsewhere in New Zealand which assumes they have some interest in the benefits gained from access to the regional trail network, including Wairoa Gorge.

The NMTBC runs an annual series of competitive MTB events totalling 26. Numbers average 78 per event of which 50-60 percent will be visitors to the region depending on the nature of the event.

If we take MTB trail annual counts for Nelson-Tasman from the MBIE Report (98,404 less 30 percent for non MTB/cycling use) and assume 20 percent are domestic visitors per the NMTBC membership, this would equate to 13,776 MTB visitors. This number represents 2.23 percent of the total domestic arrival numbers to the region from the CAM. In addition to visitors staying in commercial accommodation, 47 percent⁵ of domestic tourists stay in private accommodation and with family and relatives (VFR market).

Thus, total annual MTB domestic visitors (CAM + VFR) is therefore estimated at 20,250 (13,776 x 1.47).

For the purposes of this report we assume 20,250 annual domestic visits for MTB activity. This does not include partners, family and friends who are likely to accompany a mountain biker coming to experience tracks in the

⁵ Tourism NZ, Total Accommodation Sector (2010)



Participation in mountain biking

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³ Nelson Tasman Cycle Trails Trust supplied count data

⁴ MBIE, Evaluation of NZ Cycle Trail (2016)

region. The total is also likely to be understated for the more advanced mountain biker perspective where the use of private homes, staying with friends or being hosted by local participants is reported as being particularly high, and likely greater than the national figure of 47 percent.

The primary motivation for mountain bikers coming to a region may or may not be mountain biking itself. A 2005 survey of MTB users in Whakarewarewa Forest Park, Rotorua, identified that 48% were domestic visitors and 3% international. Of all visitors, 53.7% had specifically come for mountain biking.

3.4 International visitors

We estimate the number of international visitors that participate in MTB activity across the Nelson-Tasman region using multiple data sources and assumptions. These include the CAM, MBIE Report (2016) and NZ Tourism Cycling Report (2013). Combining the Nelson and Tasman districts recognises that the MTB offering that attracts international visitors is located across the wider region. Although Nelson City acts as the primary gateway by road or air, two of the data sources do not differentiate between the two regional authorities.

Table 3.1: Calculations of annual international MTB numbers

Primary data source	Assumptions	Calculation	Estimated visitor number
NZ Tourism Special Interest — Cycling Report 2013	10% annual growth 2012 – 2017. (Annual growth 2008 – 2012 was 25% but levelling out)	21,500 visitors over 5 years x 48% for MTB = 2,064/year average.	3,325
	21,500 total numbers 2008- 2012 for Nelson-Tasman region 48% of total did MTB	2,064/yr at 10% annual growth 2013-17 = 3,325	
MBIE report on NZ Cycle Trails (2016) — Dun Mountain and Great Taste Trail	13.5% trail users are international. 70% of those are for MTB/cycle activity	Total count (2015) for the 2 Nelson-Tasman trails = 94,404 x 13.5% international = 12,744 x 70% for MTB = 8,921	8,921
CAM monitor for year to Oct 2017	Total guest arrivals are 617,213 37% International of which 4% primary activity is MTB (per NZ Tourism Cycling Report above)	617,213 x 37% international = 228,369 x 4% MTB = 9,135	9,135



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Participation in mountain biking



From these calculations we discount the first number of 3,325 that uses the Tourism NZ survey information. This is because it is based on 5 year old data that will have a higher error margin as a result, and the assumptions are less robust than the remaining data sources. The other sets of information provide a comparable number of around 9,000 per year. The figure of 4 percent of all international visitors having MTB as a primary reason to coming to New Zealand is consistent with the number of international visitors who have ridden the Wairoa Gorge MTB park for example.

3.5 Estimate of total participation

In summary, the estimated annual total individual MTB user numbers for the wider Nelson-Tasman is 45,620, consisting of:

- · Local (Nelson-Tasman) riders: 16,370. The frequency of rides will be far higher amongst this group
- · Riders visiting from the rest of New Zealand: 20,250
- · Riders visiting from overseas: 9,000.

3.6 Profile of participants

There is some recorded information on the type of people who are involved in regional mountain biking activity. However, we have also relied on general comments from local industry experts. By using the Tourism NZ online DGiT tool (Activating Domestic Tourism) a profile of likely visitors to Nelson-Tasman attracted for MTB activities can be provided. Factors such as age profile, gender, travel, household income and potential overnight trips are included. This tool also makes a distinction between those interested in trail rides (e.g., Great Taste Trail) and mountain biking.

For MTB riders typically using the Maitai/Brook Valley area for example, 73 percent would be male, 44 percent aged 35-49, 39 percent aged 50-64 and have annual household incomes greater than \$100,000. The highest percentage of regional visitors would be from Christchurch. By contrast, those attracted to easy trail riding would have an older age profile, a female bias and lower household income levels. However, the potential number of visitors for this MTB group is over twice as high at 85,259 annual overnight trips. This user profile is consistent with local feedback, particularly in differentiating between trail and MTB riders.

The Tourism NZ Cycling Report (2010) identifies international riders in younger age cohorts: 15-24 at 22.5 percent and 25-34 at 33.7 percent. The male to female ratio is 54 percent: 46 percent. International travellers are 94 percent independent, stay in NZ longer, spend more and stay in the full range of accommodation options with no one type predominant. Visiting friends and relatives (VFR) and backpackers are the greatest at 18 percent and 17 percent respectively.

3.6.1 Differentiating between easy trail and more advanced MTB users

For local riders, general observations are that the easy trails (e.g. Great Taste Trails) are used during the week in particular, by a 60+ age cohort (both sexes, couples), and in the weekends by family groups as well as older riders. The more advanced local mountain bikers mirror the domestic visitor profile regarding age and gender.

The more advanced riders will tend to be more frequent and year-round track users. Their bikes and associated equipment will typically be more expensive. Good MTBs can range in cost from \$2,500 to \$10,000 whereas easy trail riding bike sales are typically in the \$800 to \$2,000 range.

