



## **Minutes of a meeting of the Nelson City Council**

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

**On Wednesday 3 June 2020, commencing at 9.09a.m. -  
Deliberation of Submissions to Draft Annual Plan**

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**Present:** Her Worship the Mayor R Reese (Chairperson), Councillors Y Bowater, T Brand, M Courtney, J Edgar (Deputy Mayor), K Fulton, M Lawrey, R O'Neill-Stevens, B McGurk, G Noonan, P Rainey, R Sanson and T Skinner

**In Attendance:** Chief Executive (P Dougherty), Group Manager Infrastructure (A Louverdis), Group Manager Environmental Management (C Barton), Acting Group Manager Community Services (M Preston-Thomas), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne), Governance Support (K McLean) and Governance Adviser (E Stephenson)

**Apologies :** Nil

### **Karakia Timatanga**

There was an opening karakia.

#### **1. Apologies**

**There were no apologies.**

#### **2. Confirmation of Order of Business**

Her Worship the Mayor advised that the order of items would be flexible to allow recommendations to be parked and revisited as necessary and that the decisions would be passed in principle and confirmed at the end of the meeting.

#### **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 Confirmation of Minutes**

As the minutes of the 14 May 2020, (Reconvened on 19 and 20 May 2020) Draft Annual Plan 2020/21 Hearing of Submissions had only been distributed the day prior to this meeting, the confirmation of minutes was deferred until later in the meeting to allow Elected Members time to read the minutes prior to confirmation.

**6 Mayor's Report**

Her Worship the Mayor advised that her report would be presented at the 9 June 2020 reconvened meeting.

**7. Deliberations on Annual Plan Consultation Document 2020/21**

Document number R15930, agenda pages 8 - 61 refer.

Her Worship the Mayor acknowledged the economic pressure in the region and her concern regarding the region's level of unemployment for the under 30s, which, at over 40%, was the highest rise in New Zealand. She advised that reduced employment numbers were being projected over the next three months and stressed the importance of stimulus packages, retaining young people and that the community was struggling.

Manager Strategy, Mark Tregurtha, presented the report. He noted a correction to paragraph 7.20 of the agenda report – the total mobility cap was reviewed as part of the Activity Management Plans every three years, and had been reviewed in 2015 and 2018. He also noted in relation to paragraph 7.12 of the report, that the New Zealand Transport Agency had asked Council to work with the Ministry of Health for guidelines regarding contactless payments.

**7.1 Receipt of the Deliberations on Annual Plan Consultation Document 2020/21 Report**

Resolved CL/2020/056

***That the Council***

- 1. Receives the report *Deliberations on Annual Plan Consultation Document 2020/21 (R15930) and its attachment (A2394034).****

Her Worship the Mayor/Sanson

Carried

Nelson Regional Development Agency (NRDA)

In response to a question regarding regular reporting and any variance to the Statement of Intent, Mr Tregurtha noted that Council was still in discussion with the NRDA and that budgets would be provided that week. Questions and discussion took place regarding government funding, recovery support for economic development, ability for iwi to participate in recovery and Project Kōkiri developing a zero carbon regenerative economic strategy and affirming a focus on social enterprise and community initiatives took place.

Her Worship the Mayor requested that a draft document regarding Project Kōkiri be distributed to Elected Members prior to the reconvened meeting on Tuesday 9 June and advised that further discussion on this matter would take place at that meeting.

Mahitahi/Bayview

Questions and discussion took place regarding the number of new houses planned for the development, the management of freshwater and the Nelson Plan, additional resources for the project and Council's priority of affordable housing and active transport. It was clarified that if government funding was not awarded, the project would be debt funded and repaid through development contributions, with the process going through the Long Term Plan (LTP).

It was requested that wording be added to recommendation 3, clarifying that additional resources be funded from the capital works programme.

*That the Council*

*Notes in principle that approval for funding from the central government Crown Infrastructure Fund for capital expenditure works is still being sought; and if approvals are received then these projects will be included in the Council's work programme and as far as possible any additional resources required will be funded from the capital works programme.*

Noonan/Fulton

Carried

*That the Council*

*Notes in principle that approval for funding from the central government Crown Infrastructure Fund to upgrade Council infrastructure which will support the Mahitahi/Bayview development, has been sought; but if approval is not received prior to the Annual Plan being finalised then a report will come back to Council requesting funding for design work for the project.*

McGurk/Courtney

Carried

### Provincial Growth Fund

Her Worship the Mayor clarified that the Rocks Road walkway/cycleway project had been put forward for funding.

*That the Council*

*Notes in principle an increase of \$780,000 for Council capital expenditure works by way of grants from the Provincial Growth Fund; and*

*Notes in principle an increase of \$100,000 for Nelson Regional Sewerage Business Unit capital expenditure works by way of grants from the Provincial Growth Fund; and*

*Notes in principle an increase of \$350,000 for Nelson Tasman Regional Landfill Business Unit capital expenditure works by way of grants from the Provincial Growth Fund.*

McGurk/Lawrey

Carried

### Employment Funding

Questions and discussion took place on retirement of Council-owned forestry land and the Maitai Valley Regional Park.

### Impact of COVID-19 on Council budget estimates and proposed strategy

Questions and discussion took place regarding debt levels and borrowing, the use of the Disaster Recovery Fund and the level of public confusion regarding its use, the commercial differential and residential rates and Council's borrowing ability.

The meeting was adjourned from 10.41a.m. until 11.03a.m.

