



**Notice of the ordinary meeting of**

**Nelson City Council**

***Te Kaunihera o Whakatū***

Date:	Tuesday 18 May 2021
Time:	9.00a.m.
Location:	Council Chamber Civic House 110 Trafalgar Street, Nelson

## **Agenda**

### ***Rārangi take***

<b>Mayor</b>	Her Worship the Mayor Rachel Reese
<b>Deputy Mayor</b>	Cr Judene Edgar
<b>Members</b>	Cr Yvonne Bowater Cr Trudie Brand Cr Mel Courtney Cr Kate Fulton Cr Matt Lawrey Cr Brian McGurk Cr Gaile Noonan Cr Rohan O'Neill-Stevens Cr Pete Rainey Cr Rachel Sanson Cr Tim Skinner

**Quorum**      7

**Pat Dougherty**  
**Chief Executive Officer**

Nelson City Council Disclaimer

Please note that the contents of these Council and Committee agendas have yet to be considered by Council and officer recommendations may be altered or changed by the Council in the process of making the formal Council decision. For enquiries call (03) 5460436.

## **Council Values**

Following are the values agreed during the 2019 - 2022 term:

- A. Whakautetanga: respect
- B. Kōrero Pono: integrity
- C. Māiatanga: courage
- D. Whakamanatanga: effectiveness
- E. Whakamōwaitanga: humility
- F. Kaitiakitanga: stewardship
- G. Manaakitanga: generosity of spirit

## Karakia Timatanga

### 1. Apologies

Nil

### 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

### 5. Confirmation of Minutes

**11 - 42**

5.1 4 May 2021 (reconvened 5 and 6 May 2021)

Document number M15411

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

- 1. Confirms the minutes of the meeting of the Council, held on 4 May, and reconvened on 5 and 6 May 2021, as a true and correct record.***

### 6. Mayor's Report

### 7. Recommendations from Committees

*The following recommendations to Council are draft as the Council agenda is being produced prior to the 14 May 2021 meetings of the Nelson Tasman Regional Landfill Business Unit and the Nelson Regional Sewerage Business Unit.*

#### **7.1 Nelson Tasman Regional Landfill Business Unit Long Term Plan Feedback Submission Report**

#### ***That the Nelson City Council***

- 1. Notes that the fees and charges at the Nelson Tasman Regional Landfill Business Unit will increase by 20%; and***
- 2. Notes that there are no changes to the 2021/2022 Council Business Plan (A2495934); and***
- 3. Notes that there are no changes to the Council Activity Management Plan 2021-2031 (A2511191).***

## **7.2 Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report**

### ***That the Nelson City Council***

- 1. Notes that there are no changes to the 2021/2022 Nelson Regional Sewerage Business Unit Business Plan (A2588602) adopted to populate the Nelson City Council and Tasman District Council 2021 – 2031 Long Term Plans; and**
- 2. Notes that there are no changes to the Council Activity Management Plan 2021-2031 (A2588684) adopted to populate the Nelson City Council and Tasman District Council 2021 – 2031 Long Term Plans.**

## **8. Deliberations on Submissions to the Long Term Plan 2021-31 Consultation and Related Matters 52 - 101**

Document number R24777

Recommendation

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

- 1. Receives the report *Deliberations on Submissions to the Long Term Plan 2021-31 Consultation and Related Matters (R24777) and its attachments (A2634256, A2642025 and A2641877); and***

Awatea Place wastewater pump station upgrade

- 2. Approves provision for up to an additional \$1.2 million in year 2 of the Long Term Plan 2021-31 to meet potentially higher than expected costs for the upgrade of the Awatea pump station.**

Saxton Creek Stage 4

- 3. Approves provision for up to an additional \$4.3 million, being \$2,520,000 in year 1 and \$1,750,000 in year 2 of the Long Term Plan 2021-31, to meet potentially higher than expected costs for the completion of stage 4 of the Saxton Creek project.**



Ariesdale Terrace

4. **Approves bringing forward \$40,000 from year 5 and \$40,000 from year 6 for the Ariesdale Terrace project to year 1 and year 2 of the Long Term Plan 2021-31.**

Community Compost

5. **Approves support for Community Compost's initiative to grow its organic collection operation through an interest free bridging loan of \$45,000 and a grant of \$32,000 (subject to conditions) as unbudgeted expenditure in the 2020/21 financial year.**

Landfill fees and charges

6. **Notes that no change is proposed to the 20% increase in Nelson Tasman Regional Landfill Business Unit fees that was consulted on.**

Whakatū Whakamahere Nelson Plan

7. **Notes that funding for Resource Management Act reform related costs are not included in the Long Term Plan 2021-31 and will be considered when the implications are known.**

Science and Technology Precinct

8. **Notes that the estimated \$2.8 million capital funding for realigning Council's stormwater pipe will be transferred into the stormwater activity and depreciated; and**
9. **Approves a carry forward from 2020/21 to year 1 of the Long Term Plan 2021-31 of the \$1.5 million capital grant, payable to the Cawthron Institute (on the signing of the sale and purchase agreement between Port Nelson and the Cawthron Institute); and**
10. **Approves bringing forward \$2 million for the Science and Technology Precinct project from year 2 to year 1 of the Long Term Plan 2021-31; and**

- 11. Approves a loan funded capital grant of up to \$1.2 million to Port Nelson as Council's contribution towards the development at the Science and Technology Precinct, payable to Port Nelson on completion of the works; and**
- 12. Approves a provision of \$500,000 additional funding in year 1 of the Long Term Plan 2021-31 (bringing the total Council contribution to \$5.5 million) towards the Science and Technology Precinct.**

Housing

- 13. Approves provision of up to an extra \$128,000 operating expenditure in each of years 1 to 3 of the Long Term Plan 2021-31 for additional resource to deliver housing outcomes required by Council.**

Brook Waimarama Sanctuary Trust

- 14. Allocates a provision of up to \$9,400 capital expenditure in year 1 of the Long Term Plan 2021-31 for resealing the 220m<sup>2</sup> of road leading to Sanctuary gates in conjunction with the reseal of roading within the campground; and**
- 15. Further allocates a provision of up to \$80,000 capital expenditure in year 1 of the Long Term Plan 2021-31 to extend WiFi coverage for the Brook Waimarama Sanctuary, particularly to the visitor centre.**

Climate Change

- 16. Approves a provision of \$65,000 per annum for Businesses for Climate Action for years 1 and 2 of the Long Term Plan 2021-31 and \$45,000 for year 3; and**
- 17. Approves a provision of \$25,000 per annum for the Nelson Tasman Climate Forum through the ten years of the Long Term Plan 2021-31.**

#### Arts Council location

- 18. Approves a provision of up to \$12,000 in year 1 of the Long Term Plan 2021-31 for the Nelson Arts Council as transition funding while it works to investigate income options to offset the increase in visitor numbers being experienced at its new city centre location; and**
- 19. Notes that the request from the Arts Council to assist with acquiring a new permanent location in the central city will be considered as part of the work to review and update Nelson's arts policy guidance documents.**

#### Nelson Centre for Musical Arts

- 20. Approves provision for up to \$25,000 operational expenditure in Year 1 of the Long Term Plan 2021-31 for the development of a pocket park on Nelson Centre for Musical Arts land on the basis that the Nelson Centre for Musical Arts will fund the remainder required to implement the landscape plan and will maintain the park to an agreed standard.**

#### Cemeteries

- 21. Directs staff to work with Tasman District Council on the option of a regional cemetery in Moutere or Wakefield.**

#### Sportsfields

- 22. Approves provision of an additional \$10,000 operating expenditure in year 1 and an additional \$50,000 operating expenditure per year thereafter for additional maintenance to increase sportsfield capacity by increasing hours of use; and**
- 23. Approves \$50,000 additional capital expenditure in year 2 of the Long Term Plan 2021-31 for investigation into improved sportsfield lighting; and**
- 24. Approves \$380,000 additional capital expenditure in year 4 of the Long Term Plan**

**2021-31 for Neale Park lighting improvements and ground levelling; and**

- 25. Approves provision of an additional \$300,000 capital expenditure in year 7 of the Long Term Plan 2021-31 for Tahuna Reserve lighting improvements; and**
- 26. Directs officers to hold further discussions with interested sports codes and Sport Tasman about future developments at Guppy Park and to report on options to the Community and Recreation Committee.**

Mountain bike trails

- 27. Approves the carry forward of \$37,000 to increase the year 1 Long Term Plan 2021-31 budget for mountain bike trails to \$202,000.**

Enduro World Series

- 28. Agrees to convert Council's contribution to the Enduro World Series from underwriting to a grant; and**
- 29. Approves an increase in Council's contribution to the Enduro World Series from \$200,000 to \$250,000; and**
- 30. Notes that Council's contribution to the Enduro World Series will be made through the Event Fund; and**
- 31. Notes that the Nelson Mountain Bike Club will continue to pursue additional revenue sources; and**
- 32. Agrees the Event Fund overdraft limit to be up to \$50,000 for 2022/23.**

Saxton Field

Hockey lighting

- 33. Approves reallocation of \$37,500 within Saxton Field budgets in year 1 of the Long Term Plan 2021-31 to go towards upgrading lighting for hockey to meet television broadcasting standards.**

#### Pole Vault Facility

- 34. Approves reallocation of \$18,000 within Saxton Field budgets in year 1 of the Long Term Plan 2021-31 to go towards the cost of a pole vault facility; and**
- 35. Notes that the Top of the South Athletics Trust will raise 40% of the cost of the pole vault facility.**

#### Wakapuaka Cemetery

- 36. Allocates the following provisions for work at the Wakapuaka Cemetery in the Long Term Plan 2021-31 of up to:**
- a) \$5,000 capital expenditure per year for years 1 to 3 for plantings**
  - b) \$3,500 capital expenditure in year 1 to make the garage more usable**
  - c) \$7,000 capital expenditure in years 1 and 3 for interpretation boards**
  - d) \$4,000 capital expenditure in year 1 for seating**
  - e) \$1,000 capital expenditure per year for blocks to identify denominations**
  - f) \$2,500 operating expenditure per year for slope mowing.**

#### Sea Sports Building

- 37. Agrees that Council will make provision to fund 80% of the cost of the Sea Sports building with the expectation that users will raise a minimum of 20% of the total construction costs.**

#### Surf Life Saving club rooms

- 38. Directs officers to liaise with the Nelson Surf Life Saving Club about the proposed hub at Tahunanui in order to prepare a report for further consideration of the project by the Community and Recreation Committee.**

#### Lawn Tennis Club rooms

- 39. Notes that the establishment of a tennis club house in Rutherford Park would not require ratepayer funding; and**
- 40. Directs officers to liaise with the Nelson Lawn Tennis Club about a potential site and lease conditions and bring a report to the Community and Recreation Committee for further consideration.**

#### Seafarers Memorial

- 41. Directs staff to have discussions with the Seafarers Memorial Trust about the request for Council to take ownership of the Seafarers Memorial and to bring a report to the Community and Recreation Committee for consideration.**

#### Economic

- 42. Approves provision of up to \$350,000 per annum additional funding in years 1 to 3 of the Long Term Plan 2021-31 for implementation of Project Kōkiri 2.**

#### Responses to submitters

- 43. Notes the spreadsheet in Attachment 1 (A2634256) to Report R24777, as amended, to be used as the basis for specific responses to submitters on matters raised; and**
- 44. Delegates authority to the Mayor and relevant Committee Chair to make amendments to final responses to submitters, as long as they are not material and are consistent with the decisions made by Council.**

#### Regional Public Transport changes

- 45. Approves bringing funding of \$670,000 per annum forward from year 6 of the Long Term Plan 2021-31 to year 3, to improve frequency and extend hours of operation of the public transport service (as outlined in 6.6.4 of report**

***R24772 to the 21 April 2021 Regional Transport Committee) dependent on the Waka Kotahi and Tasman District Council share of funding being available; and***

- 46. Approves provision for an additional \$38,000 funding per annum over the ten years of the Long Term Plan 2021-31 to provide the Living Wage for bus drivers in our public transport service, dependent on the successful completion of national level discussions being led by Waka Kotahi; and***
- 47. Supports any additional improvements on the basis that external additional funding is secured from non-rates sources, or that savings are made in other transport related activities.***

Nelson Regional Sewerage Business Unit

- 48. Notes that the Long Term Plan 2021-31 will be updated to reflect the revised budgets presented in the Nelson Regional Sewerage Business Unit - 2021/22 Business Plan and 2021-31 Activity Management Plan adopted by the Infrastructure Committee.***

Campgrounds

- 49. Approves an additional \$84,000 operational expenditure in year 2 of the Long Term Plan 2021-31 to cover costs related to allowing more time for completion of the compliance project before leasing of the Brook Valley Holiday Park commences.; and***
- 50. Allocates an additional \$510,000 capital expenditure (being \$410,000 in year 1 of the Long Term Plan 2021-31 and \$50,000 in each of years 2 and 3) for an improved toilet block at the Brook Valley Holiday Park, and to connect long-term occupants to water and wastewater services as well as undertake other work related to achieving compliance; and***
- 51. Allocates an additional \$980,000 capital expenditure in year 1 of the Long Term Plan 2021-31 to upgrade the Maitai Valley Motor Camp wastewater system and to provide***

*drinking water throughout the campground;  
and*

- 52. Notes a funding application has been made to the Tourism Infrastructure Fund to cover 50% (\$400,000) of the Maitai Valley Motor Camp wastewater system project costs.**

Glen Cycleway

- 53. Approves an additional \$20,000 capital expenditure in year 1 of the Long Term Plan 2021-31 and \$100,000 capital expenditure in year 4 for investigation and construction of a connecting off-road route to the Glen.**

Marina

- 54. Approves moving the funding from hardstand improvements in years 7 and 8 of \$800,000 (uninflated) to Year 1 of the Long Term Plan 2021 – 31 to address health and safety projects prior to the Marina Masterplan being consulted on; and**
- 55. Notes that additional funding and some redistribution of capital budget between years of the Long Term Plan 2021-31 is likely to be required once the Marina Masterplan has been adopted.**

Carry Forwards from 2020/21

- 56. Approves the 2020/21 capital carry forwards to the Long Term Plan 2021-31 capital expenditure budgets, as set out in Attachment 2 (A2642025) of Report R24777.**

Final windup of Community Housing

- 57. Approves releasing the Depreciation Reserve of \$391,000 and Pensioner Housing Reserve of \$231,000 in year 1 of the Long Term Plan 2021 - 31 to offset rates.**

Other changes since the Draft Long Term Plan consultation

- 58. Approves that the Long Term Plan 2021-31 be amended to include the changes in the attached**



***document listing corrections and timing changes in Attachment 3 (A2641877) of Report R24777.***

**9. Deliberations on the Development Contributions Policy 2021**

**102 - 205**

Document number R23764

Recommendation

***That the Council***

- 1. Receives the report Deliberations on the Development Contributions Policy 2021 (R23764) and its attachments (A2502141 and A2625782); and***
- 2. Approves no changes being made to the proposed Nelson City Council Development Contributions Policy 2021 in response to the submissions received during the submission period as follows:***

Delayed Payment

- 4. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy to provide for delayed payment until building consent issue.***

Developers share of growth costs

- 5. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with respect to the portion of costs attributed to growth and included in the development contributions.***

Reduction in reserves development contribution for greenfield areas

- 6. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the level of reserves development***

***contribution for development within the built urban boundary.***

Reduction in reserves development contribution for intensification areas

- 7. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the level of reserves development contribution for development within the built urban boundary.**

City Centre waiver

- 8. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the City Centre waiver.**

Retirement villages

- 9. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for retirement villages.**

State integrated schools

- 10. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for state integrated schools.**

Discount for 1 and 2 bedroom dwellings

- 11. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for the discount for 1 and 2 bedroom dwellings.**

Brownfield reserves discount

- 12. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for the reserves discount for brownfield development.**

Load specific development contributions

- 13. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to custom calculations for each individual site.**

Catchments

- 14. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to catchments.**

Built Urban Boundary Alignment

- 15. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the Built Urban Boundary.**

Library

- 16. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to inclusion of the library project as a growth project.**

Amendment of reserves development contributions paid under the 2018 Policy

- 17. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to payment of reserves contributions under the 2018 Development Contributions Policy; and**
- 18. Notes that as a consequence of decisions on the Long Term Plan, amendments may be required to the projects listed in the Development Contributions Policy and the overall quantum of the contributions sought; and**

- 19. Approves that the proposed Nelson City Council Development Contributions Policy 2021 be taken to the Council meeting of 24 June 2021 for final adoption by Council.**

**10. Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case 206 - 257**

Document number R24785

Recommendation

***That the Council***

- 1. Receives the report Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case (R24785) and its attachment (A2630896); and**
- 2. Reconfirms that, having considered submissions on the Long Term Plan 2021-31 and having considered the business case, Council's preferred option is to build a new library building on the corner of Halifax Street and Trafalgar Street, within the Riverside Precinct, subject to agreement with Wakatū Incorporation on a land exchange involving that site and the current library site; and**
- 3. Confirms that, should negotiations with Wakatū Incorporation on a land exchange be unsuccessful, Council will proceed with Option Four – to construct a new high specification library on the current site.**

**5. Proposed new Company Model for Nelson Airport and Port Nelson**

**258 - 269**

Document number R24786

Recommendation

***That the Council***

- 1. Receives the report Proposed new Company Model for Nelson Airport and Port Nelson (R24786); and**
- 2. Notes that a special consultative procedure has been carried out by Council, in accordance with section 83 of the Local Government Act 2002, covering the proposal to establish a new Council Controlled Trading Organisation; and**
- 3. Agrees that Option Three, a new company, established as a funding vehicle only, is the most appropriate way of providing financial benefits for the Nelson Airport, Port Nelson and shareholders; and**
- 4. Notes that shareholder agreement is required in order to proceed with any option other than the status quo; and**
- 5. Subject to Tasman District Council passing similar resolutions:**
  - i) Authorises the Mayor to vote the Council's shareholding in the Nelson Airport Limited and Port Nelson Limited to give effect to clauses 3 and 4 of this resolution (CL2021/xx); and**
  - ii) Instructs the Chief Executive, in conjunction with Tasman District Council, to advise council staff and the boards of Nelson Airport Limited and Port Nelson Limited to develop a detailed plan for the establishment of the Funding Company; and**
  - iii) Notes that subsequent amendments to Council's Long Term Plan 2021-2031 and supporting policies will be required as part of the establishment of the Funding Company; and**

6. ***Notes that updates on the establishment of the Funding Company will be reported back to Council.***

## **CONFIDENTIAL BUSINESS**

### **6. Exclusion of the Public**

Recommendation

***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>Funding to support Nelson Slipway Redevelopment and Services Expansion</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)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities</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>
<b>2</b>	<b>Nelson City Council - Tasman District Council Engineering</b>	Section 48(1)(a)  The public conduct of this matter would be	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(h)</li> </ul>

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	<b>Services Agreement and Nelson City Council - Tasman District Council Waimea Community Dam Funding Agreement</b>	likely to result in disclosure of information for which good reason exists under section 7	<p>To enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p> <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>

## Karakia Whakamutunga



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

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

**On Tuesday 4 May 2021, commencing at 9.05a.m.**

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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), Group Manager Community Services (A White), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne), Governance Advisers (E-J Ruthven and J Brandt) and Governance Support (P Boutle)

### **Karakia Timatanga**

A karakia timatanga was given.

### **7. Apologies**

There were no apologies.

Councillor Skinner joined the meeting at 9.06a.m.

The meeting was adjourned from 9.10a.m to 9.14a.m.

### **8. Confirmation of Order of Business**

There was no change to the order of business.

### **9. Interests**

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



## **7. Mayor's Report**

Her Worship the Mayor acknowledged the contribution of all submitters to the draft Long Term Plan 2021 – 2031 process and thanked submitters for their attendance at the hearing.

## **5. Hearing of Submissions to the Draft Long Term Plan 2021 - 2031 and to the Draft Development Contributions Policy 2021**

Document number R24834, agenda pages 6 - 159 refer.

Her Worship the Mayor advised that the following late submissions had been received after the agenda had been published (A2630820) and that a resolution was required for Council to consider these.

An updated Hearings Schedule was tabled (A2634303).  
CL/2021/039

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

#### ***1. Accepts the late submissions to the Draft Long Term Plan 2021 – 2031 and the 2021 Draft Development Contributions Policy from:***

- ***Tony Stallard (Nelson Seafarer Memorial Trust) 29457***
- ***Peter Lole 27553***
- ***Nelson Greypower Inc 29465***
- ***Bevan Woodward (Bicycle Nelson Bays) 29455***
- ***Bryce Buckland 29456***
- ***Ben Bushell (bEARTHA Composting Hub) 29466.***

Her Worship the Mayor/Edgar

Carried

5.1 Nelson Youth Councillors – 27452

Nelson Youth Councillors Jaanvi Harrison, Maggie Goomes, Ruth Buckland and Isla Kennard, accompanied by fellow Nelson Youth Councillors, tabled additional information (A2630765) and presented the Nelson Youth Council submission. They emphasised points regarding a survey of Nelson Youth, Māori art and history in Whakatū Nelson and the proposed Elma Turner Library redevelopment, and answered questions regarding the submission.