We attempt to quantify these two MTB user profiles by trail counts (where available), local bike sales by type and the level of commercial operations directly supporting these segments. There will be cross over with individuals doing trail and more advanced mountain biking. The 2013 Tourism NZ Report on international cycling



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considered there was a 10 percent cross over between road cycling and MTB journeys. A similar level is assumed between trail and more advanced mountain biking.

For Nelson-Tasman easy recreational rider information on the Great Taste Trail (Grade 1-2) is used to develop a typical profile. For intermediate to advanced riders, Dun Mountain Trail (Grade 3-4), Silvan Forest and Codgers MTB park numbers are used. These numbers are drawn from the MBIE NZ Cycle Trails Evaluation Report (2016), and information provided by the Nelson Tasman Cycle Trails Trust, Nelson MTB Club (NMTBC) and Silvan Forest owners.

Easy trail users

MBIE report 95,971 users on the Great Taste Trail in 2015. This includes all users of which 83 percent are recreational cyclists and runners/walkers, 17 percent commuter cyclists. Of the 83 percent recreational users, the estimate of the ratio of cyclist to runners/walkers is 70:30. This would typically be the case on high use parts of the Great Taste Trail between Nelson and Richmond, and Richmond to Rabbit Island.

The local Cycle Trails Trust has trail counts which totalled 175,000 passes for 2016. However, this does include return trips, so the actual unique visits will be greatly over stated, particularly the high counts areas around Nelson, Richmond, Rabbit Island and Brightwater. Popular and regular rides for locals out to Café HQ in Brightwater and Rabbit Island are predominantly return journeys.

The total trail count in 2016 for the Nelson – Richmond section of the Great Taste Trail was 61,887, and 48,419 for the Richmond – Rabbit Island section. This number includes return trips, commuters and non-cycle users.

More advanced MTB users

Based on the Silvan Forest unique visitor count of 49,000, similar MTB use numbers are estimated for the Codgers area in the Maitai Valley. Being close to larger urban areas provides easy access and far more regular use than is evident for more remote, and challenging rides. The Heaphy Track is estimated to have up to 3,000 MTB users annually⁶. The Dun Mountain Trail was reported as having 2,433 users in 2015 (MBIE evaluation report) which is reported as low by local sources.

In terms of total usage, a comparison of recreational MTB use on the Nelson-Richmond-Rabbit Island sections of the Great Taste Trail (about 110,000 including some return trip) with that on the popular Codgers and Silvan Forest MTB Parks (total about 98,000) indicates around a 50:50 split between recreational and more serious MTB activities in the region. However, this does not account for the frequency of rides by individual riders, usage during the whole year and the greater number of track options for advanced riders (i.e counts for many tracks have not been considered).

A 50:50 split is supported by bike sales figures. In 2012 bike sales by type in USA were 25 percent MTB and 24 percent Hybrid/Cross (trail bikes)⁷. Bike sales by type for 2016/17 year from one of the larger local bike shops in the Nelson-Tasman area, show MTBs represent 60 percent of all bike sales by units. Of these approximately 50 percent are higher end (typically full suspension, more expensive) used by more advanced riders and 50 percent MTBs with lower specifications (lower price) typically ridden for recreational riders. The shop's largest seller by units is a \$900 MTB suitable for easy trail riding.

⁷ US National Bicycle Dealers Assoc: Industry Overview 2015



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⁶ Heaphy Track MTB season extension: Recreational Analysis (Doc, 2015)

4 Estimates of economic and other benefits

4.1 Direct effect on expenditure

As was noted in section 1, the benefits of mountain biking to the Nelson-Tasman economy are most easily expressed in terms of the expenditure attracted into, or retained in, the region wholly or largely because of the activity.

We have opted for what we believe is a reasonably conservative approach and, based on this, our estimate of the expenditure attracted into the region is derived as follows:

- Riders visiting from the rest of New Zealand and overseas = 29,250 (see section 3.5)
- Partners / family members accompanying riders, but not riding themselves = 14,625 (assumes every other rider is accompanied by a non-riding partner / family member)

equals

Total number of visitors = 43,875

times

 2.5 nights average length of stay (as per average for all visitors shown in the Commercial Accommodation Monitor) = 109,688 nights

times

 Average daily spending of \$150 (allowing for the fact that a good number of visitors will be staying with friends and relatives and not spending on accommodation) = \$16.5 million attracted spending.

Estimating the impact of retained expenditure is more difficult because there is no hard data to go on, but if we assume that, in the absence of MTB facilities locally, 10% of local riders would travel outside the region once a year (i.e. would take their spending elsewhere) we then get:

- 10 percent of 16,370 local riders (see section 3.5) = 1,637 riders
- 2.5 nights average length of stay outside region (as for visitors coming to the region) = 4,093 nights
 times
- Average daily spending of \$150 (again, as for visitors coming to the region = \$0.6 million retained spending.

Our estimate of the expenditure attracted and retained in the local economy is, therefore, \$17.1 million annually for the Nelson-Tasman region.

For the Nelson economy we would estimate that annual spending is \$8.25 million from attracted spending, and \$0.3 million from retained spending. This estimated spend was derived by examining guest nights from the Commercial Accommodation Monitor which shows that 50 percent of guest nights in the region, are in the Nelson City area. Therefore to generate the estimate for Nelson City, BERL multiplied the \$16.5 million of total expenditure by 50 percent. In addition the current estimated population of Nelson City is 50 percent of the



Estimates of economic and other benefits

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estimated population of the Nelson-Tasman region. Therefore to estimate the total retained spend for Nelson City, BERL multiplied the \$0.6 million of total retained spending, by 50 percent.

There are, undoubtedly, also some people who simply would not live in the region without MTB, and their absence would, clearly, reduce the size of the region's economy. Unfortunately, it is possible only to speculate on how many such people there are but, given the very high participation rates in the region (see section 3.2), it is likely that the number is significant.