Group Manager Corporate Services, Nikki Harrison, provided a whiteboard explanation regarding debt/rates/partial funding, debt-to-revenue ratio and Council's borrowing capacity and insurance.

Further questions and discussion took place regarding rates levels, rates rebates, debt usage as a tool and the importance of not having an austerity budget for economic recovery.

### Commercial Differential

Discussion took place regarding commercial differential and the use of land value versus capital value and it was noted that a discussion on this should be part of the LTP process.

The meeting was adjourned from 12.40p.m. until 1.35p.m.

## **Activities**

### Public Transport COVID-19 Implications

Manager Transport and Solid Waste, Marg Parfitt, answered questions regarding hierarchy of footpath use, the carry forward of budgets to maximise New Zealand Transport Agency (NZTA) subsidies, reduction in public transport revenue, the parking strategy, give way signage on bridges and clear communication for cyclists, walking only footpaths and parking meter charges. Council's clear direction to encourage active transport was noted.

*That the Council*

*Notes in principle that the public transport revenue has been reduced by 50% to \$374,000 for the 2020/21 Annual Plan.*

Edgar/Her Worship the Mayor

Carried

### Water Supply

Manager Utilities, David Light, and Manager Capital Projects, Lois Plum answered questions regarding budget lines. Manager Science and Environment, Jo Martin, answered questions regarding weed removal and biosecurity. Group Manager Environmental Management, Clare Barton answered questions regarding the possibility of requirements in the Nelson Plan for new builds to have rainwater tanks. It was noted that any discussion on this matter should be in conjunction with the Infrastructure team and the Chair of the Infrastructure Committee.

Attendance: Councillor Lawrey left the meeting at 2.27p.m.

### Solid Waste

Manager Transport and Solid Waste, Marg Parfitt, answered questions regarding the food waste collection trial.

### Environment

In response to a question regarding budget for the climate change fund, Group Manager Strategy and Communications, Nicky McDonald, noted that the Long Term Plan (LTP) process would provide the opportunity for that discussion.

In response to a questions regarding incentives for solar panels in new builds, Group Manager Environmental Management, Clare Barton, noted that this was a similar issue to rainwater tanks, that it was not as simple as putting a rule in the Nelson Plan and needed to be part of a wider package.

### Funding of the Nelson Plan

The Mayor noted that discussion on this matter would take place after the 4 June 2020 Environment Committee meeting.

### City Centre Development

Discussion took place regarding the Pop up Park and the library, the overspend of the Innovative Streets budget and the split over two years. Her Worship the Mayor noted that this matter required further discussion.

### **Extension of Meeting Time**

Resolved CL/2020/057

***That the Council***

***Extends the meeting time beyond six hours, pursuant to Standing Order 4.2.***

Her Worship the Mayor/Skinner

Carried

The meeting was adjourned from 3.11p.m. until 3.21p.m.

### Nelson Environment Centre

Discussion took place regarding transferring this matter to the NRDA and it was noted that this would be considered as part of the LTP process.

### Good Food City Declaration

Discussion took place regarding a food procurement policy and the health and climate change aspects. It was noted that Council was supportive of the Nelson Marlborough District Health Board committing to, and taking the lead with the Good Food Cities Declaration.

### Housing Intensification and Affordability

Discussion took place regarding setting a ten-year target for the Inner City Limit and a changing mind set to repurpose buildings to reimagine and rethink the CBD. It was suggested that this be progressed before the LTP and be regularly reported to Council, and that the Council's three focus areas should be included in every agenda.

The following topics were deferred until later in the meeting:

- Suter Depreciation

- Nelson 100<sup>th</sup> Aviation Anniversary
- Establishment of a Not-for Profit Sector agency
- Nelson Youth Choir
- New Zealand Chinese Language Week Charitable Trust
- Arts Council
- Nelson Festivals Trust
- Events Fund

#### Stoke Memorial Hall

Group Manager Corporate Services, Nikki Harrison, noted that design funding was already included in the Annual Plan and that there was an upcoming report on the level of remediation.

Attendance: Councillor Rainey left the meeting at 3.55p.m.

#### Koata Park

Discussion took place on this project and it was noted that there was nothing new to update. A suggestion was made regarding making a provision to enable the groundwork.

#### Brook Waimarama Sanctuary

Discussion took place regarding the provision of financial and business support, increased operating hours and expectations on reporting back to Council. It was noted that Council needed to be confident that ratepayer money was being well spent and that if the offer of provision of a business manager was declined, Council would need to look at the business model.

A suggestion was made to remove the words 'at the conclusion of their work' from recommendation 16 to reflect the fact that more regular reporting was required and the recommendation was amended accordingly.

Attendance: Councillor Noonan left the meeting at 4.06p.m.

*That the Council*

*Agrees in principle to make provision for \$40,000 in 2020/21 to offer support to the Brook Waimarama Sanctuary Trust by way of a contract for a business manager to provide advice; and*

*Notes in principle the grant would be contingent on agreement that the business manager report to Council on the future opportunities and challenges in the Trust business model.*

Courtney/Noonan

Carried

The meeting was adjourned at 4.12p.m. to reconvene on Thursday 4 June at 9.00a.m.