5.2 Laurel Hilton – Good Gold – 27311 – the submitter did not attend.

5.3 Dean Straker – 28623 – the submitter did not attend.

5.4 Tim Bayley – 27277

Tim Bayley tabled speaking notes (A2634776) and spoke to his submission. He emphasised points relating to transport and parking, Upper Trafalgar Street, proposed rate increases, the proposed Elma Turner library redevelopment, and climate change, and answered questions regarding the submission.

5.5 Pierre Gargiulo – JS Ewers Ltd – 28353

Pierre Gargiulo spoke to his submission. He emphasised the importance of water security to the region's wellbeing and economy and encouraged Council to increase its contribution to the Waimea Community Dam project. Mr Gargiulo answered questions regarding the submission.

5.6 Stuart Walker – Alternative Power – 28864

Stuart Walker tabled a document (A2633621) and spoke to his submission. He emphasised points relating to risks of flooding, sea level rise and storm events, the proposed Elma Turner library redevelopment, parking in the central city, cycleways, and the maintenance of the road network.

5.7 Nelson McEwan – 29438L

Nelson McEwan spoke to his submission and tabled speaking notes (A2630723). Mr McEwan emphasised points relating to proposed rates increases, the proposed Elma Turner library redevelopment, and whether growth in Nelson was necessary or desired by the community.

5.8 Jane Murray and Rob Beaglehole – NMDHB – 27723

Jane Murray and Rob Beaglehole spoke to the submission. They emphasised the importance of reducing carbon emissions, increasing active and public transport, providing playgrounds, and improving drinking water standards and stormwater and wastewater networks.

They tabled a copy of the draft Good Food Cities Action Plan (A2633251), suggested ways in which Council could support this initiative over the

short, medium and long term, and answered questions regarding the submission.

- 5.9 Paul Matheson – Tahuna Business Association – 28732 – the submitter did not attend.

- 5.10 Lucinda Blackley-Jimson – Tasman Bays Heritage Trust – 28712

Tasman Bays Heritage Trust Chief Executive, Lucinda Blackley-Jimson, gave a presentation (A2630720) and spoke to the submission. She emphasised the importance of preserving the region's history through a purpose-built storage facility to care for the Nelson Museum's collection, and answered questions regarding the submission.

The meeting was adjourned from 10.27a.m. until 10.51a.m, at which time Councillors Fulton and Skinner were not present.

- 5.11 Katharine Malcolm – 28064

Kate Malcolm spoke to her submission. She emphasised her concerns regarding climate change and sea level rise, and encouraged increased investment in community libraries rather than the proposed Elma Turner library redevelopment. Ms Malcolm answered questions regarding the submission.

Attendance: Councillor Fulton returned to the meeting at 10.55a.m.

- 5.12 Caroline Vine – 28606

Caroline Vine tabled speaking notes (A2634812) and spoke to her submission. She emphasised her concerns regarding the proposed Mahitahi-Bayview housing development and answered questions regarding the submission.

- 5.13 Richard Martin – Nelson Rowing Club – 28326

Richard Martin spoke to the Nelson Rowing Club submission. He emphasised the Nelson Rowing Club's support of the proposed funding split to construct a Sea Sports building, and encouraged further Council investment in this area. Mr Martin answered questions regarding the submission.

Attendance: Councillor Skinner returned to the meeting at 11.03a.m.

- 5.14 Dr Caroline Wheeler – 27608

Dr Caroline Wheeler spoke to her submission and emphasised the importance of taking urgent climate change action. She encouraged Council to consider intensified housing, better drainage, increased native planting and the use of non-toxic weed control, and answered questions regarding the submission.

5.15 Dr Oliver Powell – 28636

Dr Olly Powell spoke to his submission regarding housing issues, including the importance of increasing the availability of rental housing, and residents living within walking or cycling distance of the urban centre. He encouraged the development of high-density multi-level housing in the inner city, and answered questions regarding the submission.

5.16 Megan Birss and Maxine Noar – Nelson Gymsports Collective – 28477

Megan Birss and Maxine Noar presented the submission, accompanied by Richard Carruthers. They gave a PowerPoint presentation (A2630721) and tabled a document (A2633438). They outlined potential participants in a Gymsports Hub, the proposed next steps for the Hub, explained funding requests made to Council, and answered questions regarding the submission.

5.17 Iain Sheves – Wakatū Incorporation – 28475

Iain Sheves presented the submission. He emphasised points relating to climate change action, the proposed Elma Turner library redevelopment, the Riverside and Science and Technology precincts, Project Kōkiri, York Valley landfill fees and potential areas for further housing developments in Nelson.

Mr Sheves explained a correction to Wakatū Incorporation's written submission, in that Wakatū Incorporation now supported Option Three, rather than Option One, in relation to the proposed arrangements for Port Nelson Limited and Nelson Airport Limited, and answered questions regarding the submission.

5.18 Susan Ledingham – 28564

Susan Ledingham spoke to her submission. She emphasised her support for the proposed Elma Turner library redevelopment as part of a Riverside Precinct, encouraged Council to develop a citizen-led forum to encourage innovation throughout the project, and answered questions regarding the submission.

5.19 Alastair Cotterill – 29430L

Alastair Cotterill tabled additional information (A2633601) and spoke to his submission. He emphasised his concerns regarding proposed expenditure, debt levels and rates increases, the proposed Elma Turner library redevelopment, the proposed science and technology precinct, the proposed Sea Sports building, environmental issues and weed control, and issues in the Tahunanui area.

5.20 Johny O'Donnell – 28470 – the submitter did not attend.

5.21 Christian Galbraith – 28445

Christian Galbraith spoke to his submission and tabled a document (A2634320). He emphasised his concerns regarding financial sustainability and the proposed rates increases and encouraged Council to prioritise spending on core infrastructure projects.

5.22 Richard Osmaston – Money Free Party NZ – 28438 (via Zoom)

Richard Osmaston spoke to the submission regarding his concerns about climate change, inequality, social issues and societal breakdown which he considered were a result of capitalism and the monetary system. He encouraged Council to engage extensively with youth, to embrace the concept of a money-free economy, and answered questions regarding the submission.

5.23 Les Edwards – Tasman Rugby Union Inc – 28400

Les Edwards spoke to the submission. He emphasised the Tasman Rugby Union Inc's desire for a high-quality, full-sized rugby training pitch in reasonably close proximity to Trafalgar Park, with Guppy Park or Neale Park noted as potential locations.

Mr Edwards clarified that Tasman Rugby Union Inc's priorities were for high-quality and well maintained surfaces (whether grass or artificial), lighting, and primary use by the rugby code. He offered the Tasman Rugby Union Inc's cooperation with regards to funding, volunteer labour and sponsorship towards the project, and answered questions regarding the submission.

The meeting was adjourned from 12.32p.m. until 1.26p.m.

5.24 Tilman Walk – 28530

Tilman Walk spoke to his submission regarding an experience with Council's building consent team and suggested improvements. He answered questions regarding the submission.

5.25 Rick Herd – on behalf of Todd Fyfe & Melrose Terrace Residents - 28870

Rick Herd tabled an image (A2630726) and spoke to the submission. He highlighted his concerns regarding the zoning boundaries for the Melrose Terrace area.

5.26 Stacey Fellows – Businesses for Climate Change – 27204

Katrina Kidson and Claire Keeling spoke to the submission. They highlighted the group's goals, businesses working in partnership, and providing resources for the business community in the region to transition. They asked for continued support and resources from Council and answered questions regarding the submission.

5.27 Natalie Gousmett – 27284

Natalie Gousmett spoke to her submission. She highlighted her vision for Nelson as a safe place to live, the need for climate change action, and active transport infrastructure. She spoke about her Facebook site entitled "A fantastic playground for Nelson" and the survey she had undertaken and answered questions regarding the submission.

5.28 Dr Fiona Ede – Tasman Environment Trust – 27734

Tasman Environment Trust Project Leader, Dr Fiona Ede, tabled additional information (A2630782) and spoke to the submission. She emphasised the potential of coastal eco-systems and blue carbon to help diminish the impacts of climate change. She asked for Council funding for a study of the Waimea Inlet to be undertaken and answered questions regarding the submission.

5.29 Richard (Ru) Collin – Brook Waimarama Sanctuary Trust – 27466

Brook Waimarama Sanctuary Trust Chief Executive, Ru Collin, provided a presentation (A2630817) and spoke to the submission. He highlighted points relating to economic development, the need for a solution for the management of the Brook Valley Holiday Park camp area, and support for a fundraising role and answered questions regarding the submission.

5.30 John Higginbotham – Nelson Consulting Engineers – 27579

Nelson Consulting Engineers Director, John Higginbotham tabled additional information (A2633464) and spoke to the submission. He spoke about the shading effect in relation to housing intensification.

5.31 Leeson Baldey – Warmer Healthier Homes Te Tau Ihu Charitable Trust – 28061

Leeson Baldey spoke to the submission. He answered questions regarding the submission about the successes of the scheme, and that some funds were likely to be returned to Council as not needed, challenges with rental stocks, improvements in building standards and the positive impact on new houses.

5.32 Julie Nevin – Nelson Tasman Climate Forum – 28471

Julie Nevin, supported by Joanna Santa Barbara and Karen Driver, provided a presentation (A2630816) and spoke to the submission. Ms Nevin highlighted the importance of a low carbon society and the need for ongoing operational funding to achieve this. Ms Santa Barbara spoke about regional carbon emission measurement and answered questions regarding the submission.

5.33 Derek Shaw – The Top of the South Athletics Charitable Trust – 28664

Derek Shaw spoke to the submission about funding for pole vaulting equipment for Saxton Field. He made a correction to the amount needed

to purchase the equipment, noting it was \$65,000, not \$60,000 and answered questions regarding the submission.

### **Extension of Meeting Time**

Resolved CL/2021/040

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

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

Her Worship the Mayor/Bowater

Carried

5.34 Julian Raine – Waimea Irrigators – 28904

Julian Raine spoke to the submission. He highlighted the importance of the Waimea Dam for the region.

5.35 Jacquetta Bell – 28337

Jacquetta Bell spoke to her submission. She highlighted the need to manage the climate crisis over the next ten years and said that the Long Term Plan was not sufficient to achieve this. She spoke against the Maitai Valley plan change.

5.36 Maria Anderson – Arts Council Nelson – 28382

Maria Anderson, supported by Janja Heathfield, Lloyd Harwood and Sophie Kelly, spoke to the submission. Ms Anderson highlighted the Arts Council's goal to purchase the Hardy Street site as the new Refinery Art Space. They asked for Council support. Ms Kelly emphasised the time pressure involved to confirm premises in order to deliver the arts programme and answered questions regarding the submission.

5.37 Lindsay Wood – Resilienz Ltd – 28431

Lindsay Wood, provided a presentation (A2630719) and spoke to the submission. He requested top priority be given to climate work and questioned the proposals in the Long Term Plan, such as the site chosen for the proposed library, the lack of urgency regarding the climate emergency, errors in the graphs contained in the Long Term Plan, and the lack of a sound climate strategy. He requested that Council take an integrated approach regarding transport, urban design and energy.

The meeting was adjourned from 3.33p.m. to 3.52p.m.

5.38 Ben Bushell – Community Compost Nelson – 29466L

Ben Bushell tabled additional information (A2633468) and spoke to the submission. He highlighted the request for financial support in form of a

short-term loan to finance the expansion of the Nelson bEartha Hub composting machine and answered questions regarding the submission.

- 5.39 Suzanne Bateup – 28233 – the submitter did not attend.

- 5.40 Jack Collin – Social Credit NZ – 28532

Jack Collin spoke to the submission. He highlighted concerns about Nelson becoming an unaffordable place to live and the impact rates had on this.

- 5.41 Her Worship the Mayor took a break from hearing submissions and invited Elected Members to identify additional information they would require for deliberations in relation to the submissions they had already heard. Elected Members were encouraged to email any further requests or questions to Group Manager Strategy and Communications, Nicky McDonald.

- 5.42 Gillian Bishop – Tasman Environmental Trust – 28488

Skye Davies spoke to the submission. Ms Davies highlighted core activities and focal points of the Trust and the financial support requested for core hub support services and project work and answered questions regarding the submission.

- 5.43 Barry Thompson – 28807

Barry Thompson tabled speaking notes (A2633465) and spoke to his submission. He highlighted concerns about the substantial level of rates required to fund various council projects. He requested Council reduce rates to reasonable levels. He noted concerns about the proposed library, spoke in support of the Link Road, in support of keeping Nelson Airport and Port Nelson separate and noted the need for an inner city multi storey carpark building.

Attendance: Councillor Skinner left the meeting at 4.33p.m. and Councillor Fulton left the meeting from 4.35p.m. until 4.40p.m.

- 5.44 Tim Babbage – Nelson Sea Sports Alliance - 27976

Tim Babbage spoke to the submission. He answered questions regarding the submission about steps taken by the Nelson Sea Sports Alliance to ensure the building of the seaports facility would be ready to commence and answered questions regarding the submission about the amount of rent the Alliance would be able to pay, noting it amounted to 10% of the commercial rate.

Attendance: Councillor Skinner returned to the meeting at 4.44p.m.

Hannah O'Malley – Good Food Group – 28492

- 5.45 Hannah O'Malley and Matt Robinson spoke to the submission. Mr Robinson highlighted the importance of food for human sustainability on



earth. He spoke about securing food procurement for plant based food, promoting healthy foods, and banning the promotion of unhealthy foods to influence consumption and answered questions regarding the submission.

Attendance: Councillor Noonan left the meeting at 5.01p.m.

5.46 Dr Aaron Stallard – Zero Carbon Nelson – 28769

Dr Aaron Stallard provided a presentation (A2630713) and spoke to the submission. He highlighted the need for the rapid reduction of greenhouse gases and the opportunities to achieve change through education, industrial processes, pedestrianising the city centre, intensification of housing and active transport mode shift and answered questions regarding the submission.

Attendance: Councillor Noonan returned to the meeting at 5.17p.m.

5.47 Paul Lowry – Waimarama Organic Gardens – 28496

Paul Lowry, supported by committee member, Ben Bushell, spoke to the submission. He spoke about organic gardening, composting, minimising food waste and working in partnership with other community groups to achieve common goals. He highlighted the initiatives they needed support for, i.e. infrastructure and maintenance and weed management and answered questions regarding the submission.

5.48 Richard Brudvik-Lindner – WICK – 28706

WICK Convenor, Richard Brudvik-Lindner tabled additional information (A2633466) and spoke to the submission. He highlighted concerns regarding the library replacement project and answered questions regarding the submission about a way forward. He spoke about combining inner city living with car parking and alternative funding models for mixed use facilities.

Attendance: Councillor Fulton left the meeting at 5.52p.m.

5.49 Philip Thompson – Nelson Bays Football/Tasman Rugby – 28319

Philip Thompson and Tania Billingsley tabled additional information (A2633467), provided a presentation (A2630724). Mr Thompson spoke to the submission highlighting the group's plans for Guppy Park, i.e. the installation of artificial turf and a new facility to create a hub to bring communities together and answered questions regarding the submission.

Attendance: Councillor Edgar left the meeting at 5.59p.m.

5.50 Susan Drew – 28495

Susan Drew tabled additional information (A2633469) and spoke to her submission. She spoke against the Maitai Valley subdivision and highlighted environmental impacts of the project. Emphasising the

concept of Tiaki, she asked Council to act as guardian of the environment.

5.51 Debs Martin – Forest and Bird – 28738 and 27917

Debs Martin spoke to her personal submission 27917. She highlighted the need for an improved public transport system and stressed that climate change needed to form part of every aspect of Council decision-making, ensuring that all of Council's investments were appropriate for Nelson's future.

Debs Martin, in her role as Regional Conservation Manager Forest and Bird, spoke to submission 28738, highlighting the importance of biodiversity and the threats to wildlife habitat posed by climate change and related infrastructure. Ms Martin spoke in support of Council's investment in weed control to support biodiversity, and about the need to investigate alternative management of wastewater going forward and answered questions regarding the submission.

Tabled Documents and Presentations Day 1 Draft LTP Hearings (4 May 2021)

The following documents were provided in support of submissions on Day 1 of the hearing of submissions.

**Attachments**

- 1 A2630820 late submissions to the Draft Long Term Plan 2021 - 2031 accepted on 4 May 2021
- 2 A2634303 - Updated Hearing Schedule Day 1 4 May 2021
- 3 A2630765 - Nelson Youth Council 27452 tabled document
- 4 A2634776 Tim Bayley 27277 speaking notes
- 5 A2633621 - Stuart Walker 28864 tabled document
- 6 A2630723 - Nelson McEwan 29438L speaking notes
- 7 A2633251 - Nelson Marlborough DHB 27723 tabled document
- 8 A2630720 - Lucinda Blackley-Jimson - TB Heritage Trust 28712 presentation
- 9 A2634812 - Caroline Vine 28606 and 27300 speaking notes
- 10 A2630721 - Megan Birss - Nelson Gymsports Collective 28477 presentation
- 11 A2633438 - Megan Birss- Nelson Gymsports Collective 28477 tabled document
- 12 A2633601 - Alastair Cotterill 29430L tabled document
- 13 A2634320 - Christian Galbraith 28445 tabled document
- 14 A2630726 - Rick Herd 28870 tabled image
- 15 A2630782 - Fiona Ede - Tasman Environmental Trust 27734 speaking notes
- 16 A2630817 - Ru Collin 27466 presentation

- 17 A2633464 - John Higginbotham 27579 tabled document
- 18 A2630816 - Julie Nevin 28471 presentation
- 19 A2630719 - Lindsay Wood - Resilenz 38431 presentation
- 20 A2633468 - Ben Bushell - Community Composting 29466L speaking notes
- 21 A2633465 - Barry Thompson 28807 tabled document
- 22 A2630713 - Aaron Stallard Zero Carbon Nelson 28769 presentation
- 23 A2633466 - Richard Brudvik-Lindner - WICK 28706 tabled document
- 24 A2633467 - Philip Thompson - Nelson Bays Football 28319 tabled document
- 25 A2630724 - Philip Thompson - Nelson Bays Football-Tasman Rugby 28319 presentation
- 26 A2633469 - Susan Drew 28495 tabled document

The meeting was adjourned at 6.23p.m. to be reconvened on Wednesday 5 May 2021.



## Minutes of a meeting of the Nelson City Council

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

**Reconvened on Wednesday 5 May 2021, commencing at 9.05a.m.**

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), Group Manager Community Services (A White), , Group Manager Strategy and Communications (N McDonald), Governance Advisers (E Stephenson and J Brandt) and Governance Support (K McLean and P Boutle)

### **5. Hearing of Submissions to the Draft Long Term Plan 2021 - 2031 and to the Draft Development Contributions Policy 2021 (continued)**

An updated hearing schedule was tabled (A2631909).

#### **Late submissions - 5 May 2021**

The following late submission 29467 from Jo Dell (A2632075) was received and Her Worship the Mayor advised that the following resolution was required to accept it.

Resolved CL/2021/039

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

- 1. Accepts the late submission 29467 from Jo Dell (A2632075) to the Draft Long Term Plan 2021 - 2031.***

Her Worship the Mayor/Edgar

Carried

5.52 Milo Coldren – 27126 the submitter did not attend.

5.53 Roslyn Taylor – 28774

Roslyn Taylor spoke to her submission regarding commercial and residential rating, the proposed Library Precinct, the Waimea Dam and water issues in the future.

Attendance: Councillor Lawrey entered the meeting at 9.12a.m.

5.54 Ludovic Romany – 27424 the submitter did not attend.

5.55 Elizabeth Dooley – 27256

Elizabeth Dooley spoke to her submission regarding the placement of the proposed Library Precinct, traffic and cycling safety, especially around parked cars, and the dangers of urban sprawl. She requested that dogs be allowed to travel on buses.

5.56 Tony Stallard – Seafarer Memorial Trust - 29457

Tony Stallard spoke to the submission regarding transferring ownership of the Trust to the city and answered questions regarding the submission.

5.57 Marianne H van Wanrooy – 27297

Marianne H van Wanrooy spoke to her submission regarding the Library and flooding issues and on what activities the Nelson CBD should be focused on. She suggested that the old H & J Smith building be considered for redevelopment as a new library.

5.58 Rose Michel von Dreger – 27291 the submitter did not attend.

5.59 William Stone – 27549 the submitter did not attend.

The meeting was adjourned from 9.34a.m. until 9.51a.m.

5.60 Susan Coleman – 28907

Susan Coleman tabled speaking notes (A2632618) and spoke to her submission regarding the importance of libraries and looking to the future for intergenerational projects. She discussed the options in the Draft Long Term Plan and the related costs and benefits to the community.

5.61 Daniel Jackson – 28012

Daniel Jackson spoke to his submission regarding the abolishment of library fines leading to increased library membership and borrowing and only a relatively small reduction in income and answered questions regarding the submission.

5.62 Sue Herd – 28883

Sue Herd spoke to her submission regarding Council's use of debt, raising rates, use of the Emergency Fund, watermain failures, aged infrastructure and reuse of the current library for redevelopment.