The combined population of Nelson and Tasman is approximately 98,000. If, say, 10 percent of the local mountain bike riders would otherwise live elsewhere if they couldn't ride locally, the population would be around 3,000 lower⁸. Based on the current GDP per head of population of \$53,900, 3,000 fewer residents implies an economy that is \$162m smaller in terms of GDP. This estimated impact on GDP is large compared to the estimate of attracted and retained expenditure, but lower GDP based on the possibility that some people would live elsewhere in the absence of mountain biking facilities locally is an outcome we note, rather than claim to be able to measure as such.

4.2 Total economic impact

Again, as we noted in section 1, the sum of the attracted and the retained expenditure provides a measure of the direct economic benefits of mountain biking to the Nelson-Tasman region. We can also estimate the flowon effects to provide an estimate of the total using our multiplier model.

The underlying logic of a multiplier model is relatively straightforward. An initial expenditure (direct effect) in an industry creates flows of expenditure that are magnified, or "multiplied", as they flow on to the wider economy. This flow occurs in two ways:

- the industry purchases materials and services from supplier firms, who in turn make further purchases from their suppliers. This generates an indirect (upstream) effect
- people employed in the direct development and in firms supplying services earn income (mostly from wages and salaries, but also from profits) which, after tax is deducted, is then spent on consumption. There is also an allowance for some savings. These are the induced (downstream) effects.

Hence, for any amount spent in an area (direct effect), the actual output generated from that spend is greater once the flow-on activity generated (indirect and induced effects) is taken into account.

For the Nelson-Tasman regional calculations for GDP and FTEs, BERL has used Nelson-Tasman-Marlborough regional multiplier model. For the Nelson city calculations for GDP and FTEs, BERL has used Nelson city multiplier model. GDP is the final value of the goods and services produced within the geographic boundaries of a country, or in this case the Nelson-Tasman region, during a specified year. The multiplier is the factor by which gains in total output are greater than the change in spending that caused it, to create additional value add to GDP.

To determine a robust estimate of the flow on effects on the \$16.5 million in new spending by domestic and international visitors, and the \$0.6 million of retained spending by locals, we need to calculate in what areas this spending occurs. For domestic and international visitors, we have used the 2015 MBIE Regional Tourism Estimates for the region. These estimates provide a split of total spending by domestic and international visitors that can be used to split the spending of these visitors into sectors, as detailed on the next page:

⁸ This assumes 1,637 riders plus some family members.



Estimates of economic and other benefits

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International visitors to the Nelson-Tasman region have the following spending pattern:

- · Accommodation = 13 percent
- · Cultural and recreation = 6 percent
- · Food and beverage services = 22 percent
- · Retail sales of fuel = 18 percent
- · Retail sales of food and beverages = 7 percent
- · Passenger transport = 14 percent
- Other retail sales = 20 percent

Domestic visitors to the Nelson-Tasman region have the following spending pattern:

- · Accommodation = 8 percent
- · Cultural and recreation = 1 percent
- · Food and beverage services = 11 percent
- Retail sales of fuel = 8 percent
- Retail sales of food and beverages = 13 percent
- · Passenger transport = 13 percent
- · Other retail sales = 46 percent

For the \$0.6 million spending by locals, we used the 2013 Household Expenditure Survey for the Nelson, Tasman and Mariborough region, to provide a spending pattern to allow us to allocate the retained spending across various sectors.

4.2.1 Economic impact on Nelson-Tasman region

In total \$17.1 million of new and retained spending will occur annually as a result of the mountain bike trails in the Nelson-Tasman region. As shown in Table 4.1, the \$17.1 million in direct spending will in the first instance generate \$8.9 million in GDP and provide employment for 158 FTEs.

Table 4.1 Economic impact of mountain biking in the Nelson-Tasman region, 2017

Economic impacts	Direct	Total
Expenditure (\$m)	17.1	30.5
GDP (\$m)	8.9	15.5
Employment (FTEs)	158	211

Once multiplier effects are taken into account, the \$17.1 million of direct spending will increase to a total of \$30.5 million, and will generate for the Nelson-Tasman region a total of \$15.5 million in GDP and total additional employment of 211 FTEs.



Estimates of economic and other benefits

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4.2.2 Economic impact on Nelson City

In total \$8.5 million of new and retained spending will occur annually as a result of the mountain bike trails in Nelson City. As shown in Table 4.2, the \$8.5 million in direct spending will in the first instance generate \$4.5 million in GDP and provide employment for 79 FTEs.

Table 4.2 Economic impact of mountain biking in Nelson City, 2017

Economic impacts	Direct	Total
Expenditure (\$m)	8.5	14.5
GDP (\$m)	4.5	7.5
Employment (FTEs)	79	106

Once multiplier effects are taken into account, the \$8.5 million of direct spending will increase to a total of \$14.5 million and will generate for Nelson City a total of \$7.5 million in GDP and total additional employment of 106 FTEs.

4.3 Associated commercial activity

There is a diversity of commercial activity directly associated with mountain biking in the region. The Great Taste Trail supports cafes and pop-up coffee shops in summer along its route. The Mapua Ferry provides portage from Rabbit island to Mapua as part of the trail.

MTB park use and events are largely centred in the Nelson area with some also in Tasman. It is a year-round activity, Silvan Forest recorded a count of 2,000 over one week in early winter. Commercial activity associated with MTB parks appears limited to bike hire and guilding, although for Nelson in particular it is a relatively short distance to the town centre.

4.3.1 Local bike shop sales

Bike shops will typically self a wide range of bikes including for kids, commuting, road biking, trail riding and mountain biking. Some do specialise in a particular market segment and this is evident in the region for MTBs. These retailers also provide bike servicing and self bike parts, accessories and apparel, and some bike hire.

We estimated the total annual turnover by Nelson-Tasman bike shops was around \$16m for 2016/17. Of this total, \$9.3m (58%) is attributed to new bike sales. This is high compared to a national USA percentage of 41 percent⁹ and will likely be a reflection of the popularity of mountain biking (and cycling generally) in this region, and the trend towards more expensive bikes. We assume that the majority of this spend will be by local residents.