## Minutes of a reconvened meeting of the Nelson City Council

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

On Thursday 4 June 2020, commencing at 9.07a.m. - Deliberation of Submissions to Draft Annual Plan

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Present: Her Worship the Mayor R Reese (Chairperson), Councillors Y Bowater, T Brand, M Courtney, J Edgar (Deputy Mayor), K Fulton, M Lawrey, R O'Neill-Stevens, B McGurk, G Noonan, P Rainey, R Sanson and T Skinner

In Attendance: Group Manager Infrastructure (A Louverdis), Acting Group Manager Community Services (M Preston-Thomas), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Manager Strategy (M Tregurtha), Team Leader Governance (R Byrne) and Governance Adviser (J Brandt)

Apologies : Nil

### 7. Deliberations on Annual Plan Consultation Document 2020/21 – (continued)

Document number R15930, agenda pages 8 - 61 refer.

#### Suter Depreciation

Discussion took place regarding rate funding half of the Suter depreciation. It was noted any change in approach to depreciation funding would need to be considered as part of a future review of Council's Revenue and Finance Policies.

#### Arts Council

*That the Council*

*Approves in principle the carry forward of \$47,500 from the Arts Council's allocated budget for the current financial year to 2020/21.*

Edgar/Her Worship the Mayor

Carried



Nelson Festivals Trust

It was agreed to defer the Nelson Festival Trust recommendation until later in the meeting to allow officers time to obtain further information requested by Elected Members about details regarding the ability to put on events going forward in the light of COVID-19 restrictions, and what other options the Trust was pursuing in regards to funding other than that from Council.

Events Fund

Manager Strategy, Mark Tregurtha, noted that with the likelihood of COVID-19 Alert Level 1 commencing much sooner than initially anticipated, officers recommended reinstating the Economic Events Fund to the amount initially proposed.

Discussion took place about the level of funding, and how funding would best be accessed, administered, and aligned with other strategies already underway to support economic recovery post COVID-19.

It was agreed to defer the Events Fund recommendations until later in the meeting to obtain more detailed advice from officers.

Nelson Tasman Cycle Trail Trust

Team Leader Parks and Facilities, Paul Harrington, noted that the Trust had advised that no additional funding was required for Jenkins Creek Bridge.

Nelson Mountain Bike Club

Team Leader Parks and Facilities, Paul Harrington, answered questions about the carryover request, noting the Club's project plan was robust and that the club was confident it could deliver.

Manager Strategy, Mark Tregurtha, answered questions about the 2021 Enduro event, noting that further information regarding a possible delay of the event due to COVID-19 would be available from event organisers in July/August this year.

*That the Council*

*Agrees in principle to the carry forward to 2020/21 of \$326,000 of contract funding for the Nelson Mountain Bike Club for trail construction services.*

Sanson/O'Neill Stevens

Carried

Marina

Discussion took place about the Marina and the need for a full and independent, unbiased review.

Attendance: Councillor Sanson left the meeting from 10.06a.m. to 10.08a.m.

*That the Council*

*Agrees in principle to increase the budget for the Marina review from \$20,000 to \$50,000, funded from the Marina account.*

Edgar/Her Worship the Mayor

Carried

Modellers Pond

Group Manager Strategy and Communication, Nicky McDonald, noted that additional interim funding of \$50,000 may be needed for the Modellers Pond.

Principal Parks and Facilities Activity Planner, Andrew Petheram, answered questions about the anticipated costs of solutions proposed for the Modellers Pond as part of a report currently in preparation for the Sports and Recreation Committee. It was noted that any decision regarding the Modellers Pond would sit with the Sports and Recreation Committee but that Council was keen to see a timely solution for this infrastructure asset.

Attendance: Councillor Lawrey left the meeting from 10.36a.m. to 10.40a.m.

Nelson Volunteer Coastguard

Discussion took place about providing an additional \$20K towards a replacement vessel for the Nelson Volunteer Coastguard Inc. While it was noted that Tasman District Council (TDC) had not contributed, it was considered a worthy undertaking, especially as the vessel would be constructed locally, thus supporting the local economy.

*That the Council*

*Confirms in principle a grant of \$20,000 for the Nelson Volunteer Coastguard for the 2020/21 year towards a replacement regional rescue vessel.*

Skinner/Her Worship the Mayor

Carried

Community Housing

It was agreed to defer the Community Housing recommendation until later in the meeting as officers were in the process of preparing additional information for Elected Members by way of a late report.

The meeting was adjourned from 10.44a.m. to 11.08a.m.

Capital Expenditure

Parks and Facilities Activity Planner, Jane Loughnan, answered questions regarding the proposed variance for the Water Sports building – agenda page 57, line 210 refers. Ms Loughnan explained that a 50/50 split with users had been assumed in the LTP . It was noted that a report would be brought to Council before spending commenced as different funding options and building designs were being explored.

**Economic**

Millers Acre

Elected Members raised questions regarding the building issues at Millers Acre. In order to discuss the question of liability and legal advice obtained, it was agreed to go into confidential session.

**Exclusion of the Public**

Resolved CL/2020/058

***That the Council***

- 1. Excludes the public from the following parts of the proceedings of this meeting.***
- 2. 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:***

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Particular interests protected (where applicable)</b>
<b>1</b>	<b>Millers Acre – legal advice</b>	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: <ul style="list-style-type: none"> <li>• Section 7(2)(g) To maintain legal professional privilege</li> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>

Lawrey/Her Worship the Mayor

Carried

The meeting went into confidential session at 11.17a.m. and resumed in public session at 12.01p.m.

Millers Acre

It was agreed to defer the Millers acre recommendations until later in the meeting as further discussion was needed.