5.63 Ali Boswijk – Nelson Tasman Chamber of Commerce - 29541

Ali Boswijk spoke to the submission, noting the tight timeframe involved in preparation of the submission. She highlighted the challenges of growth, both in a national and global context, encouraging Council to work in partnership with them, central government and the private sector on innovative development. Ms Boswijk noted support for continued investment in infrastructure for economic development. She felt the library precinct had been badly named and should focus on stimulating the economy in that area. She noted that growth prediction figures were low, and not reflective of the last ten years and answered questions regarding the submission.

5.64 Andrew Dunlop – 27677

Andrew Dunlop spoke to his submission regarding proposed increasing debt levels, noting the threat of sea rise to infrastructure and the proposed Library precinct, the collection of home waste for composting, the costs of landfill and of the need for the community to think outside the square.

Attendance: Councillor Brand left the meeting at 10.30a.m.

5.65 Brian McIntyre – Friends of Wakapuaka Cemetery – 28290

Brian McIntyre spoke to the submission regarding the history of the group, noting its headstone restoration accomplishments, equipment purchased through community support and awards received.

5.66 Carrie Mozena – Nelson Tasman Housing Trust - 28427

Carrie Mozena spoke to the submission regarding the Trust's support for the Housing Reserve and future housing funding, possible investment from a future philanthropic donor and on land availability and demand and answered questions regarding the submission.

The meeting was adjourned from 10.46a.m. until 11.11a.m., at which time Councillors Fulton and Skinner were not present.

5.67 Yachal Upson – 28912

Yachal Upson spoke to his submission, noting his support for the submissions of Lindsay Wood, and the Nelson Tasman Climate Forum. He felt that bravery was required on climate reduction. He encouraged Council to support its staff through personal empowerment programmes.

5.68 Pip Stark - 27200

Pip Stark spoke to her submission regarding sea level rise and floods and the proposed Library Precinct location and suggested a referendum on the project.

5.69 Ben Pointer and Belinda Crisp – Nelson MTB Club – 28390 and 29442L

Attendance: Councillor Fulton returned to the meeting at 11.25a.m.

Ben Pointer spoke to the submission highlighting the growth and economic benefits of mountain biking in recent years, noting the need for supporting infrastructure to the Mountain Bike Hub and future plans and funding to bring large scale events to Nelson.

Belinda Crisp spoke regarding the Enduro World Series Event (7 - 10 April 2022) and planned major events, noting the economic impact on Nelson and risk to the Mountain Bike Club and answered questions regarding the submission.

Attendance: Councillor Skinner returned to the meeting at 11.39a.m.

5.70 Adrian Parlane – 28312

Adrian Parlane spoke to his submission regarding the benefits of the Marina being established as a separate entity and against the funding of the Seasports Building from the Marina account. He questioned the appropriateness of the building's location and answered questions regarding the submission.

5.71 Matthew Kidson – Kernohan Engineering – 28244

Matthew Kidson spoke to the submission regarding the proposed Library precinct, suggesting provision of the clear benefits to the community and clear communication. He suggested inclusion of residential properties in the precinct and answered questions regarding the submission.

Attendance: Councillor Brand returned to the meeting at 11.52a.m.

5.72 Alison Howard – 28523

Alison Howard spoke to her submission regarding the proposed Maitai subdivision and noted her concerns regarding the process followed, Future Development Strategy consultation and future population predictions.

5.73 Steven Gray – Friends of the Maitai – 28351

Steven Gray tabled additional information (A2629250) and speaking notes (A2634683) and spoke to the submission regarding the health of the Maitai and the need for fiscal investment, noting the historic pine planting. He highlighted the need for sustainable forestry management and for transparent accounting for Council's forestry assets. He spoke of

the lack of technical reports on stormwater for the proposed subdivision and answered questions regarding the submission.

5.74 Lloyd Harwood and Sophie Kelly– Arts Council Nelson – 29437

Sophie Kelly spoke to the submission regarding the relocation of the Refinery Arts space. She highlighted the growing support for arts in the region and the inclusive, positive, community arts projects it was able to support. Lloyd Harwood spoke to the rationale for the increase in the funding amount requested and answered questions regarding the submission.

5.75 Ren Kempthorne – 28855

Ren Kempthorne spoke to his submission regarding housing intensification and the Maitai development, noting that the site was not close to the CBD, requesting that Council say 'no' to developers. He suggested Buxton Square as a suitable area for development.

5.76 Matty Anderson – 28243 the submitter did not attend.

5.77 Maria Busching – 28237 the submitter did not attend.

5.78 Martin O'Connor – Federated Farmers - 28851

Martin O'Connor spoke to the submission regarding the rural differential, housing intensification and concerns regarding urban spread onto rural land. He noted support for the proposed Maitai subdivision and its close proximity to the CBD. He suggested that funding for climate change come for urban residents, noting that many farmers invest in climate change mitigation and suggested rates remission for natural disasters, droughts and declared national events and answered questions regarding the submission.

The meeting was adjourned from 12.33p.m. until 1.26p.m. at which time Her Worship the Mayor Reese and Councillor Skinner were not present.

Deputy Mayor Councillor Edgar assumed the chair.

5.79 Monica Pausina – Save the Maitai – 29443

*For a live recording please go to [this link](#). The link is provided here as the Council livestreaming was experiencing technical difficulties at the time.*

Monica Pausina, supported by Mark Hadlow and Rod Dickson and approximately 50 supporters, spoke to the submission opposing the proposed subdivision in the Maitai Valley. They highlighted the importance of preserving natural areas for the people of Nelson.



5.80 Mike Ward – 28790

Mike Ward spoke to the submission. He emphasised the need for a housing strategy and shared his vision for Nelson and answered questions regarding the submission.

Attendance: Councillor Fulton entered the meeting at 1.44p.m.

5.81 Lewis Solomon – Hardy Partnership – 27299

Lewis Solomon tabled additional information (A2633800) and spoke to the submission. He highlighted his opposition to merging Nelson Airport with Port Nelson and stressed that he was in favour of maintaining the status quo.

5.82 Anne Rush – 28892

Anne Rush spoke to her submission. She emphasised the importance of the arts for the region, and the need for an arts policy and strategy.

Attendance: Councillor Bowater entered the meeting at 1.53p.m.

5.83 Steve Cross – Nelson Residents Association – 27157

Steve Cross, supported by Bernie Goldsmith, provided a presentation (A2631377) and spoke to the submission. He emphasised that the Association did not support the proposed new company model for the Nelson Airport and Port Nelson.

Attendance: Councillor Skinner entered the meeting at 2.10p.m.

5.84 Ian MacGregor – 28787

Ian MacGregor tabled additional information (A2632077) and spoke to his submission. He emphasised issues associated with the proposal for a new company model for Nelson Airport and Port Nelson, and with the Stoke community centre.

Attendance: Councillor Fulton left the meeting at 2.14p.m.

5.85 Ifor Ffowcs-Williams – Cluster Navigators Ltd – 28888

Cluster Navigations Ltd Chief Executive, Ifor Ffowcs-Williams, spoke to the submission. He highlighted matters pertinent to Nelson's economic development and answered questions regarding the submission.

Attendance: Her Worship the Mayor Reese returned to the meeting at 2.29p.m. and resumed the chair.

5.86 Ian Barker – 28875

Ian Barker provided an image (A2630718), tabled speaking notes (A2633797) and spoke to the submission. He spoke about transport matters, recycling, the library, and the Science and Technology precinct.

5.87 Frances Day speaking for Craig Mills – Marsden Funeral Services – 28808

Frances Day spoke to the submission regarding the cemeteries consultation and the history of plot funding. He asked that Council allocates sufficient financial support to regional cemeteries, looks at several locations and carefully considers the cost of plots and answered questions regarding the submission.

5.88 John Fitchett – 27925

John Fitchett spoke to his submission. He emphasised concerns about borrowing money from future generations and asked Council to be prudent.

The meeting was adjourned from 2.55p.m. until 3.13p.m.

5.89 Heather Thomas – Citizens Advice Bureau Nelson Tasman – 28447

Citizens Advice Bureau Life Member, Heather Thomas, spoke to the submission. She emphasised her support for the redevelopment of the library as a multi-purpose facility in the river precinct.

5.90 Gaire Thompson – Thompson Property Group – 29420

Gaire Thompson spoke to the submission. He emphasised his concerns about the level of expenditure proposed in the Long Term Plan and answered questions regarding the submission.

The meeting was adjourned from 3.34p.m. until 3.37p.m.

5.91 Robert Stevenson – 28801- the submitter did not attend.

5.92 Andy Wotton and Paul Steere – Nelson Airport Ltd – 28802

Nelson Airport Board of Directors Chairperson, Paul Steere, provided a presentation (A2632094) and spoke to the submission. He emphasised the Board's concerns about a merger with Port Nelson and its unanimous opposition to the proposal in the Statement of Proposal. However, he noted the Board's support for a holding company to improve access to funding and the Board's preference for Option 3. Nelson Airport Interim CEO, Andy Wotton, highlighted the Board's reasonings for their position. Mr Steere answered questions regarding the submission.

5.93 Darryl Wehner, Geoff Dangerfield and Hugh Morrison – Port Nelson Ltd - 28018

Port Nelson Board of Directors Chairperson, Geoff Dangerfield, and Port Nelson CEO, Hugh Morrison, provided a presentation (A2633798), and spoke to the submission. Mr Dangerfield emphasised the Board's preference for combining the Port and Airport into one operational holding company and highlighted benefits to shareholders. Mr Dangerfield answered questions regarding the submission.

Attendance: Councillor Skinner left the meeting at 4.23p.m.

Tabled Documents and Presentations Day 2 Draft LTP Hearings (5 May 2021)

The following documents were provided in support of submissions on Day 2 of the hearing of submissions.

**Attachments**

- 1 A2631909 - Draft Long Term Plan 2021 - 2031 Updated Hearing Schedule - 5 May 2021
- 2 A2632075 Jo Dell 29467 late submission to the Draft Long Term Plan 2021 - 2031 accepted on 5 May 2021
- 3 A2632618 - Susan Coleman 28907 speaking notes
- 4 A2629250 - Steven Gray - Friends of the Maitai 28351 tabled document
- 5 A2634683 - Steven Gray - Friends of the Maitai 28351 speaking notes
- 6 A2633800 - Lewis Solomon 27299 tabled document
- 7 A2631377 - Steve Cross - Nelson Residents Association 27157 presentation
- 8 A2632077 - Ian MacGregor 28757 tabled document
- 9 A2630718 - Ian Barker 28875 tabled image
- 10 A2633797 - Ian Barker 28875 tabled document
- 11 A2632094 - Paul Steer - Nelson Airport 28802 presentation
- 12 A2633798 - Port Nelson Ltd 28018 presentation

The meeting was adjourned at 4.24p.m. to be reconvened on Thursday 6 May 2021.



## Minutes of a meeting of the Nelson City Council

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

**Reconvened on Thursday 6 May 2021, commencing at 9.04a.m.**

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), Group Manager Environmental Management (C Barton), Group Manager Community Services (A White), Group Manager Strategy and Communications (N McDonald), Governance Advisers (E Stephenson and E-J Ruthven) and Governance Support (K McLean and P Boutle)

### **8. Hearing of Submissions to the Draft Long Term Plan 2021 - 2031 and to the Draft Development Contributions Policy 2021 (continued)**

An updated hearing schedule (A2633078) was tabled.

#### **Late submission 6 May 2021**

The following late submission 29469 from Youth Nelson (A2633081) was received and Her Worship the Mayor advised that the following resolution was required to accept it.

Resolved CL/2021/041

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

- 1. Accepts the late submission 29469 to the Draft Long Term Plan 2021 – 2031 from Youth Nelson.***

Her Worship the Mayor/Edgar

Carried

Development Contributions

- 5.94 John McLaughlin speaking for Graeme Thomas – Marsden Park Developments – 28066

Attendance: Councillor Skinner entered the meeting at 9.08a.m.

Mr McLaughlin tabled speaking notes (A2634043) and spoke to the submission. He answered questions regarding the submission.

Attendance: Councillor Lawrey entered the meeting at 9.11a.m.

- 5.95 Dr Monika Clark-Grill – 28387

Dr Monika Clark-Grill spoke to her submission regarding Council's vision, supporting prevention of urban sprawl resulting in increased traffic and opposing the removal of the 25% reserves contribution for brownfield intensification, which was preferable to greenfield development.

- 5.96 Jackie McNae and Stephen Clements – 28737

Jackie McNae tabled an image of the Clements' development (A2634041) and spoke to the submission regarding brownfield development, the timing of contributions in the resource consent process and anomalies in the Development Contributions Policy. She answered questions regarding the submission. Mr Clements answered a question regarding the progress of the consent.

- 5.97 Jackie McNae – Stoke Valley Holdings Ltd – 28751

Ms McNae tabled a Ngawhatu site map (A2634045) and spoke to the submission regarding the site being a brownfield site rather than greenfield, the high level water reservoir, interim water storage, the increase in the community contributions and uncertainty regarding the proposed library precinct and effects on the payment/refund of contributions should the project not go ahead and answered questions regarding the submission.

- 5.98 Chris Fitchett – 27235

Chris Fitchett spoke to his submission regarding Council's financial position, debt levels/limits, current interest rates, deficit budgeting, liability for operating costs and highlighted the closure of both cycleways into Nelson at the same time and answered a question regarding the submission.

5.99 Peter Taylor – 28397

Peter Taylor spoke to his submission regarding incentivisation for developing brownfield sites, which he supported in principle, and disincentivisation of greenfield development.

LTP Submissions (continued)

6.00 Dan McGuire – 27028

Dan McGuire spoke to his submission regarding depreciation and Council spending on non-essential projects for what he considered political purposes, for example, the Library precinct and the Climatorium; the effect of rate rises on low income families, he suggested shelving of the Long Term Plan and advocating for the abolishment of local government if this did not happen.

Sarah Holmes and Ian Kearny – Nelson Tasman Business Trust – 28262 -

6.01 Sarah Holmes provided a PowerPoint presentation (A2630727) and spoke to the submission regarding the Trust's tight budget, increasing demand for business support and the cessation of COVID-19 funding, alignment with Project Kōkiri, and additional funding of \$30,000 per year. It was noted that additional funding had also been requested from Tasman District Council (TDC) for district events and services. Ms Holmes answered questions regarding the submission.

6.02 Peter Taylor – 28374

Peter Taylor spoke to his submission regarding the lack of climate change initiatives in the LTP, sea level rise, planning for climate change mitigation, the viability of the Port and Airport, redirection of resources to a new Council Controlled Organisation (CCO) to advise on these issues, the lack of cycleway funding and future planning based on current roading systems. He answered questions regarding the submission.

6.03 Dr Monika Clark-Grill – 27776

Dr Monika Clark-Grill spoke to her submission regarding climate change, reinforcing Mr Taylor's submission, preservation of the Nelson area, the housing crisis, preservation of the Maitai Valley and cyclist and pedestrian safety.

6.04 Maria Busching – 28237

Maria Busching spoke to her submission regarding the effects of climate change, lack of commitment to reducing the community's contribution to climate change in the LTP, housing development plans contradicting Council's declaration of a climate emergency, congestion levels, uninhabited residential properties being used for rental homes and advocating for retention of the undeveloped Maitai Valley.

6.05 Nigel Muir and Andy Morris – Sport Tasman – 28316

Attendance: Councillor Noonan left the meeting at 10.24a.m.

Nigel Muir and Andy Morris provided a PowerPoint presentation (A2634495) and spoke to the submission, thanking Council for its support, highlighting areas where they felt Sport Tasman could work more closely with Council, its focus areas, challenges and achievements and its response to Council's key priorities. They answered questions regarding the submission.

6.06 Lance Roozenburg – Kūmānu Environmental - 28792

Lance Roozenburg spoke to the submission regarding the Haven Precinct, the importance of the opportunity for recreation in the CBD, protection of Nelson's unique environment, enhancement of ecological values, positive environmental outcomes and acknowledgement of the built heritage.

Attendance: Councillor Skinner left the meeting at 10.35a.m.

Attendance: Councillor Noonan returned to the meeting at 10.36a.m.

6.07 Gaire Thompson - 28734

Gaire Thompson spoke to his submission regarding building regulations and associated costs and answered a question regarding the submission.

The meeting was adjourned from 10.43a.m. until 10.56a.m., at which time Councillor Fulton was not present.

6.08 Penny Molnar – Nelson Women's Centre – 28269

Penny Molnar spoke to the submission regarding innovation in the community sector, the reduction in the Community Investment Fund, struggling community organisations, affordable housing, the Housing Reserve having community and Māori representation and on the use of the Reserve.

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

Ms Molnar answered questions regarding the submission regarding the reduction in Community Investment Funding, which had been diverted towards Healthier Homes funding, and the Kingsgate Motel contract.

6.09 Lucy Charlesworth – 28228 the submitter did not attend.

6.10 Dr Gwen Struik – 27094 and 29446

Dr Gwen Struik provided a PowerPoint presentation (A2630715) and tabled additional information (A2632584). She spoke to the submission regarding the importance of enlarging and creating new marine reserve areas, sustainable fishing practice and the reduction of carbon emissions. Ms Struik quoted from her tabled document, asking that no further development take place in the tidal zone and answered questions regarding the submission.

Attendance: Councillor Skinner returned to the meeting at 11.15a.m.

6.11 Brian Ramsay – Nelson Community Patrol – 28051

Brian Ramsay tabled a document (A2634040) and spoke to the submission, thanking Council for its previous support, noting the things that had been achieved with the funding. He noted that vandalism had decreased since the Patrol's inception and spoke of the Patrol's activities and sources of funding.

6.12 Karen Driver – 27488

Karen Driver spoke regarding strengthening waste minimisation and supporting communities and the work being done in this area. She answered questions regarding the submission regarding key waste minimisation initiatives and building infrastructure, noting that she would like the waste minimisation grant increased. She felt that the food waste trial was a good opportunity to get organic material out of landfill and that it was better for people to compost their own material but that was not happening.

6.13 Daniel Levy – 27658

Daniel Levy tabled speaking notes (A2634797) and spoke to his submission regarding the Maitai Valley, noting his support for the Save the Maitai movement. He spoke regarding the private plan change request proposal, which he felt was disingenuous, suggesting that a subdivision be allowed within current allowable parameters.

6.14 Georgina Pattullo – Tasman Bay Backpackers – 27592

Georgina Pattullo tabled speaking notes (A2634721) and spoke to the submission regarding unconsented Airbnbs and the effect on small accommodation businesses. She suggested making the rules for commercial accommodation available on Council's website and that the rules be publicised and advocated for the appropriate use of houses built under special housing rules.

6.15 Eric Ingham – 27906

Eric Ingham spoke to his submission regarding reinstatement of access to the Delaware boat ramp, the environmental impact of allowing boats



to drive down the estuary, cultural significance of the land, historical estuary access and recreational estuary use.

6.16 Myriam Goos – 28014 the submitter did not attend.

6.17 Roland Goos – 28010

Roland Goos spoke to his submission regarding the proposed Maitai Valley subdivision, he felt that affordable housing was the key to solving housing problems and requesting a full assessment of the impact of the proposal on both people and the environment. He spoke of the difficulties of trying to find a small property in Nelson, and of strict building covenants requiring larger houses and answered questions regarding the submission.

Attendance: Councillor Lawrey left the meeting at 12.01p.m.

6.18 Richard Sullivan – 27486 (via Zoom)

Richard Sullivan spoke to his submission regarding future housing affordability in Nelson, proposed rates increases, Nelson as a low wage region, the cost of the Trafalgar Street bike rack, Council issuing consents to itself to discharge into the Maitai River, Council's performance, the effects of rates increases, the cost of the Library Precinct proposal, the need for better incentives for project delivery within initial budgets and the need for a real focus on wellbeing in the LTP.

6.19 Susan Macaskill – 28005

Susan Macaskill spoke to her submission regarding being a good ancestor (Tūpunu Pono). She encouraged Elected Members to think of people's descendants accessing and enjoying the Maitai Valley and advocated for affordable urban housing and the Maitai Valley becoming a reserve in the future and answered questions regarding the submission.

6.20 Anne Dickinson – Maire Stream Guardians – 28013

Anne Dickinson tabled photographs (A2634044) and spoke to the submission regarding protection of the Maire Stream and its history. Ms Dickinson provided a video showing the state of the stream and spoke to the tabled photographs, asking why the mud and shingle could not be kept out of the stream. A further video was displayed showing the dam, which was the main feed for the stream, and the surrounding area, and referred to the final photograph which showed what the Guardians would like to happen.

6.21 Mayor Tim King – TDC – 278267

His Worship the Mayor of Tasman, Tim King, spoke to the submission regarding additional funding for the Waimea Dam and growth pressure. He provided a history and rationale for the Waimea Dam proposal. He questioned the assumptions for Nelson City Council's low growth

predictions and noted the attractiveness of the region remained as a good place to live. He answered questions regarding the submission.

The meeting was adjourned from 12.46p.m. until 1.35p.m., at which time Her Worship the Mayor and Councillors Fulton, Sanson and Skinner were not present.

Deputy Mayor Councillor Edgar assumed the chair.