Of the 58 percent of all bike sales, \$5.58m (60 percent) are in the MTB/trail category compared to 23 percent for road bikes. While unit sales for easy trail riding and more advanced MTB will be similar, the value of sales for the latter will be far greater due to the unit cost for the specific MTBs generally required for more advanced riding in the region.

Estimated total employment (FTEs) in the region's bike shops is 47.

⁹ <u>www.statisticbrain.com</u> – bicycle industry statistics, USA



Estimates of economic and other benefits

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4.3.2 Other commercial MTB services

Commercial activities directly associated with servicing the MTB market have emerged in recent years and by all industry accounts are growing. Examples are provided to give a sense of the scale and diversity of commercial activity.

A MTB bike hire/guide operation for competent riders hired 300 bikes in the first year of operation. 60 percent of customers hire bikes while others require guiding, shuttling services and bike maintenance services. 90 percent of all clients were visitors to Nelson, with the majority of these international, noticeably from North America and UK/Europe.

Other bike hire/guide services including Trail Journeys tend to target users on the Great Taste Trail more than the MTB parks.

There is a heli-bike operation that the back country/extreme mountain bikers tend to use however numbers are reasonably small at this stage relative to the total amount of MTB activity. Nevertheless a local helicopter operator noted that he undertook MTB heli-lifts roughly every other day, with destinations in the Tasman region being more popular. While the numbers are comparatively small, this is still a reasonable level of activity given the cost.

Wairoa Gorge MTB Park in Tasman has a lease arrangement with the NMTBC that provides for commercial access for limited numbers on Fridays to Sundays. Shuttle services are provided at the park. The daily charge is \$99/person. The 2016/17 usage was 1,274 of which 690 were local (Nelson-Tasman) and 584 visitors, including 40 international. Visitors were from all parts of NZ with Wellington and Canterbury well represented at 180 and 138 respectively. Consensus is that most visitors stay for 2-3 days in the region and do multiple rides while staying in the area. Wairoa Gorge also has lodge accommodation that sleeps up to 14 (\$450/night).

4.4 Other benefits

Physical activity is promoted for its health benefits. Walking and cycling (including mountain biking) are top recreational activities in Nelson-Tasman and as such will result in health benefits for participants and the community.

A 2013 Report by Market Economics, *The Costs of Physical Inactivity*, assessed that the total cost to the NZ economy in 2010 associated with physical inactivity was \$1.3b. This was apportioned as \$614m to direct costs associated mainly with the health system, and \$661m to indirect costs associated with the disruption to normal life, premature death, productivity loss and illness. On a percentage population basis this equates to a \$27.8m cost to the Nelson-Tasman region. It helps demonstrate the importance of promoting and investing in activities that encourage regular exercise.

The MBIE trails evaluation report estimates the social contribution (health benefits particularly) due to the national trail network to be \$12m in 2015. The Nelson-Tasman region accounts for 10.6 percent of total NZ trail user numbers. Applying this percentage to the \$12m national social benefits equates to \$1.27m for Nelson-Tasman. From a health benefit perspective this is potentially understated for the region where there is ample anecdotal evidence of an older age cohort using sections of the Great Taste Trail around Nelson and Richmond areas.



Estimates of economic and other benefits

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5 Likely future benefits

5.1 Trends in participation

Cycling has shown more growth in participation by domestic and international visitors than any other outdoor activity in recent years. According to Tourism New Zealand (TNZ) 318,000 international tourists participated in cycling sports between 2008 and 2012³⁰. Around half participated in on road cycling, about 46 percent in mountain biking and 4 percent in both. TNZ estimate that around 4 percent of international holiday visitors do some sort of cycling sports while visiting New Zealand and on average, cycling tourists spend more on their visit (\$3,800) compared with the international holiday average (\$2,500). The markets that provided the most cycling tourists in 2013 include Australia (21,000), UK (13,000), USA (6,600) and Germany (4,500).

Since the early 2000's mountain biking has become an international main stream sport. Also, it is an Olympic sport, ski fields in Europe and America now cater for mountain bikers during the off season and recreational participation rates continue to increase steadily. In this context, New Zealand is an emerging market with a growing international reputation.

The development of the Nga Hearenga NZ Cycle Trail network (which includes the Great Taste Trail and Dun Mountain Trail in Nelson) has helped develop the popularity of mountain biking. This is particularly the case for an older age group and family recreation.

For Nelson-Tasman, MTB activity has grown rapidly with the development of MTB parks and the opening of DoC tracks to MTBs over the last decade. An indication of this growth is NMTBC membership going from 1,200 in 2013 to almost 3,000 for 2017. Such growth is unfortunately reflected in claims to ACC from all MTB related injuries. Claims for Nelson City rose from 453 in 2012/13 to 848 in the 2016/17 year. The total cost over this five-year period was \$3.2m. By contrast, the number and cost of accidents for Tasman were about half of those for Nelson¹¹. There will be a multitude of reasons for the big difference between Nelson and Tasman including the nature of tracks, numbers of more advanced riders and the level of MTB activity by location.

Regardless of the reasons, it does demonstrate a potential need for MTB skills training and less technical track options for less confident and learner mountain bikers.

Another emerging trend is the use of e-MTB bikes. The major brands are now making high end, high performance MTBs that for Nelson-Tasman, helps overcome the relatively steep climbs in order to enjoy the downhill runs. It is estimated that sales of e-bikes in New Zealand will reach 20,000 for 2017. A local bike shop retailer stated that e-bikes are now his biggest seller by revenue. Full suspension e-MTBs suitable to more advanced trails can retail for \$6,000 – \$12,000 which is in contrast to its largest volume MTB style bike which retails for around \$1,000.

An international report on e-bike sales by Navigant Research forecast global e-bike sales to increase from \$15.7b in 2016 to \$24.3b by 2025 (54% growth). For Europe in 2016, e-mountain bike sales represented 15% of the total. The IMBA have acknowledged the growth in e-MTBs and the potential conflicts that will inevitably arise between powered and pedal MTB users.