The meeting was adjourned at 12.02p.m. to reconvene on Tuesday 9 June at 9.00a.m.



## Minutes of a reconvened meeting of the Nelson City Council

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

On Tuesday 9 June 2020, commencing at 9.08a.m. - Deliberation of Submissions to Draft Annual Plan

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Present: Her Worship the Mayor R Reese (Chairperson), Councillors Y Bowater, T Brand, J Edgar (Deputy Mayor), K Fulton, M Lawrey, R O'Neill-Stevens, B McGurk, G Noonan, P Rainey, R Sanson and T Skinner

In Attendance: Chief Executive (P Dougherty), Group Manager Infrastructure (A Louverdis), Acting Group Manager Community Services (M Preston-Thomas), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Manager Strategy (M Tregurtha), Team Leader Governance (R Byrne), and Governance Adviser (E Stephenson)

Apologies : Councillor M Courtney for attendance and Councillor P Rainey for lateness

### Apologies

Resolved CL/2020/059

#### ***That the Council***

- 1. Receives and accepts the apologies from Councillor Courtney for attendance and Councillor Rainey for lateness.***

Her Worship the Mayor/Edgar

Carried

## 2. Confirmation of Order of Business

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

**2.1 Confidential Late Item - Community Housing – Update on divestment**

Resolved CL/2020/060

***That the Council***

- 1. Considers the confidential item regarding Community Housing – Update on divestment 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, to provide information that has just come to hand.***

Her Worship the Mayor/Bowater

Carried

**Interests**

Councillor McGurk declared an interest in the Confidential late item – Community Housing: Update on Divestment.

Councillor Rainey subsequently declared an interest in the Events Fund decision.

**7. Deliberations on Annual Plan Consultation Document 2020/21 – (continued)**

Document number R15930, agenda pages 8 - 61 refer.

Millers Acre

It was noted that a clause had been added to the recommendation regarding investigation of the causes of the building issues and reporting back to Council.

In response to questions, the Chief Executive, Pat Dougherty, confirmed that provision for the investigation was within existing budgets, that the building had been built as a gateway building for economic development and tourism and that his understanding was that it had been paying its own way.

Attendance: Councillor Fulton entered the meeting at 9.15a.m.

Further questions and discussion took place on insurance, contingency budget, calculation of the remedial works figure and recladding material. In response to questions, Mr Dougherty confirmed that the building would be re clad with suitable material and that learnings from work undertaken on buildings in that era would be part of the brief, noting that Millers Acre had been constructed towards the end of the leaky building era.

It was suggested that Council check whether any of the remedial work could be covered by insurance.

Whilst awaiting information relating to Millers Acre, discussion took place on Capital Expenditure.

#### Capital Expenditure

In response to a question regarding line item 77 – Land Purchase General Reserve – Group Manager Corporate Services, Nikki Harrison confirmed that the increase was a straight carry forward.

In response to a question regarding line item 96 – Retired forestry block conversion programme – Ms Harrison confirmed that the amount did not include any funding from the Government’s Green Environmental Programme.

In response to a question whether there would be any adjustments resulting from the review of aquatic facilities regarding Pools – line items 171-177 – Parks and Facilities Activity Planner, Jane Loughnan, advised that there was an overall carry forward of \$35,000 to the following year, and that the Pool strategy work currently underway would influence budgets from the 20/21 AMP, but that some work would have to remain until the next stage through the strategy.

#### Millers Acre (continued)

Ms Loughnan confirmed that there was a contingency of 30% in the Millers Acre budget and that the figure included consultancy and building consent fees.

*That the Council*

*Approves in principle a budget of up to \$850,000 for remedial work at the Millers Acre site; and*

*Requests officers contract an external expert to investigate and advise on the causes of the building issues at Millers Acre and report back on next steps and how to avoid such problems in future.*

Lawrey/Sanson

Carried

#### Capital Expenditure (continued)

Ms Harrison noted the following corrections:

- Traffic Service Renewals - line item 313, which should have been a straight carry forward, with a zero variance
- Tahunanui Hills Stormwater Catchment 4 – Bisley Ave – line item 445 should have been \$30,000, not zero, so that there would be no variance next year.

Attendance: Councillor Rainey entered the meeting at 9.30a.m.

It was noted regarding Refinery Gallery EQ Strengthening – line item 277, that Council would be applying for external funding for earthquake strengthening, which opened on 1 July.

*That the Council*

*Approves in principle the changes to the draft 2020/21 capital expenditure budget, as set out in Attachment 1 (A2394034) as amended and noted in the minutes.*

Edgar/Brand

Carried

As he had previously declared an interest in Community Housing, Councillor McGurk left the meeting at 9.31a.m.

Community Housing

It was confirmed that the divestment proceeds would be net and the recommendation was amended to reflect this. A suggestion was made to add specific wording to the recommendation to reflect that the reserve was for affordable/social housing.

The meeting was adjourned at 9.42a.m. until 9.45a.m.

It was confirmed that the purpose of the Reserve was to allow Council to work with and support partners who had the ability to deliver social and affordable housing solutions for the community.

*That the Council*

*Confirms in principle its intent to set aside the net proceeds of any divestment of its community housing assets as a Housing Reserve.*

Edgar/Noonan

Carried

It was noted that confidential discussion was required regarding this matter and the meeting went into confidential session.