6.22 Nelson Greypower Inc – 29454L – George Truman and Sue Sara

George Truman and Sue Sara tabled a map of Marsden Cemetery (A2634703) and presented the submission, suggesting potential areas for expansion of the Marsden Valley Cemetery.

Attendance: Councillor Fulton returned to the meeting at 1.27p.m, and Councillors Sanson and Skinner returned to the meeting at 1.28p.m.

Mr Truman and Ms Sara submitted against establishing a regional cemetery, emphasised the importance of considering those aged over 85 when considering Council activities, and answered questions regarding the submission.

Attendance: Councillor McGurk left the meeting at 1.32p.m.

6.23 Tim Raateland – Nelson Lawn Tennis Club Inc – 27084

Tim Raateland spoke to the Nelson Lawn Tennis Club Inc submission. He emphasised the benefits of developing a clubhouse at the Nelson Lawn Tennis Club, and answered questions.

Attendance: Councillor McGurk returned to the meeting at 1.39p.m.

6.24 Jo Coughlan – NZ Chinese Language Week Trust – 26996 (via Zoom)

Jo Coughlan presented the NZ Chinese Language Week submission via audio-visual link, and advised that a [video link](#) would be shared. She highlighted initiatives and the growth in activities in recent NZ Chinese Language Weeks, and encouraged Council to consider providing funding to ensure a more sustainable financial footing for future NZ Chinese Language Week events.

Attendance: Her Worship the Mayor returned to the meeting at 1.49p.m.

Ms Coughlan answered questions regarding the submission.

Her Worship the Mayor resumed the Chair, at 1.54p.m.

6.25 Belinda O'Donoghue – 27211

Belinda O'Donoghue gave a PowerPoint presentation (A2630714) and spoke to her submission. She emphasised the need to consider how to recalibrate and support the local economy as the Nelson region and New

Zealand recovered from COVID-19. She encouraged Council to promote a 'buy local' campaign, including a hub for local and domestic-produced products, and answered questions regarding the submission.

6.26 Gaire Thompson and Sue Garner – Nelson Residents' Association – 27157

Gaire Thompson and Sue Garner presented the submission. They highlighted points against the proposed grant to the Cawthron Institute, the proposed contribution to the Waimea Community Dam, and the proposed Elma Turner library redevelopment. They spoke further about rates increases, the costs of environmental and weed control, and increased carparking and recycling bins in the central city. They encouraged Council not to paint a Pride crossing, and answered questions regarding the submission.

6.27 Tony Haddon – 27321

Tony Haddon spoke to his submission. He emphasised the negative effects the National Policy Statement on Urban Development had on Nelson against the Government's Immigration Policy, and encouraged Council not to re-zone the Maitai Valley or allow intensive housing development there. He suggested that the Maitai Valley should be made into a Regional park and preserved for the community, and answered questions regarding the submission.

6.28 Rt Hon Sir Don McKinnon – NZ Memorial Museum Trust – 26997

The Rt Hon Sir Don McKinnon spoke to the submission. He spoke about the actions of New Zealand soldiers at Le Quesnoy and emphasised the importance of New Zealand's war history being preserved in a museum on the Western Front, as other Allied countries had. He explained the Trust's fundraising goals, encouraged Council's financial contribution, and answered questions regarding the submission.

6.29 Caroline Vine – 27300 - The submitter had previously presented.

6.30 Diane Goodman – 27351

Diane Goodman spoke to her submission. She said the proposed Elma Turner library redevelopment was unwarranted, as the current library was adequate for Nelson's needs. She highlighted points relating to proposed rates increases, encouraged Council to focus on core infrastructure, and answered questions regarding the submission.

6.31 Mohun Krishnasamy – 27107

Mohun Krishnasamy displayed an image of Nile Street East (A2633121) and spoke to his submission. He emphasised the potential environmental impacts of the proposed Kaka Valley subdivision, including increased traffic movements on Nile Street East and related impacts on air quality. Mr Krishnasamy answered questions regarding the submission.

6.32 Eva Pick-Stone – 27156 - the submitter did not attend.

6.33 Gretchen Holland – 27194

Gretchen Holland tabled speaking notes (A2634696) and spoke to her submission. She emphasised the importance of quality green space, noted potential environmental effects of intensive housing in the Kaka valley, encouraged Council to protect the Kaka and Maitai Valleys as reserve land for the wider community, and answered questions regarding the submission.

The meeting was adjourned from 2.49p.m. until 3.03p.m.

### **Extension of Meeting Time**

Resolved CL/2021/042

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

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

Her Worship the Mayor/Bowater

Carried

6.34 Roger Gibbons – Nelson Marina Advisory Group - 27982

Roger Gibbons tabled additional documents (A2634134) and presented the Nelson Marina Advisory Group submission. He spoke about development at the marina, including the history of the proposed Sea Sports building project, and noted concerns with its proposed cost. He encouraged Council to consider the marina being run as a separate entity, and answered questions regarding the submission.

6.35 Debbie Daniell-Smith – 27781

Debbie Daniell-Smith accompanied by Brett Daniell-Smith, spoke to her submission. She emphasised points against expansion of the Marsden Valley cemetery or a regional cemetery, against Council contributing to the Waimea Community Dam, and encouraged a redeveloped library on Council-owned land rather than dealing with iwi. She spoke about proposed rates increases, and answered questions regarding the submission.

6.36 Aaron Stallard on behalf of Catherine Harper – 27262

Aaron Stallard presented the submission of Catherine Harper. He spoke against residential development in Kaka Valley, spoke about the importance of accessible green space to the community, and encouraged Council to protect the Kaka and Maitai Valleys from future urban development.

6.37 Emma Saunders – 27327

Emma Saunders, accompanied by her son Barnaby, spoke to her submission. She emphasised the importance of playgrounds and encouraged Council to include a greater range of challenging play equipment for a greater range of ages, increased shading and more drinking fountains in playgrounds.

Attendance: Councillor Noonan left the meeting at 3.31p.m.

Ms Saunders encouraged Council to prioritise a destination playground at Rutherford Park, and answered questions regarding the submission.

6.38 Steve Cross – 27967

Steve Cross spoke to his submission. He emphasised points regarding Council's operating budget and salary levels, Council communications, and Council's Emergency Fund.

Attendance: Councillor Noonan returned to the meeting at 3.47p.m.

Mr Cross spoke further regarding environmental pest and weed control, the food waste collection proposal, the Nelson Marina, and answered questions regarding the submission.

6.39 Joanna Plows – 28764

Joanna Plows tabled additional information (A2634135), and spoke to her submission. She highlighted points regarding climate change adaptation, retaining Kaka Valley as a green space, restricting vehicle access at Delaware Bay, supporting the Nelson Womens' Centre, incentivising vacant properties to be used for housing rather than Air-BnB-type accommodation, and limiting vehicle traffic in the central city. Ms Plows answered questions regarding the submission.

6.40 Naomi Solomon – Ngāti Toa – 28910 - the submitter did not attend.

The meeting was adjourned from 3.58p.m. until 4.08p.m.

6.41 Group Manager Strategy and Communications, Nicky McDonald, provided information regarding the processes relating to the upcoming meetings to deliberate on the draft Long Term Plan 2021 – 2031.

6.42 Her Worship the Mayor thanked all of those involved in the LTP hearings and gave particular thanks to the Administration Team.

Tabled Documents and Presentations Day 3 Draft LTP Hearings (6 May 2021)

The following documents were provided in support of submissions on Day 3 of the hearing of submissions.

**Attachments**

- 1 A2633078 - Updated Hearing Schedule 6 May 2021
- 2 A2633081 Late submission 29469 - Youth Nelson to the Draft Long Term Plan 2021 - 2031 accepted on 6 May 2021
- 3 A2634043 - Graeme Thomas - Marsden Park Developments 28066 tabled document
- 4 A2634041 - Stephen and Julie Clements 28737 tabled document
- 5 A2634045 - Jackie McNae - Stoke Valley Holdings Ltd 28751 tabled document
- 6 A2630727 - Sarah Holmes - NTBT 28262 presentation
- 7 A2634495 - Nigel Muir and Andy Morris - Sport Tasman 28316 presentation
- 8 A2630715 - Gwen Struik 27094 and 29446 presentation
- 9 A2632854 - Gwen Struik 27094 and 29446 tabled document
- 10 A2634040 - Brian Ramsay - Nelson Community Patrol 28051 tabled document
- 11 A2634797 - Daniel Levy 27658 speaking notes
- 12 A2634721 - Georgina Pattullo 27592 speaking notes
- 13 A2634044 - Anne Dickinson - Maire Stream Guardians 28013 tabled document
- 14 A2634703 - George Truman and Sue Sara - Greypower 29454L tabled document
- 15 A2634696 - Gretchen Holland 27194 speaking notes
- 16 A2630714 - Belinda O'Donoghue 27211 presentation
- 17 A2633121 - Mo Krishnasamy 27107 tabled document
- 18 A2634134 - Roger Gibbons - Nelson Marina Advisory Group 27982 tabled document
- 19 A2634135 - Joanna Plows 28764 - tabled document

**Karakia Whakamutunga**

A karakia whakamutunga was given.

There being no further business the meeting ended at 4.15p.m.

Confirmed as a correct record of proceedings:

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

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**REPORT R24777**

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**Deliberations on Submissions to the Long Term Plan  
2021-31 Consultation and Related Matters**

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**1. Purpose of Report**

- 1.1 To provide information and recommendations to support deliberations on the Long Term Plan 2021-31 consultation and related matters.

**2. Summary**

- 2.1 Council is required to consult with the community on its 10 year plan, the Long Term Plan, through a Consultation Document. Council has heard submissions on the Consultation Document and must now consider feedback provided by submitters and new matters which have arisen which may impact on the Long Term Plan 2021-31.

**3. Recommendation**

***That the Council***

- 1. Receives the report **Deliberations on Submissions to the Long Term Plan 2021-31 Consultation and Related Matters (R24777)** and its attachments (A2634256, A2642025 and A2641877).***

**4. Background**

- 4.1 The consultation period for the Long Term Plan 2021-31 (LTP) was open for four and a half weeks between 22 March and 21 April. 649 submissions were received over that period, as well as 20 late submissions, with 136 people speaking to their submissions at



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hearings on 4, 5 and 6 May. (Submission counts in this report refer to submissions received within the consultation period.)

- 4.2 588 submissions were made by residents of Nelson, 41 from residents of Tasman and 19 were from people residing outside the Nelson/Tasman region. 79% of submissions were made online.
- 4.3 One anonymous submission was made and has not been included as it is not possible to verify that it is authentic nor to comply with section 83 of the Local Government Act which requires that Council provide opportunities for submitters to present directly to elected members and inform them how they can take up that opportunity.
- 4.4 In addition to the Consultation Document, Council also invited submissions on the Revenue and Financing Policy, an amended Rating Policy and fees for the York Valley Landfill. Three other reports on this agenda consider items consulted on either within the Consultation Document or concurrently: Development Contributions; a new company model for the airport and port and redevelopment of the Elma Turner Library.

## **Discussion**

### **5. Transport**

#### Active Transport Linkages

- 5.1 Many submissions (97) asked Council to invest in more cycleways including linkages and improved cycle safety. The most common reason given for supporting more cycling was the climate change benefits of removing cars from the road but health, social and transport congestion benefits were also seen as important. There were eight submissions opposed to spending on cycleways.
- 5.2 Planning of a connected cycle network is a focus for 2021-24; thereafter construction budgets will be sought. This may need a review of budgets in the next LTP once completed planning reveals work scope and any issues. This includes working with Waka Kotahi for facilities on the State Highway depending on the Nelson Future Access Study outcomes. This also includes planning of two significant active transport corridors in Washington Valley and in connecting the Railway Reserve in Nelson South/Victory across to key destinations on Waimea Road and linking to Nelson East. Safety is a key focus and options being considered include reducing vehicle speeds to enable cyclists to feel comfortable travelling on roads mixing with car traffic.

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- 5.3 Council is encouraging the community to transition to more sustainable modes (cycling, walking, skateboarding, riding, scooters) and this includes cycleways. Placeholder funding (\$30.2 million) has been included in the LTP and includes short/medium term activities targeted at making the best use of existing infrastructure and that will improve safety and increase the attractiveness of walking and cycling. Improvements to active transport networks will also be made as part of the new and renewed footpaths programme, and through the minor improvements (or low cost, low risk) funding allocation.
- 5.4 Extension of the Atawhai cycleway was of interest to a number of submitters. This project is included in the LTP in years 2027-31 and discussions are underway with Waka Kotahi to identify a location and method of achieving this connection for Nelson North residents.

Parking

- 5.5 Some submissions asked for parking provision to be reduced to encourage the public to move to more sustainable forms of transport. Submitters will be referred to the Regional Land Transport Plan and the Regional Public Transport Plan for more details on how Council intends to support this. In addition, the work underway on a Parking Strategy will be referenced, with its consideration of land use for parking and how parking can best be managed to achieve the outcomes sought.
- 5.6 Some submissions requested park and ride options. This is covered in the Regional Public Transport Plan as a regional issue and is being led by Tasman District Council which is considering parking facilities in the outlying areas connecting to public transport systems.

6. **Utilities**

**Water Supply**

Waimea Dam

- 6.1 Some 15 submissions requested Council increase its contribution to the Waimea Dam while 8 were opposed. Some of those opposed didn't want Council to even continue with the, already approved, \$5 million contribution. There is a report on the Waimea Dam on this agenda and submitters will be informed of the outcome in line with the that decision making.

**Wastewater**

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Awatea Place wastewater pump station upgrade

- 6.2 The upgrade of the Awatea pump station is planned to be completed in the first two years of this LTP and \$10 million has been set aside for this, including \$1.44 million in the 2019/20 financial year. The work includes the recently completed Beach Road wastewater storage and also a new modern pump station that will replace two existing older pump stations and provide more storage capacity. Work is well advanced on the pump station with tenders advertised, now closed and prices currently being evaluated. Whilst Council has received approximately \$3.8 million towards this work from the Three Waters stimulus package, early indications are that current LTP funding is insufficient and an additional \$1.2 million will be required.
- 6.3 The increase in the project cost to \$11.2 million (including government contribution) reflects the complexity of the work (which includes very deep excavation) and the current market as a result of COVID-19, particularly the supply of materials and the supply chain.
- 6.4 Tender negotiations are yet to be finalised and, whilst savings may eventuate, in order to allow award of a contract early in the 2021/22 financial year, approval for up to an additional \$1.2million is sought in year 2 of the LTP. The award of the tender will go through the Tenders Subcommittee at the appropriate time.
- 6.5 This work plays an important part in contributing to two of Council's priorities - Infrastructure and the Environment. This upgrade will ensure that Council is looking after its assets in a responsible manner for future generations and is an essential upgrade that will contribute towards reducing overflows into our environment. This upgrade will see the replacement of two very old existing pump stations (that have both capacity and odour issues on very constrained sites), with a modern fit-for-purpose pump station. This work follows the recent successful upgrading of the City's Neale Park and Corder Park pump stations. Not continuing with this work would also place the much-welcomed government funding in jeopardy.

**Recommendation**

**That the Council**

***Approves provision for up to an additional \$1.2 million in year 2 of the Long Term Plan 2021-31 to meet potentially***

***higher than expected costs for the upgrade of the Awatea pump station.***

**Stormwater/Flooding**

Saxton Creek Stage 4

- 6.6 Stage 4 of the Saxton Creek upgrade is the last stage in a multi-year, multi-million-dollar project to upgrade the creek from Champion Road to the sea. Without this last upgrade section (Main Road Stoke to the sea) the benefits of the previous stages will not be realised. Stage 4 of the project is well advanced and is planned to be completed in the first three years of this LTP with \$19 million allocated (plus \$900,000 in the 2019/20 financial year). This project has also received \$7.5 million from the COVID-19 Response and Recovery Fund.
- 6.7 The project has been fast tracked and Council has embarked on an early contractor involvement process and whilst the price from the preferred contractor has not been finalised, early indications are that current LTP funding (that was based on preliminary design) is insufficient and that an additional \$4.3 million is required.
- 6.8 This work is taking place through private property; has very tight onsite constraints; is technically complex; involves dealing with working entities with complex daily operational requirements that must remain operational throughout the works; has to comply with strict ecological outcomes.
- 6.9 Tender negotiations are yet to be finalised and, whilst savings may eventuate, in order to allow award of a contract early in the 2021/22 financial year, approval for up to an additional \$4.3 million is sought, spread as follows:
- year 1: \$2,520,000
  - year 2: \$1,750,000.
- 6.10 The award of the tender will go through the Tenders Subcommittee at the appropriate time. This additional funding will increase the overall budget to \$24.3 million (inclusive of \$2.5 million contingency and government funding).
- 6.11 This work is the last stage of the Saxton Creek upgrade for an area that has experienced major flooding in recent years. Without this last stage the benefits of the work and funding put into the first three stages will not be realised. It will also place the much-welcomed government funding in jeopardy.

**Recommendation**

***That the Council***

***Approves provision for up to an additional \$4.3 million, being \$2,520,000 in year 1 and \$1,750,000 in year 2 of the Long Term Plan 2021-31, to meet potentially higher than expected costs for the completion of stage 4 of the Saxton Creek project.***

Ariesdale Terrace

- 6.12 Submission 27095 requests investigation of subsurface drainage issues in Ariesdale Terrace. The submission represents the concerns of residents of five properties. These residents are grateful for the support from Council officers in trying to find the cause of the runoff but so far all efforts have been unsuccessful.
- 6.13 Council remains committed to concluding the investigation into whether Council's existing infrastructure is contributing to this issue and developing a business case for extending the public stormwater network to this area which would enable private properties to connect into it.

**Recommendation**

***That the Council***

***Approves bringing forward \$40,000 from year 5 and \$40,000 from year 6 for the Ariesdale Terrace project to year 1 and year 2 of the Long Term Plan 2021-31;***

**7. Solid Waste**

Community Compost (submission 29466)

- 7.1 Waste minimisation includes all forms of waste diversion, including organic material that would otherwise go to landfill. Council is currently undertaking a kitchen waste trial to determine the viability of diverting organic material from landfill that will have the benefit of reducing methane production and encouraging behavioural change.
- 7.2 The work currently being undertaken by Community Compost (CC) in relation to growing its organic waste collection in the private sector aligns with Council's objectives.
- 7.3 CC has applied to the Ministry for the Environment (MfE) for funding to assist in growing its private sector collection. However,

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this MfE funding is insufficient to realise the full benefits of the project and CC has requested support from Council by way of a bridging loan to cover timing of MfE funding and through a grant to cover the shortfall.

- 7.4 In principle officers support any initiative to divert material from landfill and recommend providing CC with:
  - 7.4.1 Bridging funding (by way of an interest free loan) of \$45,000 that will enable it to commence work on design and production of "bEarth2" pending MfE payment, which is only paid on the successful delivery of project milestones; and
  - 7.4.2 A grant of \$32,000.
- 7.5 Officers have been in discussion with CC which has offered its current processing plant (bEartha1) as security against the loan. This is presently located at the Nelson Environment Centre yard and valued above the amount of the loan.
- 7.6 Officers recommend that Council approve a bridging loan and grant subject to conditions and further discussion with CC that would include:
  - 7.6.1 Prior to the release of funds from Council that CC demonstrates that it has the necessary approvals for its proposed site, all required consents, and public liability insurance.
  - 7.6.2 Where bEartha2 is to be used for any part of the Council kitchen waste trial, that all conditions of the kitchen waste trial contract would have to be met.
  - 7.6.3 The sharing with Council of all data on collection volumes and processing outcomes.
- 7.7 Officers note that while the installation of a second "bEartha" will demonstrate the upscaling of operational capacity by CC, that this does not indicate an assumed preference for this specific technology nor any preference/advantage in any future expression of interest for a potential city wide roll-out of kerbside kitchen waste service (should Council decide on this in the future).

## **Recommendation**

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

***Approves support for Community Compost's initiative to grow its organic collection operation through an interest free bridging loan of \$45,000 and a grant of \$32,000 (subject to conditions) as unbudgeted expenditure in the 2020/21 financial year.***

#### Good Food City

- 7.8 There were 10 submissions encouraging Council's support for the Good Food Cities programme. This is a programme run internationally by the C40 organisation and aims to deliver outcomes such as adoption of a sustainable diet with reduced meat and dairy consumption, 50% reduction in food waste (from 2015 volumes) and an increase in organic food sources.
- 7.9 Nelson Marlborough Health (NMH) has taken the lead on the Good Food Cities project, which is appropriate given the project's focus on diet, organic food and food procurement. NMH is also developing a Food Resilience Strategy.
- 7.10 Council is committed to being an active partner supporting NMH in this work. Our most significant contribution at present is the trial of kitchen waste processing – a priority because of the potential of this project to cut Nelson's CO<sub>2</sub> and methane emissions. However, there are many other areas where Council does support the project including through planting of edibles in our reserves, encouraging home composting and our Rethink Waste campaign which includes a focus on better use of food. Submitters will be told that Council looks forward to partnering with individuals and agencies to bring about changes in our food system that will benefit not just the health of the Nelson community but also reduce emissions.
- 7.11 NMH made one specific suggestion during its presentation at hearings, which is for Council to consider a policy of banning advertising of unhealthy food/drink on public transport and Council facilities. NMH offered to develop such a policy for Council to consider. Officers will have further discussions with NMH and report to Council about options for this and other Good Food City initiatives raised in NMH's draft Good Food declaration.