The use of e-bikes allows less fit, time poor, those with physical limitations and aging MTB to more easily enjoy the experience that once may have been considered too challenging. "eMTBs are in the early stages of what could become a renaissance of sorts for the mountain bike" (www.electricbikereport.com).

¹² Stuff article Feb 19, 2017



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¹⁰ TNZ cycle tourism market profile, 2013

¹¹ ACC statistics database

The local industry consensus is that MTB activity in the region will continue to grow through advancements in MTB technology and the development of more local infrastructure, and will attract more visitors because of the range of tracks available and compliment the lifestyle reasons for relocating to this region.

5.1.1 Economic benefits - future scenarios

The following is an outline of the economic value add from three different future scenarios. The figures have been expressed in current value (2017) for consistency across the calculations.

Scenario 1: 10 percent growth over next ten years on the Nelson-Tasman region

The economic benefits to Nelson-Tasman in the next ten years will continue to grow in Scenario 1 with 10 percent per annum. In Table 5.1 we have calculated the contribution to GDP and employment, if visitor numbers continue to grow by 10 percent per annum for the next ten years, from 29,250 mountain bike visitors and 14,625 family members, to 75,870 mountain bike visitors, and 37,930 family members. This growth in mountain bike visitor numbers will see annual expenditure grow from \$16.5 million to \$42.7 million, assuming that spend per day and average number of nights remain unchanged.

In addition, there will be 0.6 percent annual growth in the regional population that will result in 1,030 more local mountain bikers, and assuming 10 percent will retain their expenditure within the region, this results in \$0.7 million in retained expenditure occurring in the region. The assumption is that the gondola is not in operation, no major events have been hosted, however additional infrastructure has been completed, such as the Maitai recreational Hub, to support the increase in activities and visitors.

Overall in ten years' time, as shown in Table 5.1, the direct expenditure will measure \$43.3 million, with \$22.6 million of direct GDP being generated in the region, and the employment of 403 FTEs. Once multiplier effects are taken into account, the total annual economic impact in ten years' time will be \$39.5 million in GDP and the total employment of 538 FTEs.

Table 5.1 Economic impact of mountain biking in the Nelson-Tasman region, 10 year snapshot forecast, scenario one 13

Economic impacts	Direct	Total
Expenditure (\$m)	43.3	77.5
GDP (\$m)	22.6	39.5
Employment (FTEs)	403	538

Scenario 1: Impact on Nelson City

Overall in ten years' time, as shown in Table 5.2, the direct expenditure will measure \$21.7 million, with \$11.3 million of direct GDP being generated in the City, and the employment of 202 FTEs. Once multiplier effects are taken into account, the total annual economic impact in ten years' time will be \$19.1 million in GDP and the total employment of 270 FTEs.

¹³ All \$ amounts expressed in current value (2017)



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Table 5.2 Economic impact of mountain biking in Nelson City, 10 year snapshot forecast, scenario one

Economic impacts	Direct	Total
Expenditure (\$m)	21.7	36.8
GDP (\$m)	11.3	19.1
Employment (FTEs)	202	270

Scenario 2: no future growth strategy, maintenance and or investments on the Nelson-Tasman region

The economic benefits to Nelson-Tasman region might also be redirected to other regions if the MTB industry is not maintained and further developed in the next ten years. For this scenario we have used a 2 percent growth figure for the next ten years to illustrate the impact if the region does not grow these activities. At 2 percent growth, the number of mountain bike visitors will increase from 29,250 plus 14,625 family members, to 35,700 mountain bike visitors and 17,850 family members over the 10 year period.

This growth in mountain bike visitor numbers will see annual expenditure grow from \$16.5 million to \$29.5 million, assuming that spend per day and average number of nights remain unchanged from scenario one.

Table 5.3 Economic impact of mountain biking in the Nelson-Tasman region, 10 year snapshot forecast, scenario

Economic impacts	Direct	Total
Expenditure (\$m)	30.2	54.0
GDP (\$m)	15.9	27.6
Employment (FTEs)	274	368

In addition, there will be 0.6 percent annual growth in the regional population that will result in 1,030 more local mountain bikers, and assuming 10 percent will retain their expenditure within the region, this results in \$0.7 million in retained expenditure occurring in the region.

Overall in ten years' time, as shown in Table 5.3, the direct expenditure will measure \$30.2 million, with \$15.9 million of direct GDP being generated in the region, and the employment of 274 FTEs. Once multiplier effects are taken into account, the total annual economic impact in ten years' time will be \$27.6 million in GDP and the total employment of 368 FTEs.

Scenario 2: Impact on Nelson City

Overall in ten years' time, as shown in Table 5.4, the direct expenditure will measure \$15.1 million, with \$8.0 million of direct GDP being generated in the City, and the employment of 137 FTEs. Once multiplier effects are taken into account, the total annual economic impact in ten years' time will be \$13.4 million in GDP and the total employment of 183 FTEs.

Table 5.4 Economic impact of mountain biking in Nelson City, 10 year snapshot forecast, scenario two

Economic impacts	Direct	Total
Expenditure (\$m)	15.1	25.6
GDP (Sm)	8.0	13.4
Employment (FTEs)	137	183



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Scenario 3: hosting a major event in the next ten years in Nelson Tasman region

We are aware that Scenario 1 is a conservative estimate. If Nelson is successful in hosting an international MTB event such as the World Enduro Series it will generate significant additional economic benefits to the region. As an example, the number of visitors to Crankworx in Rotorua in 2016 was 9,344, spending an additional \$8 million in the city over the duration of Crankworx¹⁴, and adding \$4.2 million in GDP to Rotorua.

Using the example of Crankworx in Rotorua, an event held in the Nelson-Tasman region, able to attract 9,000 additional visitors, of which 80 percent would be domestic, and 20 percent international. These visitors would spend on average 2.5 nights in region and spend \$150 per day during their visit to the region. This would add an additional spend of \$3.4 million to the region. As shown in Table 5.5 below, this spend of \$3.4 million, would have a total economic impact on the region of \$3.1 million in GDP and the employment of 42 FTEs.