### **Exclusion of the Public**

Resolved CL/2020/061

***That the Council***

- 1. Excludes the public from the following parts of the proceedings of this meeting.***
- 2. 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:**

Edgar/Brand

Carried

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Particular interests protected (where applicable)</b>
<b>1</b>	<b>Community Housing – Update on divestment</b>	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: <ul style="list-style-type: none"> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>

The public was excluded at 9.50a.m. and readmitted at 10.35a.m.

The meeting was adjourned from 10.36a.m. until 10.51a.m.

Her Worship the Mayor advised of a new recommendation regarding Koata Park, noting that she felt this was the right alignment for the region, that timeframes needed to change, and the project’s importance for Māori tourism.

Pop Up Park

Discussion and questions followed on the proposed library access to the Pop Up Park.

*That the Council*

*Approves in principle an increase in the City Centre Enhancement 2020/21 budget of \$20,000 to provide a link between the Elma Turner Library and the proposed pop up park, with the balance of the costs met from existing budgets.*

Rainey/Fulton

Carried

Nelson Festivals Trust

Acting Group Manager Community Services, Mark Preston-Thomas, confirmed that the Festivals Trust had made significant efforts to look for additional savings and was happy with the proposed funding.

*That the Council*

*Agrees in principle to the Nelson Festivals Trust's request to vary the current funding agreement and reduce the funding in 2020/21 to \$305,000, which will be used for core operations and Festival 2021 planning, as well as the delivery of a programme of collaborative events in the 2020/21 year.*

Fulton/Edgar

Carried

Economic

Discussion took place on a recommendation proposed by Councillor Edgar regarding Council's procurement policy, which was in response to submissions.

*That the Council*

*Requests in principle that when reviewing the Council Procurement Policy, officers incorporate broader outcomes as outlined in the Government Procurement Rules, including a focus on buying local.*

Edgar/Sanson

Carried

Chief Executive of the NRDA, Mark Rawson, and Chief Executive of the Nelson Tasman Chamber of Commerce, Ali Boswijk, were present for discussion and questions regarding NRDA key focus areas, delivery of support, economic impacts, the Mahitahi/Bayview project, Koata Park, events funding and Project Kōkiri.

It was noted that confidential discussion was required.

Resolved CL/2020/062

**Exclusion of the Public**

***That the Council***

- 1. Confirms, in accordance with sections 48(5) and 48(6) of the Local Government Official Information and Meetings Act 1987, that Mark Lawson Nelson Regional Development Agency CEO and Ali Boswijk, Nelson Tasman Chamber of Commerce CEO remain for discussion on the Nelson Regional Development Agency, as they have knowledge relating to this matter that will assist the meeting.***

Her Worship the Mayor/O'Neill-Stevens

Carried

Resolved CL/2020/063

***That the Council***

***1. Excludes the public from the following parts of the proceedings of this meeting.***

***2. 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/O'Neill-Stevens

Carried

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	<b>Nelson Regional Development Agency</b>	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

The public was excluded at 12.27p.m. and readmitted at 12.50p.m.

Discussion took place regarding funding, and in response to a concern raised that Nelson City Council funding was not specific to Nelson City, Her Worship the Mayor suggested that the minutes note that this was Nelson City Council's contribution to Project Kōkiri towards economic recovery in the Nelson Tasman region.

Nelson Regional Development Agency (NRDA)

*That the Council*

*Makes provision in principle for additional funding of up to \$350,000 for the Nelson Regional Development Agency to support the development and implementation of Project Kōkiri.*

Fulton/Sanson

Carried

Events Fund

Discussion took place regarding the need for flexibility in the Events Fund and the need to be able to provide support for smaller events across the board with an impact on the CBD for an extended period of time and on the reinstatement of funding for events that would now be able to take place because of the move to Alert Level 1.

The meeting was adjourned at 1.00p.m. and reconvened at 1:45p.m. at which time Councillors Fulton and McGurk were not present.

Attendance: Councillor McGurk returned to the meeting at 1.50p.m.

In response to a question whether the amount of proposed funding was sufficient, Her Worship the Mayor noted that if NRDA felt it could reactivate the recovery process with more events, it would come back to Council.

The Mayor also noted that a late communication had been received from the Festivals Trust, requesting \$50,000 for CBD events plus \$100,000 for the Mask Parade and Carnivale.

The meeting was adjourned from 1.52p.m. until 1.53p.m.

Councillor Rainey declared an interest in the Events Fund and left the meeting at 1.53p.m.

Attendance: Councillor Fulton returned to the meeting at 1.55p.m.

Funding amounts were clarified and the Events Fund funding was reinstated to include the New Year's Eve and Santa Parade, to provide flexibility and a clause noting amounts that were already included in the Draft Annual Plan 2020/21 was added for clarity.

*That the Council*

*Approves in principle reinstating funding of \$280,000 for events in 2020/21 as follows:*

- \$230,000 for the Events Fund Economic
- \$35,000 for a New Year's Eve event

- \$15,000 for the Santa Parade

*recognising that with the relaxing of restrictions on gatherings it is expected that a full range of events will be able to resume; and*

*Approves extra flexibility for the Events Fund in consideration of opportunities that will support economic recovery in the region; and*

*Notes the Annual Plan 2020/21 included the following allocations:*

- Events Fund Community \$76,000

- Venue Hire Fund \$30,000.

Her Worship the Mayor/Edgar

Carried

Her Worship the Mayor noted that the matter of the Mask Parade and Carnivale funding would be would be discussed later in the meeting.