#### Landfill fees and charges

- 7.12 Fees and charges for the York Valley Regional landfill facility have been proposed to increase by 20%. 32 submissions were received

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on this matter and these were referred to the Nelson Tasman Regional Landfill Business Unit (NTRLBU) for consideration.

- 7.13 Of the 32 submissions received – 31 were in general support of landfill activities, with 1 submission opposing fee increases due to concerns with increasing fly tipping. Of the 31 submissions in support of landfill activities 14 stated support of increasing landfill fees as an incentive to divert waste from landfill; an additional seven stated support for landfill fee increases, and one supported user pays for landfill costs. The NTRLBU Board having considered this feedback endorsed an increase in York Valley Landfill fees and charges of 20%.
- 7.14 In addition, three submitters supported capturing and using landfill gas, which is a key initiative of NTRLBU, with the remaining submissions expressing support for emission reduction and/or waste diversion activities without specifically supporting increase in fees or charges.

***That the Council***

***Notes that no change is proposed to the 20% increase in Nelson Tasman Regional Landfill Business Unit fees that was consulted on.***

**8. Environmental Management**

Whakatū Whakamahere Nelson Plan

- 8.1 10.1 The Whakatū Whakamahere Nelson Plan budget for the period 2021-2031 does not incorporate any costs associated with repeal of the Resource Management Act or implementation of the anticipated replacement acts (Natural and Built Environments Act; Strategic Planning Act; Climate Change Adaptation Act). At this point, and until the legislation is released, there is significant uncertainty as to the extent of change required to give effect to the new legislation. There is also no information about transition timeframes, or clarity on requirements for combined planning with Marlborough and Tasman Districts. Until there is greater certainty about the replacement legislation it is impossible to forecast budgets with any degree of accuracy.
- 8.2 10.2 For this reason, officers recommend the LTP budget does not include Resource Management Act reform related costs, but that these costs are managed when the implications are clearer.



## **Recommendation**

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

***Notes that funding for Resource Management Act reform related costs are not included in the Long Term Plan 2021-31 and will be considered when the implications are known.***

#### Science and Technology Precinct

- 8.3 Those who commented on the Science and Technology Precinct generally supported it (32 submissions for, 7 opposed), though submission 27312 would prefer more funding from the private sector which will directly benefit from the project. Submission 27416 was concerned that development here might detract from work in other parts of the city (such as the Maitai River Precinct) and wanted Council to be sure all its initiatives supported each other and didn't compete. Those in support saw it as an innovative project with benefits such as growing Nelson's knowledge economy. The Chamber of Commerce (28541) suggested the development should include a regional conference centre facility.
- 8.4 Council has signalled its support for this project through a total funding contribution of \$5 million over three financial years - \$1.5 million in the current financial year as a contribution to the land purchase by Cawthron and \$3.5 million in the LTP towards site improvement work (\$1.5 million in year 1 and \$2 million in year 2).
- 8.5 The \$1.5 million contribution for the land purchase will be paid to Cawthron as a grant on the signing of the sale and purchase agreement between Port Nelson and Cawthron. As this is now expected to occur in October/November 2021, provision will need to be made to carry forward the \$1.5 million funding to year 1 of the LTP.
- 8.6 The estimated \$3.5 million proposed in the LTP towards this project was allocated to assist with site works necessary to enable the site footprint to be maximised and to make this hub a reality. At the time of writing the LTP, the extent of what this site work entailed had not been fully scoped by the Port or Cawthron. As part of the development scope two pieces of work were identified - ground improvement work and the need to realign an existing stormwater pipe, which currently runs through the site, to the south of the development discharging into Saltwater Creek.
- 8.7 The stormwater relocation work is estimated to cost \$2.8 million. To provide Cawthron with a clean site by November 2021, design and consenting of the stormwater work has commenced with work expected to start in July/August 2021. Council will engage a contractor directly for this work as this is a Council asset.
- 8.8 The need to realign the stormwater was not anticipated and Council now has a better idea of the cost following commencement and progression of detailed design. As a result it is recommended that the total contribution

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paid by Council towards this project, to allow for this unexpected stormwater work, be capped at \$5.5 million, with a contribution to Port Nelson for the development of the Science and Technology Precinct including ground improvements. The work to develop the site (including ground improvements) will be commissioned by Port Nelson and includes design and consenting costs, and Council will pay its contribution to Port Nelson on completion of the work. The final cost of the ground improvement work is not finalised by Port Nelson/Cawthron and Council is only providing a contribution towards this work irrespective of the final cost.

**Recommendation**

***That the Council***

***Notes that the estimated \$2.8 million capital funding for realigning Council's stormwater pipe will be transferred into the stormwater activity and depreciated; and***

***Approves a carry forward from 2020/21 to year 1 of the Long Term Plan 2021-31 of the \$1.5 million capital grant, payable to the Cawthron Institute (on the signing of the sale and purchase agreement between Port Nelson and the Cawthron Institute); and***

***Approves bringing forward \$2 million for the Science and Technology Precinct project from year 2 to year 1 of the Long Term Plan 2021-31; and***

***Approves a loan funded capital grant of up to \$1.2 million to Port Nelson as Council's contribution towards the development at the Science and Technology Precinct, payable to Port Nelson on completion of the works; and***

***Approves a provision of \$500,000 additional funding in year 1 of the Long Term Plan 2021-31 (bringing the total Council contribution to \$5.5 million) towards the Science and Technology Precinct.***

**9. Housing**

- 9.1 Approximately a third of all submissions received were in the category of housing affordability and intensification. Of those, about half commented on the proposed development in the Maitai Valley (see below). About a third urged Council to do more on intensification, particularly to increase density in the city centre in order to revitalise the city, and agreed affordability is a key issue. Responses will acknowledge that intensification of brownfield areas forms an important part of the city's growth planning, supported through the Council's Intensification Action Plan. However, as brownfield development generally involves the

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decisions of a large number of landholders (to add more than a second dwelling or to redevelop their site) it is a much slower process. To achieve the number of houses Nelson needs, greenfield development also plays a role to meet the city's growth.

- 9.2 Council will be looking at its property portfolio to see if any Council property can be used to leverage intensification, residential development and more affordable housing.
- 9.3 There was also support for the development of empty upper storeys in the city for residential, the use of Council property for housing, working with others to achieve housing goals and investment in supporting infrastructure (transport and wastewater).
- 9.4 Council has several work programmes to support housing. A package of initiatives was consulted on and received general support from the community.
- 9.5 Included in the LTP is funding for a new staff position to focus on intensification actions. This position will work with those seeking to intensify to assist them through the Council processes as well as deliver the City Centre Residential Conversion Fund. The role will essentially act as a navigator for Council processes and legislative requirements.
- 9.6 Officers have recently assessed the breadth of work to deliver the housing outcomes sought by the Council, and consider extra resourcing is required to implement Council's wide housing objectives. This would include working with Kāinga Ora, administration and delivery of the Housing Reserve and effecting greater change by encouraging a range of housing developments. An estimate of an additional \$128,000 in each of years 1 to 3 of the LTP is required.

**Recommendation**

***That the Council***

***Approves provision of up to an extra \$128,000 operating expenditure in each of years 1 to 3 of the Long Term Plan 2021-31 for additional resource to deliver housing outcomes required by Council.***

Transitional housing

- 9.7 Penny Molner presented on behalf of Community Action Nelson (submission 28269) at the LTP hearings. In her presentation, Ms Molner suggested that Council partner with the Nelson Women's Centre to provide for the potential purchase of the Kings Gate Motel for transitional and longer term housing for women and children in Nelson. The submission from CAN covered a number of housing issues but Ms Molner spoke specifically about the Nelson Women's Centre.

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- 9.8 Accommodation would be provided for up to 12 households. The site, in Trafalgar Street, is close to the Women's Centre and the motel units will be able to offer a range of accommodation: a four bedroom house, 4 - two bedroom, 4 - one bedroom and 2 studio units.
- 9.9 The Women's Centre is seeking to access Council's Housing Reserve for the development. At this stage however, the criteria for the Housing Reserve are still to be confirmed. Nelson Women's Centre is approaching other funding providers but at this stage has no firm commitment for funding. It has a timetable for deliverables and seeks to have tenants move in by September 2021. Officers will keep CAN informed as the criteria for the Housing Reserve are confirmed.

Growth assumption

- 9.10 Submission 28267 from the Tasman Mayor questioned Council's growth assumption, noting that it does not line up with what Tasman District Council is observing now or expecting in the future.
- 9.11 The first draft of the Council's population projections was developed in late 2019. Not long after this, New Zealand went into lockdown in response to the threat of COVID-19. During the lockdown, it was decided that Council officers should look in more detail at the potential effects of COVID-19 on the growth that Nelson might expect over the next 30 years. As part of this review, data showing the effect of recessionary periods on the various components that make up population growth was analysed and used to develop a revised population projection.
- 9.12 The revised population projection shows very low growth for the next three years before growth increases over time and returns to the pre COVID-19 growth rate. This is primarily driven by the assumed effect of COVID-19 on net migration. A peer review of the population projections was also undertaken by Infometrics in June 2020. The revised population projection was adopted by Nelson City Council on 12 November 2020. Following stronger than expected economic performance, Infometrics undertook a further review in February 2021 and confirmed that the population projection adopted in November 2020 should be retained.
- 9.13 While the growth anticipated by the projections is only around 4.5% over the next ten years, the growth projected over the period 2021-2048 (consistent with the Statistics NZ projection periods) is around 19%, or roughly comparable to the 21% projected by Statistics NZ in its 2018 base high series projection. Therefore, over the long term, it is expected that the planning for growth will be appropriate to meet the needs of the wider Nelson and Tasman regions.
- 9.14 It is noted that building consent and resource consent application numbers currently remain relatively strong. However, most new subdivision resource consent applications received in the last 6-12 months are for variations to existing consents to allow developers more

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time in the rate at which they roll out stages. Relatively few of the resource consents have been for new subdivisions.

- 9.15 There is a risk in relying too much on building consents for assessing the actual impact of COVID-19 on growth. This is primarily because work requiring a building consent in the last 6-12 months is likely to have been financially committed to before COVID-19. Therefore, the continued high number of building consents is reflective of growth pre-COVID-19 and may mask a reduction in growth over the last 6-12 months or growth to come in the very near future.
- 9.16 One key difference between Nelson and Tasman is that all of Nelson City's residentially zoned greenfield land is already serviced with infrastructure. Therefore, regardless of pre or post COVID-19 projections, our greenfield infrastructure programme in the LTP remains the same and is not preventing growth.
- 9.17 With Nelson City looking to rely more on intensification to cater for growth, the level of investment in infrastructure needed for say the Statistics New Zealand medium series in the next ten years compared with that of the Council population projections is negligible. This LTP contains funding to service three major areas for intensification – the city centre, Victory area and Washington Valley. All areas of the existing urban environment are able to accommodate a portion of intensification currently. Adopting population projections that take into account anticipated lower migration in the short term as a result of COVID-19 has not affected the rate at which intensification can be accommodated within the city.
- 9.18 Initial modelling undertaken as part of the Nelson City housing capacity assessment (under the National Policy Statement Urban Development) indicates that, currently, the high property prices seen in the residential market are driven primarily by a lack of sections being brought to the market and not by a lack of infrastructure serviced land. This is expected to remain the case for the medium term and indicates that some other intervention is required in the housing market to bring more supply to the market in Nelson. To this end officers are currently working with Kainga Ora on housing supply market interventions.

Holiday rentals

- 9.19 Hospitality New Zealand (submission 27202) spoke of the difficulty of finding affordable accommodation for workers, particularly given competition with AirBnB and other holiday rentals. Responses to these submitters will acknowledge that short term tourist accommodation has had a negative effect on local housing supply. Council will be reviewing its regulatory options and the possible rating solutions that are available for whole-house AirBnB type accommodation providers later this year.

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Maitahi/Bayview Development

- 9.20 Although the Consultation Document had noted that this development was not a matter for the LTP, the project attracted 128 submissions.
- 9.21 In responding to these submitters it will be explained that decisions about the Private Plan Change application for Maitahi/Bayview will be dealt with under a Resource Management Act process which will include community input through processes set out in the Resource Management Act. The notification process is an extensive and thorough process that involves a Section 32 (cost/benefit) analysis, public notification, submissions, further submission, hearings, decisions, and Environment Court appeal processes. This includes an analysis of the effects of that development on the environment. Submitters will be encouraged to check Council's website for information on the Private Plan Change application.
- 9.22 Some submissions called for the removal of the Maitai Valley from all Council plans or documents, including on the basis of previous documents. In relation to potential for residential development, the Maitai Valley has been considered in two growth planning documents. First, the Nelson Urban Growth Strategy in 2006 (NUGS) and second, the Nelson Tasman Future Development Strategy (FDS), which was adopted in 2019 and superseded NUGS.
- 9.23 In developing the FDS in 2018 and 2019, Council conducted a robust consultation process in accordance with the requirements of the National Policy Statement on Urban Development Capacity and part 6 of the Local Government Act. Council engaged widely through a range of mediums and the public was given information on development options and the opportunity to provide feedback. All feedback received was considered by Council in making its decisions on the content and adoption of the FDS.
- 9.24 The FDS identifies the broad location of potential growth areas to meet expected demand. Under that document the expected process for areas not already residentially zoned is for them to then be subject to further investigation via a Resource Management Act process. This will occur in the case of the Maitahi/Bayview development through the process to assess the private plan change application received by Council on 16 April 2021.
- 9.25 Some submitters on this topic requested that the Maitai Valley be made into a regional park or otherwise set aside for recreation purposes. The response to these submitters will be that, even if the land could be purchased, this would need to be weighed up against other uses of that ratepayer funding. Council holds around a quarter of the land area in Nelson as parks and reserves space. The cost of maintaining this land is substantial and careful consideration needs to be given to acquisitions of additional reserve land. Furthermore, the Maitai Valley in particular, is already well served with reserve land as well as considerable privately-

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owned forestry land which the public can access for recreation by way of permit or registration.

- 9.26 Many submitters also requested that Council meet Nelson's future housing needs through intensification and leave areas of green space undeveloped. Responses to these submitters will note that the Government's National Policy Statement on Urban Development directs councils to plan for growth in locations where people can easily access public transport, work, education and healthcare. The intensification of brownfield areas plays an important part in this growth planning, supported through the Council's Intensification Action Plan. However, as brownfield development is a much slower process, to achieve the number of houses Nelson needs greenfield development also has a key role in meeting the city's growth.

**10. Brook Waimarama Sanctuary Trust (submission 27466)**

- 10.1 The Brook Sanctuary (BWST) has submitted on a number of topics. Some requests were contained within its written submission, but others were raised at the annual Working Party with officers held during the submission period and reiterated at the hearings.
- 10.2 BWST has noted the Nelson Regional Development Agency (NRDA) destination management plan and its intention to develop a major new attraction near Nelson city and believes the Sanctuary can fulfil that role. The Trust would like funding for a regional economic impact.
- 10.3 Officers have discussed this possibility with NRDA and there are many objectives of the destination plan that BWST aligns with such as being low carbon, environmentally beneficial, close to the city centre. It is a key visitor destination but also important for talent attraction, community wellbeing and Nelson's brand image.
- 10.4 However, the destination management plan is still at a very high level and will undergo further analysis and work before actions are agreed. It is probably better at this point to focus the conversation on the economic contribution BWST can make to the Nelson region. Officers will facilitate a closer working relationship between NRDA and BWST.
- 10.5 BWST has also asked that Council make adequate provision for infrastructure investment in the Brook Valley Holiday Park over the ten years, particularly for improved parking, improved roading, improved internet access and site beautification.
- 10.6 Its top priority out of these items would be an upgrade of the road surface in the campground of 220m<sup>2</sup> leading to Sanctuary gates. Officers estimate this could be achieved at a cost of about \$9,400. There is a reseal of roading within the campground planned and if this was done at the same time there could be some savings achieved.
- 10.7 There has already been discussion between officers and BWST over provision of WiFi. The Trust has been having problems with WiFi at its

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outdoor classroom but recently received a grant from Transpower to fund UFB fibre from the Visitor Centre to the classroom. It is now focussed on a short length from the Brook Camp gate to the Visitor Centre. Officers have been investigating getting a connection to the Brook Campground and possibly from there to the water treatment plant. So there is a possibility to assist BWST through Council's project. The cost is likely to be in the order of \$80,000.

- 10.8 BWST would like to employ one new staff member to implement a fundraising strategy to help put the Sanctuary's funding on a more sustainable basis. This would require additional annual support of \$30,000 per year from Council, starting in year 1 of the LTP.
- 10.9 As there are a number of requests from the Trust, officers recommend focussing on capex items where Council is undertaking works and can include the Trust with some gain in efficiency and less impact on rates than ongoing opex commitments.

**Recommendation**

***That the Council***

***Allocates a provision of up to \$9,400 capital expenditure in year 1 of the Long Term Plan 2021-31 for resealing the 220m<sup>2</sup> of road leading to Sanctuary gates in conjunction with the reseal of roading within the campground; and***

***Further allocates a provision of up to \$80,000 capital expenditure in year 1 of the Long Term Plan 2021-31 to extend WiFi coverage for the Brook Waimarama Sanctuary, particularly to the visitor centre.***

Tasman Environment Trust (TET)

- 10.10 TET (submission 27734) was established in 2000 by Tasman District Council and other partners to administer the Cobb Mitigation Fund. In 2020 it amended its Deed to include the Nelson region within its area of activity.
- 10.11 TET presented twice at hearings, requesting \$50,000 funding support for its blue carbon research project and \$40,000 funding per annum for the core work delivered by TET.
- 10.12 Council provided a grant of \$20,000 to TET in the current financial year to support Nelson community conservation volunteer groups. There is an allocation in the draft LTP budgets for \$10,000 in year 1 as core funding. Given Council budgetary constraints officers are not recommending more funding be added. However, if Council did want to contribute it could consider allocating \$10,000 funding for years 2 and 3, and then reviewing the request for increased funding at the next LTP. By that time there will be more certainty about resource management reform, the



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National Policy Statement for Indigenous Biodiversity, the outcomes of Jobs for Nature applications and projects, and the value that TET can add in the Nelson-Tasman region as a community conservation hub.

- 10.13 With regard to the blue carbon project, it is true that knowledge of regional blue carbon stocks and sequestration rates may become increasingly important if a national blue carbon credit scheme is developed. Council has stated its desire for blue carbon and coastal vegetation to be considered as mitigation and adaptation initiatives in its submission to the Climate Change Commission report, and in keeping with that Council provided support for the recent (unsuccessful) application by TET to the Ministry for the Environment Freshwater Improvement Fund.
- 10.14 Restoration and enhancement of existing coastal wetlands and estuaries are currently being scoped, with a focus on saltmarsh and sea grass restoration, and these will be carried out over time through Council's coastal and marine programme. Before providing funding for the TET project officers consider more needs to be known about what specific use Council could make of the information, support from other partners (such as Te Taihū councils or iwi) and other opportunities in this space (there is work being done elsewhere in New Zealand and internationally). Officers will continue to develop the relationship with TET and consider opportunities to work together.

**11. Climate Change**

- 11.1 There were 147 submissions on climate change with most supporting Council being proactive on climate change. A number urged Council to progress as fast as possible and prioritise dealing with climate change over other spending. 10 submitters were opposed to work in this area.
- 11.2 Some submitters were concerned that Nelson needed to do more on the issue of retreat and two submitters would like to see consideration of wastewater treatment moving further from the coast (submissions 27388 and 27043). Council was also encouraged (submission 27388) to work with energy suppliers to see them develop a regional network of pay-to-use electric vehicle charging stations. Thirteen other submitters supported increased use of electric vehicles and/or the installation of electric vehicle charging stations.
- 11.3 The Youth Council (submission 27452) was looking for more urgency in Council's approach to climate change. It asked Council to message the community with ideas and actions that individuals can take, emphasising the enormity of the climate crisis. The submission particularly supported making collection of food waste a permanent

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activity, and urged action on banning single use plastic items such as cutlery and straws.