Table 5.5 Economic impact of a mountain biking event in the Nelson-Tasman region

Economic impacts	Direct	Total
Expenditure (\$m)	3.4	6.0
GDP (\$m)	1.8	3.1
Employment (FTEs)	31	42

Scenario 3: Impact on Nelson City

Around 4,500 of the 9,000 additional visitors would stay in Nelson City during the event. This would add an additional spend of \$1.7 million to the City. As shown in Table 5.6 below, this spend of \$1.7 million, would have a total economic impact to the city of \$1.5 million in GDP and the employment of 21 FTEs.

Table 5.6 Economic impact of a mountain biking event in Nelson City

Economic impacts	Direct	Total
Expenditure (\$m)	1.7	2.9
GDP (\$m)	0.9	1.5
Employment (FTEs)	16	21

Alternative scenario: Gondola

Also, the proposed Fringed Hill Gondola could significantly increase the number of mountain bikers coming to the region, as has been the case in Rotorua, Queenstown and now Christchurch. The estimated investment in the gondola and associated amenities totals \$12.2m. The additional economic activity that will be created by the gondola development could further increase the economic impact beyond a "business as usual" growth scenario, depending on the final design, base infrastructure and agreements with local providers.

5.2 Perceptions of Nelson as a MTB venue

As outlined in Section 2, Nelson-Tasman has a good and growing reputation as a MTB venue. MTB NZ has confirmed this and noted that the offering is very high quality with a good range of tracks to suit all ability levels. Tracks range from easy to very challenging. They also note that the region has an active club membership engaged in track development.

¹⁴ APR Consultants Ltd, 2016 Crankworx Rotorua, Economic Impact Assessment



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Nelson mountain biking economic study February 2018

Until recently, the Nelson MTB club has not been especially interested in hosting major competitions, but that is changing with changes in club office holders, and the club is now actively talking to MTB NZ about hosting a major competition in 2019.

The Nelson-Tasman region is promoted and regarded as a cycling haven with an excellent mix of road cycling and mountain biking (MTB) options for recreational and more competitive cyclists. The 175km Great Taste Trail attracts mostly recreational riders and family groups. By contrast, all the MTB parks and outback trails are designed and graded for the intermediate to advanced mountain biker. There are fewer options for beginner or intermediate riders beyond the Great Taste Trail and the city cycle network, although recent additions to Codgers in Nelson will help meet this need.

Whilst there is a diversity of MTB options, its appears unclear how Nelson-Tasman has differentiated itself from other regions in New Zealand so that it might grow market share, and/or target specific MTB activities. Alongside centres such as Rotorua and Queenstown, Nelson-Tasman is becoming well regarded as a MTB visitor destination. Nelson City acts as a hub in this sense as it has a greatest offering for accommodation, eating and commercial MTB operations. Because of the district's reputation for good weather, mountain biking is a year-round activity. The Great Taste Trail will typically attract more visitors and commercial activity over the summer months. However, the rest of the MTB offering is year-round for locals, domestic visitors and events.

Recent growth in MTB events and visitor activity is evident, although future growth is believed to be constrained by the following:

- Limited uphill shuttle services (other than Wairoa Gorge), easy access or gondola options compared to
 Rotorua, Queenstown and Christchurch for example. The local MTB parks and track climbs are regarded
 as steep by NZ standards so would benefit from access to hill top starts as are available in other top MTB
 destinations. Restricted shuttling can occur at Sharlands where there is forestry road access to the top.
- Inadequate support infrastructure at key entry points, particularly at the popular MTB parks and trails
 as in the Maitai Valley. This includes parking, toilets, rubbish bins, bike wash facilities, bike repair and
 food outlets. The absence of such facilities limits the ability to hold MTB events and attract return
 visitors. By comparison, urban areas such as Wellington, Rotorua, Queenstown and Christchurch have
 good MTB support infrastructure. Note that such facilities are also used by walkers and runners who
 access the trail networks.
- A need for greater promotion of the regional MTB offering including the diversity of options, attracting MTB events, "must do" trails, package deals and the case for coming to Nelson-Tasman for the best MTB experiences that NZ can offer.

The Vantage Consulting Report (2015) for NCC that reviewed the business case for a gondola in Nelson, demonstrated the need for, and associated costs of, additional marketing/infrastructure to raise the MTB profile for the region.

An internet search using tags such as "best mountain biking in NZ", "best MTB regions" and "best trails in NZ", consistently reference Nelson-Tasman. However, it does not have the same profile as top destinations like Rotorua, Queenstown/Otago and Christchurch. Such regions have up to a 30-year head start in developing track networks and the associated infrastructure to attract larger visitor numbers and major events. Specific long-established tracks in Nelson-Tasman including Heaphy and Rameka do consistently appear in the top 10 NZ MTB tracks.

This all suggests that it takes time and investment to build a national and international profile as a MTB region.

MTB trail networks throughout NZ are generally initiated by local enthusiasts and/or MTB Clubs. These are generally in partnership with the landowners (public or private), and for MTB destinations including Rotorua,



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Queenstown and Christchurch the local councils are also key partners. In the case of Whakarewarewa Forest in Rotorua, the costs of operating, developing and promoting the MTB Park are shared by Rotorua District Council, the Department of Corrections who provide work crews and the MTB Club who fund raise, provide volunteer labour and pay part time track builders.

The NMTBC is now particularly active in trying to attract and support more national and international events. A national MTB enduro event in November attracted 150 entrants. Work by the NMTBC is well advanced in attracting a World Enduro Series (WES) event by 2019. For the first time a MTB event was also run at Silvan Forest by the MTB Trails Trust in association with the annual Tasman Classic Cycle event. The MTB option attracted over 150 competitors with around half of the field being visitors. The Trail Trust also runs the annual Tasman intermediate and secondary schools championships which suggests such events to be expanded to have a more national focus.

Such events can, and do, have a significant economic impact. The frequency and scale of such events will be dependent on both the trail networks and the supporting infrastructure which is currently lacking by NZ standards.