Mahitahi/Bayview (revisited)

In response to a question, Group Manager Infrastructure, Alec Louverdis, provided context on the funding application process. He confirmed the project had been included in the Future Development Strategy which had been adopted.

Further questions and discussion took place Crown Infrastructure projects and the subdivision process. Chief Executive, Pat Dougherty confirmed that if funding was successful, Council approval would be required for authority to spend the funds and reiterated that three waters infrastructure work would add value irrespective of subdivision. Mr Louverdis confirmed that officers had been considering what infrastructure was required, not just for development but to future proof development in that area. Concerns were raised regarding the lack of detailed plans indicating the placement of roads, the number of houses involved and the amount of work that had been undertaken without detail. The difficulties caused by the COVID-19 lockdown were discussed.

As a result of discussion, the recommendation was amended to clarify that grant funding was being sought, and if not received, it would be loan funded, clarifying that funding would also support Council infrastructure resilience.

Attendance: Councillor Bowater left the meeting at 2.50p.m.

Her Worship the Mayor ruled against Councillor Lawrey on a Point of Order relating to misrepresentation of the Chief Executive's words and requested that respectful language be used at all times.

*That the Council*

*Notes that approval for grant funding from the central government Crown Infrastructure Fund to upgrade Council infrastructure which will support Council infrastructure resilience and the Mahitahi/Bayview development, has been sought; but if approval is not received prior to the Annual Plan being finalised then a report will come back to Council requesting loan funding for design work for the project.*

Noonan/Bowater

Carried

The motion was put and a division was called:

<u>For</u>	<u>Against</u>	<u>Apology</u>
Her Worship the Mayor Reese (Chairperson) Cr Brand Cr Edgar Cr Fulton Cr O'Neill-Stevens Cr McGurk Cr Noonan Cr Rainey Cr Sanson Cr Skinner	Cr Lawrey	Cr Courtney

The motion was carried 10 - 1.

### **Extension of Meeting Time**

Resolved CL/2020/064

***That the Council***

- 1. Extends the meeting time beyond six hours, pursuant to Standing Order 4.2.***

O'Neill-Stevens/Brand Carried

The meeting was adjourned from 3.17p.m. until 3.30p.m.

### Funding of the Nelson Plan

A spreadsheet – Nelson Plan Life of Plan Summary June 2020 (A2398258) was tabled. Group Manager Environmental Management, Clare Barton, explained the Nelson Plan process and Manager Environmental Planning, Maxine Day, spoke to the budget. The risk of not proceeding and not meeting statutory requirements was highlighted and options going forward were discussed.

Her Worship the Mayor noted that Elected Members were frustrated at the length of time taken and the high costs.

Questions and discussion took place regarding review requirements, freshwater provisions, national planning standards and funding options and it was noted that a key element of the budget was to engage an experienced resource management planner to overview the project, which would significantly reduce the costs of relying solely on external contractors.

It was noted that the Nelson Plan was expected to be notified in February 2022 and it would need to be reviewed ten years after it became operative. Ms Barton advised that although the Plan would not be a physical asset, it was a critical asset of Council. Ms Day confirmed that the Plan would be fully electronic and searchable online and outlined the process for 2020. Further questions were answered regarding internal employee and external contractor costs and it was noted that a mix of both would be used, with expertise being brought in where it was most efficient. Further reporting would be provided via the Environment Committee Quarterly Report.

Following discussion, a clause was added to the recommendation to include the Nelson Plan in Council's Risk Register to allow Audit and Risk Subcommittee oversight.

*That the Council*

*Confirms in principle its intent to fund \$1.122 million of the 2020/21 Nelson Plan costs by loan.*

*Requests officers to place the Nelson Plan on the Council's Risk Register to allow for Audit and Risk Subcommittee oversight.*

Edgar/McGurk

Carried

City Centre Development (continued)

Her Worship the Mayor clarified that provision was being made for options to be explored and the recommendation was amended accordingly. The words 'up to' were added to the recommendation regarding the balance of funding. Team Leader City Development, Lisa Gibellini, answered questions regarding potential partial NZTA funding, which was unknown at this stage, and confirmed the matter would be brought back to Council prior to any further decision being made.

*That the Council*

*Approves in principle provision in the Annual Plan 2020/21 of a capital budget of \$3.1 million, subject to the outcome of the public feedback process and NZTA funding applications; and*

*Notes in principle that the balance of up to \$1.9 million of funding will be included in the draft budget for 2021/2022, this being year 1 of the Long Term Plan.*

O'Neill-Stevens/Sanson

Carried

Koata Park (continued)

Discussion took place on funding required to advance project management and planning for the development.

*That the Council*

*Approves an increase in the Koata Park Development 2020/21 budget from \$30,000 to \$50,000.*

Her Worship the Mayor/O'Neill Stevens

Carried

Arts Festival Trust (continued)

Acting Group Manager, Community Services, Mark Preston-Thomas answered questions regarding events and activation in the CBD. It was suggested that there was an option to make a decision at a later date for unbudgeted expenditure.

Discussion took place about the Trust's request for funding for the Mask Parade and Carnivale and the Trust's capacity to deliver and support artists in the community. In response to questions, Mr Preston-Thomas noted that this would provide more transparency regarding parade funding and that the Trust had offered to do this work to assist with CBD activation.