- 11.4 Some submitters spoke of the importance of better data to track progress on Nelson's emissions reductions. There was interest in an online dashboard that would track data by sector. Officers believe this would be a valuable tool for Council and the community and will investigate options.
- 11.5 There was support from submitters for both Council operations and the Nelson Region becoming carbon neutral as soon as possible, with 2030 as a goal for Council and 2045 for Nelson. Some submitters proposed that Council be carbon neutral by 2025.
- 11.6 There were a number of submissions that included consideration of nationwide issues, for example requesting that coal no longer be used as an energy source, and 16 which supported increasing the use of solar panels, by Council and the community.
- 11.7 There was some opposition to increased spending on climate change, including concern that Nelson's contribution to global warming was so small as to make our efforts meaningless in the overall context.
- 11.8 One submitter (submission 27147) suggested improvements to how climate change is covered on Council's website. A review of Council's climate change content on the website is, in fact, currently underway. Officers will be working over the next few months, with input from the Chair of the Environment and Climate Committee, on implementing the improvements that are identified.
- 11.9 Several submitters commented on the importance of Council Controlled Organisations developing carbon neutral and adaptation policies. There was also good support for Council to develop a climate change adaptation framework, although some submitters proposed that Council wait until central government has enacted the Climate Adaptation and Managed Retreat Act before making overarching plans.
- 11.10 The Businesses for Climate Action (BCA) group (submission 27204) has requested Council support of \$190,000 per year over the 10 years of the Plan for its work supporting our local business community to identify and action carbon reductions. Council has provided funding of \$28,880 in the current financial year.
- 11.11 BCA's vision is for Te Taihū to become the first zero carbon region in New Zealand. The work of BCA has a leadership aspect as it appears to be the first group of its kind in the country. Support for

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BCA's work would be entirely consistent with Council's climate change objectives and the Chamber of Commerce also spoke in support of its work. However, the sum requested, which totals \$1.9 million over 10 years, would be difficult to fund within the LTP's budgetary constraints.

- 11.12 Given the funding needs of BCA and the importance of its work in supporting Council objectives, staff have been developing a joint application between Council and BCA to the Tindall Foundation for a one-off grant of \$75,000.
- 11.13 The Nelson Tasman Climate Forum (submission 28471) has also submitted requesting financial support from Council. The Forum is another local approach that is leading the way for New Zealand. It has achieved a great deal in a little over a year since it was established with its Charter, Climate Action Book and many other initiatives. Council has funded the Forum since its inception (\$62,500 in 2020/21 and \$27,000 in 2019/20). Its work has recently been recognised through a grant from the Rātā Foundation for \$20,000 per year over three years and the group has two other applications underway in an effort to widen its base of support. Council is also, this financial year, supporting the waste subgroup of the Forum to build regional capacity to run repair cafes, through a small grant of \$2,000 from our waste reduction funding.
- 11.14 The Forum has requested \$160,000 each from Nelson City and Tasman District Councils over the first three years of the LTP. The Forum is a key partner and provides a vehicle to encourage the reductions in community emissions that will be necessary to achieve targets for Nelson. However, as with the Businesses for Climate Action request, this amount will be difficult to fund given budget constraints.
- 11.15 As both groups helpfully made early indications that they would be looking for funding support, officers have endeavoured to make savings in the expenditure approved from the Climate Reserve, anticipating these groups would be a priority for Council support at a time when operational funding would be particularly constrained. \$100,000 is available in the Reserve for Council to allocate to these community climate change projects if it so wishes. There is also \$50,000 per year already included in the LTP to support community climate change projects.
- 11.16 Officers suggest that the \$100,000 from the Climate Reserve be allocated to BCA over the first three years of the LTP to help in its drive to get 1,000 businesses to measure and report their carbon emissions (weighted towards years 1 and 2: \$40,000 year 1,

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\$40,000 year 2, \$20,000 year 3). In addition, half of the available funding for community climate action i.e. \$25,000, is recommended to be allocated to BCA in years 1 to 3 of the LTP.

- 11.17 This support should help BCA achieve the momentum and build the awareness amongst businesses necessary to achieve its goal of Te Taihuhu being the first national zero-carbon region. It could be hoped that, over time, BCA could benefit from more sponsorship within the business community, and the Mayor has offered to advocate and make introductions to that end.
- 11.18 Officers recommend that \$25,000 of funding for community climate action be allocated to the Climate Forum per annum for the 10 years of the LTP. The Forum is a valuable ally for Council in achieving carbon zero goals for the Nelson region and it will have a long-term role in behaviour change and awareness raising.
- 11.19 The net effect of these grants will mean that Council's total contribution to BCA will be \$203,880 and to the Climate Forum will be \$341,500 (including funding over the current and previous financial years).

**Recommendation**

***That the Council***

***Approves a provision of \$65,000 per annum for Businesses for Climate Action for years 1 and 2 of the Long Term Plan 2021-31 and \$45,000 for year 3; and***

***Approves a provision of \$25,000 per annum for the Nelson Tasman Climate Forum through the ten years of the Long Term Plan 2021-31.***

12. **Social**

Arts Council location

- 12.1 Nelson was previously housed at the Refinery on Halifax Street, paying a community lease. An earlier option considered was to redevelop this site into a community arts centre and a feasibility study was carried out. In the meantime, the Arts Council had to move to temporary premises at 114 Hardy Street while earthquake strengthening was carried out.
- 12.2 The Arts Council reports that the move to Hardy Street has resulted in some unanticipated benefits, including higher visitation and community engagement from being in a more central location. Consequently, the Arts Council has submitted a request for funding to purchase and stay permanently in the Hardy Street building. Council has funding allocated in years 1 and 2 of the LTP to continue to fund the lease at Hardy Street while options are being considered. There is currently no allocation in the LTP for a grant to contribute towards the capital purchase of a CBD building for an arts centre, or to redevelop the existing Refinery once earthquake strengthening has been completed.
- 12.3 There is a piece of work to be done in collaboration with the Arts Council to consider options around a community arts facility including funding, location and services. An application is currently being developed for government funding (available through Creative New Zealand) to support a review and update of Council's arts policy documents. This would be a good vehicle to have these discussions about a community arts facility with the Arts Council and the community more widely.
- 12.4 The Arts Council advises that the significant increase in visitors has put pressure on its resources. It advises it has managed the extra costs by drawing on reserves, but that this is not sustainable over a longer period.
- 12.5 The Arts Council currently receives \$72,258 as an operational grant along with a Refinery Arts Space grant of \$36,132. To meet the increased demand the Arts Council is requesting a further \$22,490 per annum (comprising \$6,240 to fund additional hours for the Arts Administrator and \$16,250 to fund additional hours for the Refinery Manager).
- 12.6 The requested additional funding would add almost \$250,000 additional opex across the life of the LTP. The services the Arts Council delivers to the community are highly valued but discussion at the hearings indicated that, with higher visitor numbers, there

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were income streams that hadn't yet been investigated. Officers recommend allocating part-funding for year 1 of the LTP to give the Arts Council time to consider/implement options to increase its revenue. Once that work has been done officers will report back to the Community and Recreation Committee on the outcome and Council can consider if it wishes to increase the services delivered through the Arts Council contract.

**Recommendation**

***That the Council***

***Approves a provision of up to \$12,000 in year 1 of the Long Term Plan 2021-31 for the Nelson Arts Council as transition funding while it works to investigate income options to offset the increase in visitor numbers being experienced at its new city centre location; and***

***Notes that the request from the Arts Council to assist with acquiring a new permanent location in the central city will be considered as part of the work to review and update Nelson's arts policy guidance documents.***

Nelson Centre for Musical Arts (NCMA)

- 12.7 Council is supportive of the proposal for a pocket park to be developed on NCMA land (submission 27451) and looks forward to working together on an agreement to enable the development and ensuing public access. It is proposed that Council include a \$25,000 contribution to the development on the basis that the NCMA will fund the remainder required to implement the landscape plan, and the NCMA will maintain the park to an agreed standard.

**Recommendation**

***That the Council***

***Approves provision for up to \$25,000 operational expenditure in Year 1 of the Long Term Plan 2021-31 for the development of a pocket park on Nelson Centre for Musical Arts land on the basis that the Nelson Centre for Musical Arts will fund the remainder required to implement the landscape plan and will maintain the park to an agreed standard.***

Cemeteries

- 12.8 There was a mixed response on the suggestion of exploring a regional cemetery site with Tasman District Council. 11 were in

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favour of this approach while 13 preferred a site within Nelson boundaries. Several of those preferring a Nelson site did so to on the basis of reduced travel-related carbon emissions or to help those who did not have their own transport. However, these benefits would be very much dependent on location and there are unlikely to be any affordable sites close to the city.

- 12.9 Some submitters (submissions 29035, 27452) suggested looking for more sustainable practices than burial, to save land for productive purposes such as housing. Submission 27338 would like consultation on families adding burials into existing family plots and encouraged the creation of a memorial garden for plaques as an efficient use of land.
- 12.10 Council does currently offer a natural burial area in Marsden Cemetery and cremation is used in Nelson about 75% of the time. There is also work at a national level to update the Burial and Cremations Act and investigate the use of alternatives such as resomation (low environmental impact water cremation) and innovative approaches used overseas where pressure for land is greater are also being monitored for suitability.
- 12.11 However, end of life choices are very personal and different cultures/religions have different preferences. Therefore, it is likely that for the foreseeable future Council will need to provide for ongoing demand for burials – forecast to be around 20% of interments. This is also important should there be a need for multiple burials in the case of events like pandemics or natural disasters.
- 12.12 Given the expected ongoing need for burials and the absence of locations near Nelson city for a cemetery officers recommend that a regional cemetery option be pursued with Tasman District Council as the most cost-effective and regionally efficient option.

**Recommendation**

***That the Council***

***Directs staff to work with Tasman District Council on the option of a regional cemetery in Moutere or Wakefield.***

Heritage

- 12.13 Submission 26988 from a group of Brook Sanctuary volunteers requested Council to prioritise protection of two water supply dams in the Brook Valley. They have observed the deterioration of both

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structures over the last 15 years and worry that this heritage will be lost to future generations.

- 12.14 Officers believe the next step would be a heritage conservation plan for these remnants of the municipal water supply, to determine what restoration is required and appropriate. This would inform future work and budget needs. As a first step officers propose to explore opportunities where grants could be applied for to support both a conservation plan and restoration.

Chinese Language Week

- 12.15 Submission 26996 requests funding of \$5,000 for Chinese Language Week which will be held across New Zealand 26 September to 2 October 2021. The Chair of the NZ Chinese Language Week Trust, Jo Coughlan, spoke at the hearings.
- 12.16 Council currently commits \$25,000 to strengthening economic and cultural ties with China through its biennial China Week festival. While supportive of national efforts to build awareness of China, it is recommended that Council continues to focus efforts on our local China Week and does not contribute extra funding to the national campaign.

Events

- 12.17 Submission 26989 proposes an annual edible garden/garden design festival in the Maitai with a public park established on the site of the Waahi Taakaro Golf Course. This is an ambitious proposal, the concept for which has been under development for some time. A number of elected members have been involved in discussions and the project has the endorsement of the then Chief Executive of the Nelson Regional Development Agency and support from the Manager of Uniquely Nelson. Next steps in the process outlined in the submission include forming a team to take the proposal forward and developing the concept at an estimated cost of \$50,000.
- 12.18 Officers recommend that the submitter make an application for funding to the Nelson Events Fund. Issues that would need to be expanded on would include the impact on the golf course, budget requirements, timeline for delivery and commitments from identified partners. Council officers are identified as needing to provide input and details about the level of the commitment would need to be considered.



**13. Parks and Active Recreation**

Sportsfields

- 13.1 Several submissions were received on the topic of sportsfields. These covered points such as the need for an artificial turf, lighting and overall provision.
- 13.2 The Tasman Rugby Union Inc (TRU) has indicated it would now be happy with a quality grass surface in preference to an artificial pitch. The main focus is location (Guppy or Neale parks) and the quality of the grass pitch. TRU would be able to contribute funding, volunteer support and help with sponsorship.
- 13.3 FC Nelson requested support for new club rooms at Guppy Park. The building is proposed to be owned by FC Nelson with a ground lease from Council, and all ongoing operational expenses would be covered by FC Nelson. A \$140,000 grant is requested from Council. FC Nelson continues to support an artificial turf located at Guppy Park.
- 13.4 In 2021, consultants Xyst Limited completed a review of sportsfield capacity and provided a report which addressed concerns relating to the demand for training areas, and the quantity and quality of sportsfields. (A copy of the report was circulated to elected members on 21 April and is available on Sharepoint).
- 13.5 Artificial surfaces are usually only contemplated as a last resort when the capacity of playing and training fields has been exhausted. Nelson City is not facing these issues and can meet demand using the existing grass fields. However, improvements to maintenance and lighting assets for these fields, as recommended by the Xyst report, would improve training capacity and reduce the burden on those clubs that currently provide lighting.
- 13.6 Officers recommend the following funding be added to the LTP to address sportsfield quality and useability:
  - 13.6.1 \$10,000 opex in year 1 and \$50,000 opex per year following that for additional maintenance to increase capacity by increasing hours of use
  - 13.6.2 \$50,000 opex in year 2 for investigation into improved lighting
  - 13.6.3 \$380,000 capex in year 4 for Neale Park lighting improvements and ground levelling

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13.6.4 \$300,000 capex in year 7 for Tahuna Reserve lighting improvements

- 13.7 Officers also recommend that further discussions be held with interested codes about developments at Guppy Park.

**Recommendation**

***That the Council***

***Approves a provision of an additional \$10,000 operating expenditure in year 1 and an additional \$50,000 operating expenditure per year thereafter for additional maintenance to increase sportsfield capacity by increasing hours of use; and***

***Approves \$50,000 additional capital expenditure in year 2 for investigation into improved sportsfield lighting; and***

***Approves \$380,000 additional capital expenditure in year 4 for Neale Park lighting improvements and ground levelling; and***

***Approves a provision of an additional \$300,000 capital expenditure in year 7 for Tahuna Reserve lighting improvements; and***

***Directs officers to hold further discussions with interested sports codes and Sport Tasman about future developments at Guppy Park and to report on options to the Community and Recreation Committee.***

Mountain bike trails

- 13.8 The Nelson Mountain Bike Club (NMTBC) (submission 28390) submitted about its plans to construct lower grade trails for those new to mountain biking (and also runners and walkers); a skills park; new events trails. It sees more large scale events coming to Nelson as a result of the collaboration between the Club and Council to develop mountain biking resources. It would like to see more funding in the LTP to support this work.
- 13.9 Staff hold regular meetings on a six weekly cycle with the NMTBC where relevant matters are discussed including projects and proposed budgets. Discussions with NMTBC on new mountain biking trails have been ongoing in the context of the review of the Out and About - On Tracks Strategy, underway over the past year. A strong theme through this engagement, including from the NMTBC, has been the need to rebalance the network by shifting

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the focus away from expert trails to developing more easier grade trails.

- 13.10 Proposed LTP budgets were shared with the NMTBC in early March which included over \$400,000 for new trails in the first three years, and \$700,000 total over the 10 years. Initial feedback from the NMTBC was that our thinking was “quite close”, however the NMTBC subsequently felt that more was needed after it understood that much of the funding in the first year was a carry forward.
- 13.11 The NMTBC has requested a range of new trails be constructed. This relates to both additional linking trails on Koata owned land and a new trail every two years to align with major events (event trails). Officers have contacted Koata Ltd which has confirmed that it has seen the NMTBC’s proposed trail schedule but hasn’t agreed to it at this time. Meetings with all parties are currently being arranged to discuss these priorities, but as trails on private land would require an opex grant, it is suggested that this opex would be better directed to the additional funding sought for the 2022 Enduro World Series event (see below).
- 13.12 It is noted that the NMTBC still has the option to progress these trails on private land through its volunteer programme or other fundraising. With regard to the requested event trails, given the nature of such events any new trail would be technically difficult and serve to perpetuate the issue identified through the recent Out and About - On Tracks engagement and Trail Grade Audits. This found that the network is unbalanced and stacked towards higher grade trails. Budget for new mountain biking trails already included in the proposed LTP focuses on lower grade/entry trails and is considered sufficient at this stage. A review through the 2024 LTP is considered appropriate as it will be able to be better informed by the reviewed Out and About - On Tracks Strategy (the draft of which includes a proposal for a Trails Advisory Group be established to determine new trails).
- 13.13 A number of more advanced mountain biking trails have recently been developed and in the immediate future Council is proposing to focus on enhancing the existing network (with targeted development to fill gaps) and developing easier trails, particularly the Maitai Valley floor route. Funding is included in the LTP every three years for a more significant trail. Funding has been carried forward to develop the P28 trail, and if this is unable to proceed could potentially be able to be used for other trail(s). The proposed carry forward is recommended below.

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- 13.14 The NMTBC submission includes lines for components of the Maitai Recreation Hub project (Maitai Hub trails, Maitai Hub Skills). This funding is in Council's budgets for 2020/21 and is proposed to be carried forward. The work includes funding for a linking trail from the Hub across the golf course to the Maitai esplanade trail, and developments within the Maitai Hub including a pump track and skills area.
- 13.15 The budget for the Codgers maintenance contract with the NMTBC has been doubled from \$30,000 to \$60,000 per annum within the LTP budgets. The draft LTP budgets also include an additional renewals budget for key trails. The NMTBC's submission requests a further increase to \$95,000 per annum for years 1 and 2, and from year 3 to \$140,000 per annum. Officers discussed this request with the NMTBC and it advised that the additional maintenance would be used for wider network and not just Council land. Staff propose any further increase be considered as part of the activity management plan development process for the Long Term Plan 2024-34, by which time a longer term agreement with Koata Ltd should be in place. This will enable an assessment to be undertaken whether further funding for maintenance is necessary.

**Recommendation**

***That the Council***

***Approves the carry forward of \$37,000 to increase the year 1 Long Term Plan 2021-31 budget for mountain bike trails to \$202,000.***

**Enduro World Series**

- 13.16 Council has previously agreed to support the mountain biking Enduro World Series (EWS) event in Nelson, with a grant of \$20,000 and underwriting of \$180,000. The support was agreed to in light of the expected economic benefits to the region during the event, and the ongoing benefits to Nelson from increasing its profile as a mountain biking destination. Provision was made in 2020/21 for \$30,000 of the underwriting to be paid from the Event Fund in 2020/21 and this, and the \$20,000 grant have been drawn down.
- 13.17 The event was previously planned for April 2020, but due to COVID-19 has been rescheduled for April 2022. COVID-19 and the closing of New Zealand's borders has affected the planning and delivery of this event – as a result there is now a higher likelihood of the event being at a smaller scale than originally envisaged.

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- 13.18 The NMTBC original budget for the EWS event included commercial sponsorship, central government funding via the Major Events Fund (which is now on hold until 2023), and gaming trust funds, all of which are now difficult to secure. The Club has accordingly requested that an additional \$50,000 be added to the \$180,000 underwrite in order to deliver the event. The NRDA and staff are working with NMTBC on updated budgets. However, as other funds will be difficult to source it is almost certain that the underwrite will need to be called upon.
- 13.19 Furthermore, a number of funding applications cannot be made until closer to the event but some expenditure will be required before other funds are received.
- 13.20 Therefore, staff are recommending that Council's contribution be converted to a grant. The total contribution for the event would then become \$250,000.
- 13.21 The NMTBC have worked for over three years to secure this event, and the organisers remain confident that, despite challenges, they can deliver a successful event that will meet Council and community expectations. NMTBC will need to remain flexible and work with the Enduro Series organisers on the running of the event.
- 13.22 The Nelson Regional Development Agency (NRDA) considers there are significant long-term benefits to Nelson if the event proceeds, even if travel restrictions are still in place next year. These include the promotion of Nelson as a destination for national and international mountain biking, with up to three million people being reached through social media.
- 13.23 Funding will be released as expenses are incurred and most of the funding will be drawn down close to or immediately after the event concludes. This will minimise the financial risks arising from possible further postponement or cancellation of the event due to COVID-19. The NRDA will continue to work with the organisers of the event to obtain sponsorship and other funding.

Event Fund Balance

- 13.24 In June 2019 Council agreed to an overdraft of up to \$150,000 for the Event Fund as a contingency, in case the underwriting for the event was required to be drawn down. However, as the event has been delayed the account is projected to have a positive balance of \$41,000 as at 30 June 2021.

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- 13.25 If Council agrees with the recommendation that a further \$50,000 be committed to the event then the overdraft of the Event Fund would be -\$38,000 as at 30 June 2022. On this basis staff are recommending an overdraft for the Event Fund of \$50,000 be approved for the 2022/23 year.

**Recommendation**

***That the Council***

***Agrees to convert Council's contribution to the Enduro World Series from underwriting to a grant; and***

***Approves an increase in Council's contribution to the Enduro World Series from \$200,000 to \$250,000; and***

***Notes that Council's contribution to the Enduro World Series will be made through the Event Fund; and***

***Notes that the Nelson Mountain Bike Club will continue to pursue additional revenue sources; and***

***Agrees the Event Fund overdraft limit to be up to \$50,000 for 2022/23.***

Saxton Field

- 13.26 The draft capital and operational figures relating to Saxton Field on which consultation was undertaken were those recommended by the Saxton Field Committee to each Council. Four submissions were received to the Tasman LTP in relation to Saxton Field and four submissions were also received to the Nelson LTP (28477, 28664, 28506, 27501). The submissions and staff recommendations on the submissions were considered by the Saxton Field Committee on 13 May 2021.
- 13.27 The staff recommendations do not alter the total capital budget in any particular year or alter the total spend for the 10 years. \$111,000 of changes are funded by deletion of the already completed Saxton Oval waste solution project and a reduction in the Champion Drive link – stage 2 construction budget to reflect savings in stage 1 construction works completed in 2020/21.