The MTB Trails Trust supports the development of the region as a national and international MTB destination. Its Epic Trails platform involves the development of back country rides behind Nelson and Richmond, and at St Arnaud. These are back country rides mostly for advanced riders and in some cases include using existing tramping tracks. These Epic Trails are being developed in partnership with the Department of Conversation, forestry management and Hancock Forest Management as landowners.

More Epic Trails in the regions add to its MTB status and builds on the diversity of tracks such that more visitors are attracted and will stay longer in the region.



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6 Investment priorities

The Nelson City Council has supported the development of MTB tracks and trail networks consistent with its Out and About strategy, ideally this would continue.

Of more immediate relevance is investment in trail head facilities. These include vehicle parking, toilets, rubbish bins and bike washing facilities at a minimum. Other amenities might include showers. The private sector should be encouraged to provide things like repair shops and cafes that could be achieved through subsidised land rental, restricted compliances and/or the development of units for rental.

Private sector accommodation providers could also do more to welcome riders. Understandably, they don't want bikes in rooms and leaning against walls, particularly dirty ones. They could assist by providing secure bike storage and cleaning facilities.

Nelson City Council has the Brook hub planned for completion in mid-2018. This will mainly service the entry point to Codgers and the Dun Mountain Trail. The MTB tracks access in the Maitai Valley are further from the city centre than Brook Street and therefore generally attract more vehicular traffic to the track entry points. In addition, there appears greater scope for a significant hub such that it can support major events, shuttle services, future MTB use growth and commercial activities.

There is potential for major MTB events to be held in the region based on the available trail networks and available accommodation. Maximising the economic benefits will be dependent on key additional factors such as the addition of trail head facilities as mentioned above, marketing support and collaboration with MTB groups such as MTB NZ, Nelson MTBC, MTB Trails Trust and private land owners on which trails have been built. It is evident that the NMTBC and Trails Trust for example already have working access arrangements with landowners and forestry companies operating in the Maitai Valley, Silvan MTB park and Wairoa Gorge.

The opportunity for Nelson-Tasman around a focus on mountain biking can be demonstrated by Crankworx in Rotorua. In 2014 Rotorua secured a 3-year agreement with Crankworx Events in Whistler, Canada to run an annual MTB event. It is over 8 days and centres on Skyline Rotorua. There were 464 competitors and 9,344 who attended the event, up from 3,696 in 2015. Attendees were 72.5 domestic and 27.5 percent international.

The 2006 World MTB champs in Rotorua had 538 competitors, 1,572 accredited visitors, 246 media and 40,000 spectators (APR Consultants, 2007). Grow Rotorua's Annual Report 2013/14 highlighted the net economic impact of the Rotorua MTB Park at \$12m.

The business case for the development of the Fringed Hill Gondola has been presented to NCC and assessed. We have acknowledged the economic benefits to the region of such a proposal proceeding however have provided no comment on the Council's role in this and or the specific economic benefits that the Gondola will provide to mountain biking.



Investment priorities

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7 Conclusions and recommendations

In October 2015 the Nelson City Council adopted its 'Out and About' — Active Travel and Pathway based Recreation Policy covering physical activity on roads, footpaths and pathways either for travel or recreation purposes. During the Policy's development it became evident there was a need to develop a complementary but separate strategy specifically for off-road pathway based recreation.

'Out and About – On Tracks' is that strategy, and should be read in conjunction with 'Out and About' – Active Travel and Pathway-based Recreation Policy. Please note that the term 'Pathway' used in the earlier 'Out and About' Policy has been replaced by the term 'Track'.

THE STRATEGY VISION: Nelson is a city held in high regard nationally and internationally for its sustainably managed and easily accessible network of scenic front country off road tracks, that provide enjoyable and safe recreation opportunities for all users.

AIM: To maximise recreation opportunities and enjoyment for all front country off road track users and minimise any potential conflict through effective track design and mutual respect between users.

OUR DESIRED OUTCOMES The following outcomes guide future development and management of front country off-road tracks in Nelson.

- Track-based recreation and sport participation contributing to improved social, mental and physical wellbeing of residents
- Track-based recreation and sport attracting more visitors and events to the region and generating benefits for the local economy
- 3. Track-based recreation and sport events attracted to the region
- 4. An embedded culture of courtesy and respect between all users of tracks
- 5. Sensitive network planning and design reducing any negative user conflict and environmental impacts.

7.1 Recommendations

Based on discussions with regional MTB interests, previous submissions presented to the Council, economic analysis on the current and potential economic benefits; and supporting the Council's strategies related to the promotion of outdoor activities, the following recommendations are presented:

- Invest in a central hub for the Maitai Valley area including vehicle parking, toilets, bike wash, rubbish
 collection and space for commercial operations like hire, repair services and café. This area would
 provide a gathering and access point for trails including the Dun Mountain Trail, Codgers, Hira Forest
 including Sharlands, Fringed Hill and beyond (e.g. Peaking Ridge) and future trails proposed for the area.
- Develop a regional (Nelson-Tasman) approach to providing further MTB support infrastructure at other key popular MTB areas including Richmond Hills/Silvan Forest and Kaiteriteri. This wider regional approach would recognise that the strength of promoting Nelson as a MTB destination primarily lies in the diversity and number of world class tracks and MTB Parks throughout Nelson-Tasman.
- Develop an extensive skills area in the Maitai Valley to encourage mountain biking by all ages. (Note this
 is part of a national strategy). Such an amenity will help transition MTB users from easy trails to more
 advanced ones and help promote the sport to kids. Ideally such a skills area would include and/or be
 adjacent to grade 2 tracks also.