Further discussion took place regarding making a decision when further information had been received and questions were raised on how the Trust worked with Uniquely Nelson and the activation of the CBD, what the cost of the Parade was when it was organised in-house and financials on last year's Parade.

Discussion took place on capacity to deliver and whether schools would be in a position to participate and it was suggested that if a provision was put in place, this would enable the Trust to start organising a strong parade and the recommendation was amended accordingly. It was agreed that the matter be reported though to the Community Services Committee.

Attendance: Councillor Bowater returned to the meeting at 4.42p.m.



*That the Council*

*Approves inclusion in principle a provision of \$100,000 for the Arts Festival Trust to deliver the Mask Parade and Carnivale.*

O'Neill- Stevens/Her Worship the Mayor

Carried

Submissions

Discussion took place on any comments arising from submissions. A request was made to signal to the Nelson community that Council was open to innovation and ideas for beautifying Civic House, although not committing any funding.

It was noted that some submitters had expressed their disappointment that the Climate Change Fund had not been topped up, and that it and should be at the forefront of decision-making and a focus towards recovery.

In response to a question regarding where the rates figures sat as a result of today's discussion, Ms Harrison indicated that the figure was less than originally anticipated.

Rating recommendations

*That the Council*

*Confirms, in principle in accordance with the Long Term Plan 2018-28, that the percent of total rates collected as commercial rates reduces from 24.1% in 2019/20 to 23.6% in 2020/21.*

Noonan/Her Worship the Mayor

Carried

Debate took place regarding the remaining rates recommendations. In response to a question regarding the rates shortfall, Ms Harrison advised that it was approximately \$3m.

*That the Council*

*Confirms in principle its intent to have a net zero percent rates increase in 2020/21; and*

*Agrees in principle to drawdown the net rating income shortfall from COVID-19 from the Disaster Recovery Fund for the Annual Plan 2020/21.*

Edgar/Brand

The motion was put and a division was called:

<u>For</u>	<u>Against</u>	<u>Apology</u>
Her Worship the Mayor Reese (Chairperson)	Cr Noonan Cr Rainey	Cr Courtney
Cr Bowater		
Cr Brand		

Cr Edgar  
Cr Fulton  
Cr Lawrey  
Cr O'Neill-Stevens  
Cr McGurk  
Cr Sanson  
Cr Skinner

The motion was carried 10 - 2.

Attendance: Councillor Noonan left the meeting at 5.14p.m.

## 8. Confirmation of Minutes (Agenda Item 5)

The minutes of the 14 May 2020 Council meeting - Draft Annual Plan 2020/21 Hearing of Submissions, reconvened on 19 and 20 May 2020 (A2395851) were tabled.

Resolved CL/2020/065

***That the Council***

- 1. Confirms the minutes of the meeting of the Council, held on 14 May 2020, and reconvened on 19 and 20 May 2020, as a true and correct record.***

Edgar/Skinner

Carried

The meeting was adjourned from 5.15p.m. until 5.25p.m. at which time Councillor Noonan returned.

## 9. Mayor's Report (Agenda Item 6)

Her Worship the Mayor acknowledged the empathy and care for the community's wellbeing that had been shown and thanked the Chief Executive and all of the Council team. She noted the challenges faced by many in the community who had lost or were about to lose jobs.

The Mayor was supportive of the use of the words recovery and regeneration, noting that more lives may be lost after lockdown than during it due to financial, mental health and family stress and she stressed the need for Council to be more understanding than ever, and as responsive as it could to people's circumstances.

The Mayor felt that the Draft Annual Plan was well-balanced and that it had taken discipline, sound financial management and a strategy to get Council to this point. She noted that officers had taken every opportunity to apply for central government funding for the region, but that the outcome of those applications was not yet known, and acknowledged the capability of people in the organisation.

The Mayor felt that this was the hardest Annual Plan she had ever led, and reminded Elected Members of the need to be prepared for changes

and to work towards building confidence in the community about the work Council was doing, noting that the community needed kind empathetic leaders. She encouraged Elected Members to have diverse views, operating as a team and to do the best it could for the community.

Resolved CL/2020/066

***That the Council***

- 1. Receives the Mayor's Report.***

Her Worship the Mayor/Edgar

Carried

## **10. Formalising Resolutions passed 'in principle'**

Her Worship the Mayor explained that the resolutions passed 'in principle' during the deliberations on the Annual Plan Consultation Document 2020/21 were now required to be formally passed.

Resolved CL/2020/067

***That the Council***

- 1. Confirms the following Annual Plan 2020/21 Deliberations 'in principle' resolutions as the basis for the 2020/21 Annual Plan to be adopted on 30 June 2020:***

Nelson Regional Development Agency

***That the Council***

- 2. Makes provision for additional funding of up to \$350,000 for the Nelson Regional Development Agency to support the development and implementation of Project Kōkiri.***

Crown Infrastructure Fund Projects

***That the Council***

- 3. Notes that approval for funding from the central government Crown Infrastructure Fund for capital expenditure works is still being sought; and if approvals are received then these projects will be included in the Council's work programme and as far as possible any additional resources required will be funded from the capital works programme.***

Mahitahi/Bayview

***That the Council***

4. ***Notes that approval for grant funding from the central government Crown Infrastructure Fund to upgrade Council infrastructure which will support Council infrastructure resilience and the Mahitahi/Bayview development, has been sought; but if approval is not received prior to the Annual Plan being finalised then a report will come back to Council requesting loan funding for design work for the project.***