Hockey lighting

- 13.28 Nelson Hockey Association (submission 28506) submitted on the need for upgraded lighting at Saxton Hockey to meet television broadcasting standards. Staff understand that the cost of these lights would be around \$150,000 installed, provided that an

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engineering report advises that the lighting can be installed on the existing poles. Providing Hockey can raise 50% of this amount, officers from both councils are confident the remainder will be able to be funded from within existing budgets. Officers will work with Hockey as information around the proposal is firmed up.

- 13.29 The Saxton Field Committee discussed the request at a meeting on 12 May 2021 and recommended reallocation of \$75,000 (\$50,000 from an already completed wastewater project and \$25,000 from the saving in the Champion Drive construction project) to lighting in 2021/22.

**Recommendation**

***That the Council***

**Approves reallocation of \$37,500 within Saxton Field budgets in year 1 of the Long Term Plan 2021-31 to go towards upgrading lighting for hockey to meet television broadcasting standards.**

Pole Vault Facility

- 13.30 The Top of the South Athletics Trust (submission 28664) has requested a pole vault facility at Saxton Field, for a cost of \$60,000. The Trust would fund 40% (\$24,000) and requested funding for the remaining \$36,000 from both Nelson and Tasman District Council (\$18,000 from each) While acknowledging the number of users for such a facility would be small, the Trust believes it would allow Nelson to hold major meets such as the NZ Secondary School and the Athletics NZ Track and Field Championships.
- 13.31 The Saxton Field Committee discussed the request at a meeting on 12 May and recommended to reallocate \$36k from the saving in the Champion Drive stage 2 construction to pole vault facility in 2021/22.

**Recommendation**

***That the Council***

**Approves reallocation of \$18,000 within Saxton Field budgets in year 1 of the Long Term Plan 2021-31 to go towards the cost of a pole vault facility; and**

**Notes that the Top of the South Athletics Trust will raise 40% of the cost of the pole vault facility.**

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Gymsports Building

- 13.32 The Nelson Gymsports Collective submitted about its plans for a Nelson Move Hub. This would be a significant new facility and the Collective's preferred location is Saxton Field.
- 13.33 A gym sports facility has been identified as a potential facility for development in Nelson within the Regional Sport & Active Recreation Spaces and Places Strategy for the Top of the South Island. This proposal is one of many competing priorities for space and resources on Council administered land and further work will need to be done to establish how it may fit within Council's wider goals for the community. There is certainly value in a better, purpose-built facility for gym sports participants, and it would have the potential to cater for a wider variety of users. As the preferred location is Saxton Field officers recommend the request be referred, in the first instance, to the Saxton Field Committee for consideration as a regional facility.

Wakapuaka Cemetery

- 13.34 Friends of Wakapuaka Cemetery have been working in the cemetery, cleaning and working on headstones, cutting grass, clearing areas and caring for the site. Council is looking to partner with the group by way of a memorandum of understanding which is currently being drafted.
- 13.35 The group has requested a range of Council support for improvements at the cemetery. Officers have prioritised the requests as follows:
- 13.35.1 Tree maintenance can be supported from existing budgets
  - 13.35.2 Trees and shrub clearance would be costly and impractical to provide
  - 13.35.3 Future plantings are supported at \$5,000 capex per year for the next three years
  - 13.35.4 Gate locking is already done
  - 13.35.5 Doggy doo bags have been assessed but are not considered necessary
  - 13.35.6 No entry sign can be provided in year 1 from existing budgets



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- 13.35.7 The request for grave markers requires further officer investigation, as family input is potentially required
- 13.35.8 \$3,500 capex is suggested in year 1 to make the garage more usable
- 13.35.9 Mowing slopes is recommended at \$2,500 opex per year
- 13.35.10 Cemetery maps would require a significant investment of staff time and so are not supported at this time
- 13.35.11 Interpretation boards are supported at a cost of \$7,000 capex in year 1 and 3
- 13.35.12 The current roading budget is considered sufficient for work needed
- 13.35.13 Work on the steps and wheelchair access is not recommended as a priority at this time
- 13.35.14 Officers support the request for seats at a cost of \$4,000 capex in year 1
- 13.35.15 Officers support branded blocks identifying specific denominations at a cost of \$1,000 capex per year

**Recommendation**

***That the Council***

***Allocates the following provisions for work at the Wakapuaka Cemetery in the Long Term Plan 2021-31 of up to:***

- a) \$5,000 capital expenditure per year for years 1 to 3 for plantings***
- b) \$3,500 capital expenditure in year 1 to make the garage more usable***
- c) \$7,000 capital expenditure in years 1 and 3 for interpretation boards***
- d) \$4,000 capital expenditure in year 1 for seating***
- e) \$1,000 capital expenditure per year for blocks to identify denominations***
- f) \$2,500 operating expenditure per year for slope mowing.***

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Pest plant control

- 13.36 There was a very good level of positive interest in this significant budget, with 77 submissions in support with none opposed (18 with no clear position). One submission (submission 27145) noted the need to also control long grass and gorse because of the fire risk to neighbouring properties. Council is aware of this risk and has commissioned a report to evaluate the current procedures and thresholds for closing reserves as well as a separate study looking at how to minimise risks in reserves and risks to adjoining properties.
- 13.37 A number of submissions also asked Council to end the use of glyphosate. Council has considered alternative methods of weed control including mulch, mechanical, steam/foam and plant-based herbicides but these options cost three to four times as much. There has been work to reduce use of glyphosate through increased mulching and grazing and resources are included in the LTP to develop a Glyphosate Policy in 2021/22.
- 13.38 A number of other submissions asked if the funding could be available to private landowners. These submitters will be advised that the Nelson Nature, Significant Natural Area and Biosecurity programmes provide opportunities for pest plant control for priority sites on private land, including bio-corridors sites.

Sea Sports Building

- 13.39 52 submissions supported Council's proposal to fund 80% of the Sea Sports building with 10 against. Submission 27312 agrees it is a good project but would prefer Council support to be capped at 40% of the cost. The Youth Council (submission 27452) asks that youth in the affected sea sports groups be worked with closely through the project, noting that many youth belong to these groups, are impacted by the current overcrowding and need an outcome that ensures cohesiveness between the users of the new building.
- 13.40 Some submitters raised concern with the safety issues of the current location of the existing sea sports building. Safety issues relate to the use of the boat ramp with trailer boats launching by vehicle at the same ramp as waka ama and kayaks etc are launching by foot. In addition, the sea sport users need to navigate the marina channel, including travelling past commercial fishing wharves, in order to enter the Haven area. This is a particular hazard for coxless rowing boats, where the rowers are travelling backwards.

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- 13.41 The draft Marina Masterplan acknowledges that this is an issue and alternative locations may need to be considered for the building.
- 13.42 Submission 27976, from the Nelson Sea Sports Alliance, supports Council's proposal and has indicated it believes it could raise 20% of the project cost within 18 months, based on positive indications from potential funders.
- 13.43 Currently Council's 80% contribution to costs is proposed to come from the Marina account which, being a closed account, means there would be no impact on rates. Some submitters opposed this and requested that this be funded from general rates as for sporting facilities at Saxton Field, for example.
- 13.44 Expenditure on the Sea Sports building is not proposed until year 2 of the LTP. By that time there will have been more work undertaken on Marina governance, management and the Masterplan, which will inform Council's consideration of whether it is appropriate for the Marina activity to contribute to related community outcomes. Officers therefore recommend no change to the draft LTP at this stage.

**Recommendation**

***That the Council***

***Agrees that Council will make provision to fund 80% of the cost of the Sea Sports building with the expectation that users will raise a minimum of 20% of the total construction costs.***

Surf Life Saving club rooms

- 13.45 Nelson Surf Life Saving Club (Submission 26990) has requested Council assistance with a project to develop a base at Tahunanui beach. The proposal is for a two-stage development, which the club estimates would cost \$300,000 for the initial building to house equipment and a further \$500,000 to add a second storey for more storage and a meeting/training room. It estimates one third of the cost can be achieved by donations of time, material and fixtures from various trades. It plans for the remaining funds to be raised by the club and committed by Council.
- 13.46 The Tahunanui Reserve Management Plan states 'No new permanent buildings will be erected in the Coastal Management Area'. The proposal provided in the Club's submission is unlikely to be acceptable under the Plan.

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- 13.47 However, staff had previously been working with the Club on the design of a small, modular, relocatable facility located on the back dune, with access to the beach. With careful design staff believe it would be compatible with the Plan. Recent discussions suggest the Club would be interested in modifying its submitted proposal to something more in keeping with these earlier discussions.
- 13.48 If Council sees merit in further consideration of the project officers will bring a report to the Community and Recreation Committee explaining options in more detail. As the initial stage of the request to Council is around provision of land and assistance with assessment of engineering designs and with the consenting process, it is not recommended that any funding be included in the work programme at this stage.

**Recommendation**

***That the Council***

***Directs officers to liaise with the Nelson Surf Life Saving Club about the proposed hub at Tahunanui in order to prepare a report for further consideration of the project by the Community and Recreation Committee.***

Lawn Tennis Club rooms

- 13.49 The Nelson Lawn Tennis Club is requesting Council support to establish a club house in Rutherford Park adjacent to its eight astro turf courts. The building would include a storeroom/office, kitchenette, two toilets, shower and a meeting room/events space as well as a covered viewing deck. The Club advises it can, through fundraising and use of free services from supportive professionals, achieve this project with no financial input from ratepayers.

**Recommendation**

***That the Council***

***Notes that the establishment of a tennis club house in Rutherford Park would not require ratepayer funding; and***

***Directs officers to liaise with the Nelson Lawn Tennis Club about a potential site and lease conditions and bring a report to the Community and Recreation Committee for further consideration.***

Seafarers Memorial

- 13.50 Submission 29457 on behalf of the Seafarers Memorial Trust requests that Council take over ownership of the Sunderland Memorial Pier and a sculpture. The memorial for seafarers consists of the Pier and a bronze sculpture of a seafarer commissioned from Grant Palliser in 2000 by the NZ Fishing Industry.
- 13.51 There would be a cost for future maintenance of the memorial. However the Trust or its nominated community groups still intend to run the popular "Blessing of the Fleet" and it is not intended that Council take responsibility for the event.
- 13.52 There are some issues to be explored with the Trust to fully understand the implications of its request. Officers will work with the Trust and bring a report so that Council can be fully informed in making a decision.

**Recommendation**

***That the Council***

***Directs staff to have discussions with the Seafarers Memorial Trust about the request for Council to take ownership of the Seafarers Memorial and to bring a report to the Community and Recreation Committee for consideration.***

**14. Economic**

- 14.1 There were 37 submissions in support of the extra \$350,000 for Project Kōkiri 2 and 11 opposing. Those opposing would have liked more detail on how the extra funding would be spent, felt the economic recovery was going better than expected or felt that economic development was not a role for local government.
- 14.2 Some submitters supported additional funding beyond the proposed increase eg submission 27202 from Hospitality New Zealand which described Project Kōkiri as a fantastic project and encouraged extra funding to support hard hit tourism and hospitality businesses struggling to survive post COVID-19.
- 14.3 Some submissions provided feedback on the areas of most importance for regeneration of the Nelson region and this feedback will be shared with the Nelson Regional Development Agency.

## **Recommendation**

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

***Approves provision of up to \$350,000 per annum additional funding in years 1 to 3 of the Long Term Plan 2021-31 for implementation of Project Kōkiri 2.***

#### Nelson Tasman Business Trust (NTBT)

- 14.4 NTBT provides business advice and mentoring services to small businesses and non-profit organisations and has long been supported by Council (\$39,000 per year budgeted in the draft Plan). Its services have been in higher demand post-COVID from struggling existing businesses and also new enterprises arising out of necessity due to unemployment/redundancy.
- 14.5 NTBT has requested an additional \$30,000 per annum to cope with this need and also to take advantage of an opportunity to extend its support by employing an additional staff member to facilitate extra networking and client advice services. This contribution from Council would cover half the cost of the new staff member and NTBT would find the remainder from other sources. The Trust advises that 90% of its service and events are based in Nelson and there is demand for more of a presence in Tahunanui and Stoke.
- 14.6 The NTBT Deed does not allow charging for services and officers asked if that might be looked at. However, trustees have considered this option in the past and concluded that for small businesses it is important to offer a free service. NTBT commented that charging would also change the nature of the service into more of a commercial operation, with a likely reduction in assistance from mentors and others who give their time for free. It also felt that a change now, in the stressful post-COVID environment, would not be advisable.
- 14.7 Officers believe this request for extra resources would be worth exploring with the Regional Skills Leadership Group as it delivers on outcomes that Group is pursuing to meet local skills and workforce needs. Support may be available from partners such as the Ministry of Social Development. Officers will work with NTBT on this approach.

15. **Corporate**

Rates/Debt

- 15.1 There was support for the debt/rates balance Council has proposed, including from the Youth Council (submission 27452) which wanted to see Council continue to invest in the futures of Nelson's rangatahi and tamariki and, in particular, tackle climate change and the ongoing economic and social impacts of COVID-19. However more of those who submitted on the issue of rates and debt wished to see rates and debt kept to lower levels. Some were concerned about the pressure rising rates would place on residents whose employment had been affected by COVID-19 (submission 27379).

Commercial differential

- 15.2 The proposed reduction in the commercial differential seeks to re-balance general rate funding between commercial and residential ratepayers, with the 0.5% reduction in the commercial differential to be spread across all commercial ratepayers for the first three years of the Long Term Plan. There were limited views from submitters.
- 15.3 Since the commercial differential was introduced, the increase in residential rating units has far outstripped the proportional increase in commercial rating units. To address this, Council approved in the 2018-28 Long Term Plan to reduce the commercial differential by 0.5% each year for five years, reviewed annually. While this has had a positive impact in reducing rates in the CBD and Stoke over the past three years, there is now a disparity in rates paid by other commercial ratepayers. Officers recommend proceeding with the proposal in the Consultation Document.

Reduction in Uniform Annual General Charge (UAGC)

- 15.4 There was one submission directly commenting on UAGC and the concern with the ability to pay rates. The Consultation Document proposed that the UAGC be reduced from 14% of total rates to 13%. This is to reduce the fixed proportion of the rates so that the lowest value properties don't see a steep increase relative to high value properties. Officers recommend proceeding with the proposal in the Consultation Document.

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Funding Impact Statement

- 15.5 The consultation document proposed a range of changes to the dates where rates and water invoices are issued, the penalties on rates (reduced to 5%) and water (removed) and the removal of rates annual payment discount. There was no significant feedback on these changes.
- 15.6 The proposal to remove the rural rating differential for residentially zoned properties over 15ha was opposed by Federated Farmers (submission 28851) as it would like Council to encourage productive land use rather than housing development.
- 15.7 Officers recommend proceeding with the proposal in the Consultation Document.

16. **Concurrent consultations**

Rates Remission Policy

- 16.1 There were several submissions in favour of Rates Remission policies currently in place.
- 16.2 The Consultation Document proposed a range of wording changes to existing remission policies plus the new remissions for "other remissions deemed fair and equitable" and "social and community housing remission". There was no significant feedback on these changes.
- 16.3 Officers recommend proceeding with the proposal in the Consultation Document.

Revenue and Financing Policy

- 16.4 There were no submissions specifically regarding the Revenue and Financing Policy.
- 16.5 Officers recommend proceeding with the proposal in the Consultation Document.

17. **Spreadsheet of responses to submitters**

- 17.1 All submitters will receive a response following the adoption of the LTP in June. Responses will be in accordance with matters resolved in this report, other Council decisions or as set out in the attached spreadsheet of responses (Attachment 1). A standard response will be attached to all replies to submitters and set out the decisions by Council on key matters of interest. The spreadsheet of responses



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covers any matters raised that are not covered by a recommendation in this report.

**Recommendation**

***That the Council***

***Notes the spreadsheet in Attachment 1 (A2634256) to Report 24777, as amended, to be used as the basis for specific responses to submitters on matters raised; and***

***Delegates authority to the Mayor and relevant Committee Chair to make amendments to final responses to submitters, as long as they are not material and are consistent with the decisions made by Council.***

**18. Additional Decisions**

- 18.1 Council also needs to consider changes and new information since it approved the Consultation Document and initiated the consultation period.

Regional Public Transport changes

- 18.2 Through the consultation on the Regional Public Transport Plan (as part of the Regional Land Transport Plan) and subsequent deliberations by the Regional Transport Committee (RTC) there was a strong desire from submitters to bring proposed increases to bus frequency forward from 2026 to 2023 (when the new contract is to be let) and to support the move to the Living Wage for bus drivers from July 2021. The nett investment in years 3-6 of the LTP of \$670,000 per year will be offset by anticipated income from patronage growth in years 6-10 of the LTP, assuming TDC contribution and Waka Kotahi subsidy. Some uncertainty exists about the public transport market rates which will be more fully understood when the contract is tendered in 2022. The RTC resolved on 21 April to lodge the RPTP with Council and for Council to consider these two changes as part of LTP deliberations as detailed below:

- 18.2.1 To bring forward elements of Stage 2 from 2026 to 2023, particularly frequency and extended hours of operation that will involve a shift of approximately \$670,000 per year from year 6 into year 3 of the LTP. Tasman District Council supports this approach subject to funding. Increasing frequency is an effective measure that will align with local and national strategic goals to encourage mode shift and decrease carbon emissions.

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- 18.2.2 To include support for a move to the Living Wage for bus drivers from July 2021 (at an estimated cost of \$38,000 per year) subject to the successful completion of discussions being led by Waka Kotahi at a national level.

**Recommendation**

***That the Council***

***Approves bringing funding of \$670,000 per annum forward from year 6 of the Long Term Plan 2021-31 to year 3, to improve frequency and extend hours of operation of the public transport service (as outlined in 6.6.4 of report R24772 to the 21 April 2021 Regional Transport Committee) dependent on the Waka Kotahi and Tasman District Council share of funding being available; and***

***Approves provision for an additional \$38,000 funding per annum over the ten years of the Long Term Plan 2021-31 to provide the Living Wage for bus drivers in our public transport service, dependent on the successful completion of national level discussions being led by Waka Kotahi; and***

***Supports any additional improvements on the basis that external additional funding is secured from non-rates sources, or that savings are made in other transport related activities.***

NRSBU

- 18.3 The draft LTP 2021-31, and the capital and operational figures on which consultation was undertaken, were based on the November 2020 Nelson Regional Sewerage Business Unit (NRSBU) draft Activity Management Plan (AMP) and Business Plan. Since then the Board of the NRSBU, as formally requested by both councils, has updated those documents and they have been adopted by the Infrastructure Committee at its meeting of 8 April 2021.
- 18.4 The adopted AMP and Business Plan have a revised capital works programme and associated operational cost reductions. The changes spread the capital/renewals programme, specifically deferring \$5 million from the first five years to the last five years of the 10 year plan. The main capital items deferred include Best Island Irrigation, pump station storage and Best Island power supply upgrade. These changes will be reflected in the budgets included in the LTP.

**Recommendation**

***That the Council***

***Notes that the Long Term Plan 2021-31 will be updated to reflect the revised budgets presented in the Nelson Regional Sewerage Business Unit - 2021/22 Business Plan and 2021-31 Activity Management Plan adopted by the Infrastructure Committee.***

Campgrounds

- 18.5 The Brook Valley Holiday Park was proposed in the draft LTP to be leased in year 2. However, due to the compliance project taking longer than expected, the move to a leased model for the campground is proposed to be deferred to start in year 3. The lease approach is based on the Maitai Valley Motor Camp model and will be refined through the lease negotiation process. The budgets are proposed to be updated to reflect this changed start date. This represents an \$84,000 increase to rates in year 2.

**Recommendation**

***That the Council***

***Approves an additional \$84,000 operating expenditure in year 2 of the Long Term Plan 2021-31 to cover costs related to allowing more time for completion of the compliance project before leasing of the Brook Valley Holiday Park commences.***

- 18.6 As part of the compliance work at the Brook Valley Holiday Park it has been identified that there are some building renewals required. These include an improved toilet block for the camp, which is estimated to cost \$200,000. This involves a refurbishment of 'F block'.
- 18.7 In addition, the compliance work requires engagement, consents, landscaping, cultural monitoring a, geotechnical assessment and utilities connections. The total cost is expected to be \$310,000. A large portion of this cost relates to connecting the long-term occupant sites to the water and wastewater services. This is proposed to be included in year 1 of the LTP.
- 18.8 An additional \$510,000 is requested split as follows: \$410,000 in year 1, \$50,000 in each of years 2 and 3.

**Recommendation**

***That the Council***

***Allocates an additional \$510,000 capital expenditure (being \$410,000 in year 1 of the Long Term Plan 2021-31 and \$50,000 in each of years 2 and 3) for an improved toilet block at the Brook Valley Holiday Park, and to connect long-term occupants to water and wastewater services as well as undertake other work related to achieving compliance.***

- 18.9 A condition assessment has been recently carried out as part of the compliance project at the Maitai Valley Motor Camp, which has identified that an upgrade of the wastewater system is required. This is costed at \$800,000. An application has been made to the Tourism Infrastructure Fund (TIF) to fund 50% of this project. \$180,000 is also requested for drinking water to be provided throughout the camp to meet Camping Ground Regulations. This represents a \$980,000 increase in year 1 of the LTP, reducing to \$580,000 if the TIF application is successful.