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- Work with the NMTBC and Trails Trust to retain the region's IMBA Gold Ride Credit accreditation and support the 2019 renewal of this. This will help continue to raise the profile of the Nelson-Tasman nationally and globally as a premier MTB destination.
- Undertake a survey of mountain bike users in the Brook/Maitai Valley area to better understand local
 vs visitor use, frequency of use, visitor spend and length of stay, favourite tracks, improvements to be
 made, support for events.
- Invest in the promotion of national and international events in conjunction with NMTBC, the Nelson-Tasman Regional Development Agency and commercial MTB interests.
- 7. Promote the multi-use of trails and the support infrastructure to encourage other uses such as walking/running (e.g. bins/bags for dog walkers). This would involve a combination of dedicated tracks for walkers and runners (building on the 'channelling' outputs of the Out and About On Tracks Strategy), and ensure that all users demonstrate courtesy and respect for each other and the environment. Dedicated signage for such purposes would be included as part of a Maitai Valley central hub development.

These are all consistent with Council's Tracks Strategy Vision and Aim.

The table below demonstrates how these recommendations align with Council's Out and About Recreation Policy and On Tracks Strategy. We include links to the NMTBC's strategic plan and the MTB Trails Trust's vision as appropriate. The NMTBC's strategic plan has the following goals:

- 1. Strengthen relationships with stakeholders, community groups and club membership.
- Lead the development and maintenance of Nelsons mountain bike trails and associated mountain bike assets.
- Encourage mountain biking to all Nelson community members through running and supporting events and being a voice for mountain biking.
- 4. Create and display community value from mountain biking.
- 5. Successfully operate the Wairoa gorge as a regional tourism asset.

The MTB Trails Trust vision for the next 5 years is "to position the Top of the South as a national and international mountain biking destination, by developing a network of mountain bike trails for all abilities that will be a valued community asset".

Table 7.1: Report recommendations links to strategic outcomes

Recommendation	Council's policy/strategy – outcomes supported	Links to NMTBC & MTB Trails Trust
Central hub for Maitai Valley	Track-based recreation and sport attracting more visitors and events/economic benefit Track-based recreation and sport events attracted to the region Sensitive network planning and design Out and About — On Tracks implementation Plan (Priority 2)	Supports NMTBC goals 2,3,4 Supports MTB Trails Trust Vision



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i	Recommendation	Council's policy/strategy – outcomes supported	Links to NMTBC & MTB Trails Trust
2.	Regional approach	Track-based recreation and sport attracting more visitors and events/economic benefit An embedded culture of courtesy and respect between all users of tracks Sensitive network planning and design	Supports NMTBC goals 1,4,5
3.	Skills area	Track-based recreation and sport participation contributing to improved outcomes	Supports NMTBC goals 2,3,4 Supports MTB Trails Trust Vision
4.	Premier MTB destination	Track-based recreation and sport attracting more visitors and events/economic benefit Track-based recreation and sport events attracted to the region Sensitive network planning and design	Supports NMTBC goals ,3,4,5 Supports MTB Trails Trust Vision
5.	MTB user survey	Track-based recreation and sport participation contributing to improved outcome Track-based recreation and sport attracting more visitors and events/economic benefit An embedded culture of courtesy and respect between all users of tracks Sensitive network planning and design	Can support NMTB goals 1,2,3,4, Supports MTB Trails Trust Vision
б.	Visitor and event promotion	Track-based recreation and sport attracting more visitors and events/economic benefit Track-based recreation and sport events attracted to the region	Supports NMTBC goals 2,3,4,5 Supports MTB Trails Trust Vision
7.	Multi use support infrastructure	Track-based recreation and sport participation contributing to improved outcome Track-based recreation and sport attracting more visitors and events/economic benefit An embedded culture of courtesy and respect between all users of tracks Sensitive network planning and design	Supports NMTBC goals 1, 2,3,4 Supports MTB Trails Trust Vision



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Item 15: Nelson Mountain Biking Economic study: Attachment 1

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Council

20 March 2018

REPORT R9086

Notice of Motion - Impact of Blockages to the Wastewater Network

1. Purpose of Report

1.1 To consider the notice of motion from Councillor Matt Lawrey regarding the impact of blockages to the wastewater network.

2. Recommendation from Councillor Lawrey

That the Council

<u>Receives</u> the report Notice of Motion - Impact of Blockages to the Wastewater Network (R9086) and its attachment/s (A1920088); and

<u>Writes</u> to the manufacturers and distributors of antibacterial wipes sold in New Zealand requesting that they change their products' packaging so that it clearly states that the wipes should not be flushed down toilets; and

<u>Writes</u> to other councils to encourage them to write to the manufacturers and distributors of antibacterial wipes with the same request; and

<u>Writes</u> to supermarket operators Progressive Enterprises and Foodstuffs to request that they develop in-store signage alerting customers to the dangers of disposing of antibacterial wipes down the toilet.

3. Background

3.1 The procedure for a Notice of Motion is dealt with in Council's Standing Orders. The relevant portions of the Standing Orders relating to this Notice of Motion are set out below:

"Standing Order 25.1 Notices of Intended Motion to be in writing

Item 16: Notice of Motion - Impact of Blockages to the Wastewater Network

- 3.2 Notices of motion must be in writing signed by the mover, stating the meeting at which it is proposed that the notice of motion be considered, and must be delivered to the Chief Executive at least 5 clear working days before such meeting."
- 3.3 A copy of the Notice of Motion received by the Chief Executive from Councillor Lawrey is attached.

Robyn Byrne **Team Leader Governance**

Attachments

Attachment 1: A1920088 Notice of Motion Cr M Lawrey 20Mar2018 U

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NOTICE OF MOTION

For: Nelson City Council meeting March 1st 2018

From: Cr Matt Lawrey

In light of growing concern at the impact of blockages on our wastewater network, some of which contribute to overflows that lead to sewage being discharged into waterways, I propose:

That Nelson City Council writes to the manufacturers and distributors of antibacterial wipes sold in New Zealand requesting that they change their products' packaging so that it clearly states that the wipes should not be flushed down toilets.

That Nelson City Council writes to other councils to encourage them to write to the manufacturers and distributors of anti-bacterial wipes with the same request.

And that Nelson City Council also writes to supermarket operators Progressive Enterprises and Foodstuffs to request that they develop in-store signage alerting customers of the dangers of disposing of antibacterial wipes down the toilet.

Matt Lawrey

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