Provincial Growth Fund

***That the Council***

5. ***Notes an increase of \$780,000 for Council capital expenditure works by way of grants from the Provincial Growth Fund; and***
6. ***Notes an increase of \$100,000 for Nelson Regional Sewerage Business Unit capital expenditure works by way of grants from the Provincial Growth Fund; and***
7. ***Notes an increase of \$350,000 for Nelson Tasman Regional Landfill Business Unit capital expenditure works by way of grants from the Provincial Growth Fund.***

Public Transport COVID-19 Implications

***That the Council***

8. ***Notes that the public transport revenue has been reduced by 50% to \$374,000 for the 2020/21 Annual Plan.***

Funding of the Nelson Plan

***That the Council***

9. ***Confirms its intent to fund \$1.122 million of the 2020/21 Nelson Plan costs by loan; and***
10. ***Requests officers to place the Nelson Plan on the Council's Risk Register to allow for Audit and Risk Subcommittee oversight.***

City Centre Development

***That the Council***

- 11. Approves provision in the Annual Plan 2020/21 of a capital budget of \$3.1 million, subject to the outcome of the public feedback process and NZTA funding applications; and***
- 12. Notes that the balance of up to \$1.9 million of funding will be included in the draft budget for 2021/2022, this being year 1 of the Long Term Plan.***

Pop Up Park

- 13. Approves an increase in the City Centre Enhancement 2020/21 budget of \$20,000 to provide a link between the Elma Turner Library and the proposed Pop up Park, with the balance of the costs met from existing budgets.***

Arts Council

***That the Council***

- 14. Approves the carry forward of \$47,500 from the Arts Council's allocated budget for the current financial year to 2020/21.***

Nelson Festivals Trust

***That the Council***

- 15. Agrees to the Nelson Festivals Trust's request to vary the current funding agreement and reduce the funding in 2020/21 to \$305,000, which will be used for core operations and Festival 2021 planning, as well as the delivery of a programme of collaborative events in the 2020/21 year; and***
- 16. Approves inclusion of a provision of \$100,000 for the Nelson Festival Trust to deliver the Mask Parade and Carnivale.***

Events Fund

***That the Council***

- 17. Approves reinstating funding of \$280,000 for events in 2020/21 as follows:***

- **\$230,000 for the Events Fund economic**
- **\$35,000 for a New Year's Eve event**
- **\$15,000 for the Santa Parade;**

***recognising that with the relaxing of restrictions on gatherings it is expected that a full range of events will be able to resume; and***

- 18. Approves extra flexibility for the Events Fund in consideration of opportunities that will support economic recovery in the region; and**
- 19. Notes the Annual Plan 2020/21 included the following allocations:**
  - **Events Fund Community \$76,000**
  - **Venue Hire Fund \$30,000.**

Brook Waimarama Sanctuary

***That the Council***

- 20. Agrees to make provision for \$40,000 in 2020/21 to offer support to the Brook Waimarama Sanctuary Trust by way of a contract for a business manager to provide advice; and**
- 21. Notes the grant would be contingent on agreement that the business manager report to Council on the future opportunities and challenges in the Trust's business model.**

Nelson Mountain Bike Club

***That the Council***

- 22. Agrees to the carry forward to 2020/21 of \$326,000 of contract funding for the Nelson Mountain Bike Club for trail construction services.**

Marina

***That the Council***

- 23. Agrees to increase the budget for the Marina review from \$20,000 to \$50,000, funded from the Marina account.**

Nelson Volunteer Coastguard

***That the Council***

- 24. Confirms a grant of \$20,000 for the Nelson Volunteer Coastguard for the 2020/21 year.***

Economic

***That the Council***

- 25. Requests that when reviewing the Council Procurement Policy, officers incorporate broader outcomes as outlined in the Government Procurement Rules, including a focus on buying local.***

Community Housing

***That the Council***

- 26. Confirms its intent to set aside the full proceeds of any divestment of its community housing assets as a Housing Reserve.***

Millers Acre

***That the Council***

- 27. Approves a budget of up to \$850,000 for remedial work at the Millers Acre site; and***
- 28. Requests officers contract an external expert to investigate and advise on the causes of the building issues at Millers Acre and report back on next steps and how to avoid such problems in future.***

Capital Expenditure

***That the Council***

- 29. Approves the changes to the draft 2020/21 capital expenditure budget, as set out in Attachment 1 (A2394034) as amended and noted in the meeting minutes.***

Koata Park

- 30. Approves an increase in the Koata Park Development 2020/21 budget from \$30,000 to \$50,000.***

Rating recommendations

***That the Council***

- 31. Confirms, in accordance with the Long Term Plan 2018-28, that the percent of total rates collected as commercial rates reduces from 24.1% in 2019/20 to 23.6% in 2020/21; and***
- 32. Confirms its intent to have a net zero percent rates increase in 2020/21; and***
- 33. Agrees to drawdown the net rating income shortfall from COVID-19 from the Disaster Recovery Fund for the Annual Plan 2020/21.***

Her Worship the Mayor/Edgar

Carried

**Attachments**

- 1 A2395851 - 14 May 2020 Council Minutes
- 2 A2398258 Nelson Plan Life of Plan Summary

**Karakia Whakamutunga**

Council's Kaihautu, Pania Lee gave the closing karakia.

There being no further business the meeting ended at 5.39p.m.

Confirmed as a correct record of proceedings:

\_\_\_\_\_ Chairperson \_\_\_\_\_ Date