**Recommendation**

***That the Council***

***Allocates an additional \$980,000 capital expenditure in year 1 of the Long Term Plan 2021-31 to upgrade the Maitai Valley Motor Camp wastewater system and to provide drinking water throughout the campground; and***

***Notes a funding application has been made to the Tourism Infrastructure Fund to cover 50% (\$400,000) of the wastewater system project costs.***

**Glen Cycleway**

- 18.10 Funding for the Boulder Bank section of the cycleway is part of an off-road route from Clifton Terrace to The Glen. Part of the project is being funded under the roading activity and is already included in the LTP. The sections through the Wakapuaka Sandflats and adjacent to the Boulder Bank have more of a recreation focus and are included in the Out and About On Tracks Strategy 2016. Officers request an additional \$20,000 capex in year 1 and \$100,000 capex in year 4 for investigation and construction of a connecting off-road route to the Glen.

**Recommendation**

***That the Council***

**Approves an additional \$20,000 capital expenditure in year 1 of the Long Term Plan 2021-31 and \$100,000 capital expenditure in year 4 for investigation and construction of a connecting off-road route to the Glen**

19. Marina

19.1 As earlier noted, there is a considerable body of work being undertaken on the Marina. When the draft LTP budgets were prepared, two key parts of this work, the Marina management transition and the Masterplan had not yet been completed to a stage where accurate budgets could be projected for them.

19.2 The draft LTP has \$14.8 million allocated for the Marina across the 10 years. It is expected that when the Marina Masterplan has been completed and adopted by Council (scheduled to occur later in 2021) there will be a need for some reallocation of current planned capital expenditure as well as additional new capital expenditure. While the process of developing and adopting the Masterplan is completed the Marina will concentrate on health and safety and security priorities in year one of the LTP. Officers therefore recommend moving \$800,000 from years 7 and 8 to year 1 of the LTP for this purpose. Once immediate health and safety issues are addressed, the Marina and Council will be in a good position to move ahead on the Masterplan in year 2, subject to it being adopted.

**Recommendation**

***That the Council***

**Approves moving the funding from hardstand improvements in years 7 and 8 of \$800,000 (uninflated) to Year 1 of the Long Term Plan 2021-31 to address health and safety projects prior to the Marina Masterplan being consulted on; and**

**Notes that additional funding and some redistribution of capital budget between years of the Long Term Plan 2021-31 is likely to be required once the Marina Masterplan has been adopted.**

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20. Water fluoridation

- 20.1 The Chair of Nelson Marlborough Health has written to the Mayor noting the Associate Health Minister's announcement of a proposed change to the Fluoridation Bill to shift decision-making from local authorities to the Director-General of Health. The Chair suggested that Council be informed that central government will make funding available to support local authorities' capital and operational costs for fluoridation related infrastructure work. Officers will stay in touch with Nelson Marlborough Health as the Bill progresses through Parliament and provide further updates to Council as necessary.

21. **Consultation on Annual Plan**

- 21.1 Amendments to the Local Government Act 2002 in 2014 changed consultation requirements in a number of areas, including in relation to annual plans. Before the changes to the Act a special consultative procedure was required for each annual plan. Now that process is only required for long term plans. Local authorities, while still needing to adopt an annual plan in years 2 and 3 of the cycle, can choose not to undertake a community consultation if there are no significant or material departures from the financial statements/funding impact statement in the LTP; no significant new spends proposed; no decisions to delay or cancel significant projects. Immediately following the change to legislation 21 councils took the opportunity to not consult on their Annual Plan but Local Government New Zealand is not aware of any counts being done since then.
- 21.2 Officers recommend that Council have the intention of making use of this provision unless material changes are required to year 2 of the LTP. It would be a good reflection on Council's planning processes if the work programme in the LTP was robust enough to not require re-consultation every year. Significant resources would be saved (within Council and the community) from not undertaking a formal consultation process. It is also worth noting that the next year will have a particularly heavy consultation load with the Three Waters and Resource Management Act reforms on top of an already busy consultation calendar.

22. **Carry Forwards from 2020/21**

- 22.1 Officers have reforecast the current year capital spend to 30 June 2021. The projected capital forecast is \$49.7 million excluding staff time, joint business units and vested assets, with savings of \$2.3 million. Capital carry forwards requested of \$4.8 million are

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included in Attachment 2 and are spread across years 1-3, with capital income offsets of \$634,000.

**Recommendation**

***That the Council***

**Approves the 2020/21 capital carry forwards to the Long Term Plan 2021-31 capital expenditure budgets, as set out in Attachment 2 (A2642025) of Report R24777.**

**23. Final windup of Community Housing**

- 23.1 On the final windup of the Community Housing activity there are two residual reserves which are no longer required - a Depreciation Reserve of \$391,000 and Pensioner Housing Reserve of \$231,000. Officers recommend releasing the reserves of \$622,000 on 1 July 2021 to offset rates in 2021/22 recognising that ratepayers have topped up the Community Housing activity in recent years and taken the financial risk.

**Recommendation**

***That the Council***

**Approves releasing the Depreciation Reserve of \$391,000 and Pensioner Housing Reserve of \$231,000 in year 1 of the Long Term Plan 2021-31 to offset rates.**

**24. Other changes since the Draft Long Term Plan**

- 24.1 Officers have identified some other changes required to the final Long Term Plan (Attachment 3) which result from corrections and timing changes.

**Recommendation**

***That the Council***

**Approves that the Long Term Plan 2021-31 be amended to include the changes in the attached document listing corrections and timing changes in Attachment 3 (A2641877) of Report R24777.**

**25. Options**

- 25.1 Council is required to adopt a Long Term Plan 2021-31 by 30 June 2021. It has options for each decision it makes in relation to submissions but it needs to determine the 10 year work

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programme in time for adoption by the end of the current financial year.

**26. Conclusion**

- 26.1 Submissions were sought over a four and a half week period between 22 March and 21 April. Council heard from submitters on 4, 5 and 6 May. At this meeting, Council will deliberate on the changes to be made in preparing the final Long Term Plan for 2021-31. The Long Term Plan 2021-31 will be updated accordingly before going to a Council meeting on 24 June for adoption.

**Author: Nicky McDonald, Group Manager Strategy and Communications**

**Attachments**

- Attachment 1: A2634256 - Responses to submitters LTP 2021-2031 (*Circulated separately*) [⇒](#)
- Attachment 2: A2642025 - 2020/21 Capital forecast and carry forwards - May2021 (*Circulated separately*) [⇒](#)
- Attachment 3: A2641877 - LTP 2021-31 other changes from draft (*Circulated separately*) [⇒](#)



<b>Important considerations for decision making</b>	
<b>1. Fit with Purpose of Local Government</b>	The adoption of a Long Term Plan is required under the Local Government Act 2002 and deliberating on the submissions assists Council by determining the changes to make to the Plan following consultation.
<b>2. Consistency with Community Outcomes and Council Policy</b>	Making decisions to respond to feedback from submissions supports all the community outcomes.
<b>3. Risk</b>	<p>Consultation has been carried out to determine the community's views on the services, projects, funding and policies contained within the Long Term Plan.</p> <p>There is a risk that Council will make decisions as part of the deliberations that are not supported by some stakeholders however the thorough consultation and communication through letters to submitters will mitigate this.</p>
<b>4. Financial impact</b>	Decisions on submissions will determine the financial impact of the Long Term Plan.
<b>5. Degree of significance and level of engagement</b>	The Long Term Plan is of high significance and a Special Consultative Procedure has been undertaken to seek community views.
<b>6. Climate Impact</b>	Council has prioritised consideration of the impact of climate change in the development of the Long Term Plan, including funding to promote emissions reduction and allocations to support adaptation projects.
<b>7. Inclusion of Māori in the decision making process</b>	A number of iwi hui were held to provide feedback on the Activity Management Plans which has then fed into the Long Term Plan process.
<b>8. Delegations</b>	The Council has the responsibility for considering the development of the Long Term Plan and its related processes.

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**REPORT R23764**

## **Deliberations on the Development Contributions Policy 2021**

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### **1. Purpose of Report**

- 1.1 To provide supporting information and officer recommendations to assist Council in considering submissions and making decisions on the draft Development Contributions Policy 2021.

### **2. Summary**

- 2.1 The report covers the main issues raised in the feedback received on the draft Development Contributions Policy 2021. The main issues that submitters raised are:

- 2.1.1 Delayed payment
- 2.1.2 Developers share of growth costs
- 2.1.3 Reduction in reserves development contributions for greenfield and intensification areas
- 2.1.4 City centre waiver
- 2.1.5 Retirement Villages
- 2.1.6 State integrated schools
- 2.1.7 Discount for 1 and 2 bedroom dwellings
- 2.1.8 Brownfield reserves discount
- 2.1.9 Load specific development contributions
- 2.1.10 Catchments
- 2.1.11 Built Urban Boundary alignment
- 2.1.12 Library.

- 2.2 The part of the draft Development Contributions Policy 2021 that attracted the most comments was developers share of growth costs.

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This report discusses the feedback on this, as well as other matters that were raised during the consultation period.

- 2.3 Council heard six submitters on the draft Development Contributions Policy 2021 on 06 May 2021.

### 3. Recommendation

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

1. ***Receives the report Deliberations on the Development Contributions Policy 2021 (R23764) and its attachments (A2502141 and A2625782); and***
2. ***Approves no changes being made to the proposed Nelson City Council Development Contributions Policy 2021 in response to the submissions received during the submission period as follows:***

Delayed Payment

3. ***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy to provide for delayed payment until building consent issue.***

Developers share of growth costs

4. ***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with respect to the portion of costs attributed to growth and included in the development contributions.***

Reduction in reserves development contribution for greenfield areas

5. ***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the level of reserves development contribution for development within the built urban boundary.***

Reduction in reserves development contribution for intensification areas

6. ***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the level of reserves development***

***contribution for development within the built urban boundary.***

City Centre waiver

- 7. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the City Centre waiver.**

Retirement villages

- 8. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for retirement villages.**

State integrated schools

- 9. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for state integrated schools.**

Discount for 1 and 2 bedroom dwellings

- 10. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for the discount for 1 and 2 bedroom dwellings.**

Brownfield reserves discount

- 11. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for the reserves discount for brownfield development.**

Load specific development contributions

- 12. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to custom calculations for each individual site.**

Catchments

- 13. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to catchments.**

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### Built Urban Boundary Alignment

- 14. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the Built Urban Boundary.**

### Library

- 15. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to inclusion of the library project as a growth project.**

### Amendment of reserves development contributions paid under the 2018 Policy

- 16. Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to payment of reserves contributions under the 2018 Development Contributions Policy; and**
- 17. Notes that as a consequence of decisions on the Long Term Plan, amendments may be required to the projects listed in the Development Contributions Policy and the overall quantum of the contributions sought; and**
- 18. Approves that the proposed Nelson City Council Development Contributions Policy 2021 be taken to the Council meeting of 24 June 2021 for final adoption by Council.**

## **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. The purpose of development contributions is to enable territorial authorities to recover a fair, equitable, and proportionate portion of the capital costs necessary to service growth over the long term. The current 2018 Policy was adopted by Council on 15 May 2018 as part of the Long Term Plan 2018-28. Section 1.3 of the 2018 Policy provides:

*"It is anticipated that this policy will be reviewed, and if necessary amended, at least every three years as part of the LTP process."*

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- 4.2 A review of the 2018 Policy has been carried out by Council officers with the assistance of a consultant for financial analysis. As part of the review process, there was a workshop with development stakeholders on 28 September 2020 to discuss current issues and receive their preliminary feedback on policies which should be retained or changed.
- 4.3 Two Council workshops (16 June 2020 and 20 January 2021) were held with Councillors including presenting feedback received.
- 4.4 A Shape Nelson feedback process was run from 05 August 2020 to 02 September 2020. This included specifically seeking feedback from parties such as state integrated schools, housing providers, valuers, developers and other development professionals likely to be affected by the policy. These stakeholders were invited to discuss the draft Policy in person. Four stakeholders contacted Council officers to discuss the draft Policy and its implications for them or their clients.
- 4.5 The issues raised by the feedback processes and workshops were assessed and a new draft Development Contributions Policy 2021 prepared.
- 4.6 The Council report of 18 March 2021 (R22680) discussed each of the issues raised and considered the draft policy approving it for a public feedback process. The considerations made, and discussed in report R22680, in preparing the draft have been included in Attachment 2.
- 4.7 Council adopted the draft Development Contributions Policy 2021 and consultation document on 18 March 2021. Public feedback was sought on the draft Policy, alongside the draft Long Term Plan 2021-31, between 22 March to 21 April 2021. Hearings were held on 06 May for those submitters wishing to speak to their submissions.
- 4.8 This report discusses the issues raised in submissions and recommends no changes to the draft Policy resulting from consideration of submissions. The Local Government Act requires that a Policy be adopted by 30 June 2021.

## **5. Discussion**

- 5.1 Council received 25 submissions from people/organisations during the consultation period. Council heard from six submitters who spoke at the hearings on 06 May 2021.
- 5.2 This report covers the main issues raised in the feedback received in the following order:
  - 5.2.1 Delayed payment
  - 5.2.2 Developers share of growth costs
  - 5.2.3 Reduction in reserves development contributions for greenfield areas

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- 5.2.4 Reduction in reserves development contributions for intensification areas
  - 5.2.5 City centre waiver
  - 5.2.6 Retirement Villages
  - 5.2.7 State integrated schools
  - 5.2.8 Discount for 1 and 2 bedroom dwellings
  - 5.2.9 Brownfield reserves discount
  - 5.2.10 Load specific development contributions
  - 5.2.11 Catchments
  - 5.2.12 Built Urban Boundary alignment
  - 5.2.13 Library
  - 5.2.14 Amendment of reserves development contributions paid under 2018 Policy.
- 5.3 At this meeting, Council will deliberate on the feedback, ensuring that reasons for any decisions are made clear so that this can be conveyed to submitters as required by the Local Government Act 2002, Section 82(1)(f): *'that persons who present views to the local authority should have access to a clear record or description of relevant decisions made by the local authority and explanatory material relating to the decisions...'*.
- 5.4 To allow time in the process for officers to modify the Policy should Council make changes to the projects in the Long Term Plan, the Policy will be brought back to Council on 24 June 2021 for adoption.
- 5.5 Key issues raised by the submitters are detailed below and officers' recommendations are provided below each submission topic.

### **Delayed Payment**

- 5.6 Marsden Park (28066) submits that payment of development contributions should be at the building consent stage and not at subdivision (i.e. at the time of the issue of the certificate of compliance under s.224(c) of the Resource Management Act (RMA)). The submission argues that it is at the building consent stage that there is an increase in demand on Council infrastructure, and therefore it is at that time that a development contribution should be charged.
- 5.7 A submission was received from Summerset Village Ltd (28276) that seeks a similar change for developments that require both land use consent and building consent and are staged. The submission seeks to have payment currently required at building consent delayed until issue

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of a code compliance certificate, again saying that this is when there is an increase in demand on Council infrastructure.

- 5.8 The capital cost to Council occurs not when actual connections become live, but the point at which Council is required to expend capital to build the infrastructure in response to that demand. The timing of payment at the subdivision stage strikes a reasonable balance between the cost the Council carries as soon as the infrastructure is built and the financial risk that the developer carries between the subdivision stage and selling the lots.
- 5.9 A further risk with delaying payment until building consent stage is that, in the case of the developer selling bare sections, the eventual section owners would then be charged the development contributions when they are granted building consent for their new house. This is likely to be an unexpected cost for individual landowners who are not typically as knowledgeable of the development process. This in turn would greatly increase the administrative load on Council due to each individual lot needing to be processed on its own rather than larger subdivision developments being assessed in one stage.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy to provide for delayed payment until building consent issue.***

### **Developers share of growth costs**

- 5.10 Submissions have been received that expressed opposition to any reduction in development contributions for greenfield developments from Mr Jaimie Barber (27943), Ms Chrissie Ward (28035), Mrs Dianne Anyan (28044), Mr Gary Scott (28047), Miss Sallie Griffiths (28060), Mr Anthony Masters (28105), Ms Catherine Harper (28145), Mrs Lindsay Powdrell (28150), Mr Marek Guzinski (28154), Mrs Alli Jackson (28205), and Ms Jaine Cronin (28218).
- 5.11 The main thrust of these submissions is that private developers in greenfield areas should be required to pay for the full cost of providing infrastructure to support greenfield development.
- 5.12 As detailed in section 4.1 of this report, the LGA allows development contributions that are a fair, equitable, and proportionate portion of the total project cost. The draft Development Contributions Policy 2021 includes development contributions for all development, other than those listed in the exemptions, that recover the full cost of the growth portion of projects listed in the Nelson City Council Long Term Plan 2021-31. Development in greenfield areas is not subject to any discounts or



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waivers unless identified as a specific activity in the exemptions section of the Policy.

- 5.13 The only reduction in development contributions from the amount in the 2018 Policy are for the reserves development contributions. This reduction reflects the proposed change in the level of service in the reserves asset management plan for the provision of neighbourhood reserve land. This issue is covered in detail as the next issue in this report.
- 5.14 The final, total development contribution for greenfield development has been assessed by Council officers to be a *fair, equitable, and proportionate portion* of the costs of providing growth related infrastructure.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with respect to the portion of costs attributed to growth and included in the development contributions.***

### **Reduction in reserves development contribution for greenfield areas**

- 5.15 Submissions have been received on the proposal to reduce the reserves development contributions for greenfield development from the same people who submitted on the developers share of costs (above in section 5.9) and Mr Darren Meer (28247), and Dr Monika Clark-Grill (28387). All of these submissions oppose the reduction in the reserves development contribution for greenfield areas. These submitters do not comment on the greater reduction in the reserves development contribution for intensification areas.
- 5.16 The current level of service of 1.7Ha per 1000 people has been identified as unachievable for future development due to the requirement for larger reserves of a similar size to Miyazu Reserves, Corder Park, Branford Park. These larger reserves are included in the current calculation of the level of service but are not neighbourhood reserves in character due to their large area. Ongoing provision of these types of parks is unlikely to occur for the purposes of providing for growth.
- 5.17 In addition, Council Asset Managers have identified that the level of service for neighbourhood reserve land in greenfield areas is very high compared to the level of service adopted by most other councils. Therefore, a lower, more achievable level of service of 1.1Ha per 1000 people has been proposed for greenfield areas.

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- 5.18 The calculation of the neighbourhood reserves land development contribution for greenfield areas is then calculated based on the proposed level of service, along with the median sales price of bare residential greenfield sections in the preceding calendar year.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the level of reserves development contribution for greenfield development.***

### **Reduction in reserves development contribution for intensification areas**

- 5.19 Submissions supporting the removal of the neighbourhood reserves land development contribution in the built urban boundary were received from Mr Mark Lile (28309) and Gaire Thompson (28734). Submissions opposing this aspect of the draft Policy were received from Mr Peter Olorenshaw (28672) and Mr Peter Taylor (28397). Mr Olorenshaw and Mr Taylor both state that the continued provision of neighbourhood reserves in intensification areas is necessary and Council should continue to collect development contributions to fund their purchase.
- 5.20 The reality of continuing to provide new neighbourhood reserves within the built urban boundary is that Council would, at some point, be required to purchase residential properties and demolish the dwellings located on them. This is counter to the goal of providing for greater housing capacity in Nelson City and indeed counter to the National Policy Statement – Urban Development.
- 5.21 Instead, the intention is to improve the existing neighbourhood reserves inside the built urban boundary with additional facilities so as to allow more people to use each of them. Development contributions are proposed to be collected for this purpose and this requires a lower level of contribution.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the level of reserves development contribution for development within the built urban boundary.***

### City Centre waiver

- 5.22 Submissions supporting the waiver of development contributions for residential development in the City Centre were received from Mr Peter Taylor (28397), Dr Monika Clark-Grill (28387), Mr Mark Lile (28309), Gaire Thompson (28734), Zero Carbon Nelson Tasman (28769) and Mr Granville Dunstan (27788). Mr Peter Olorenshaw (28672) also submitted in support of the waiver but supported extending the waiver to all properties within 1km of the City Centre. Piers Jalandoni (28872) submitted in opposition of the City Centre waiver.
- 5.23 The City Centre waiver, as it is currently proposed, carries with it a small risk that development will suddenly occur at such a high rate that Council will not be able to respond with infrastructure in time. The risk, given the relatively constrained area defined by the inner city and city fringe zones of the NRMP, has been assessed by Council officers as low. As the area that the waiver might apply to is increased the level of risk also increases and as a result a more complicated graduated partial waiver would be needed to mitigate this risk.
- 5.24 The full waiver for the smaller area, as contained in the proposed 2021 Policy is the most administratively simple method of assisting to incentivise residential development in the City Centre (Inner City and Fringe) while still mitigating the risks to infrastructure programmes.

#### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the City Centre waiver.***

### Retirement villages

- 5.25 A submission was received from Summerset Village Ltd (28276) that seeks that all retirement village units should be assessed as per the table below irrespective of the number of bedrooms they contain, as they typically have a lower occupancy than other residential dwellings.

Development Type	Activity	Units of demand
Retirement unit	Transport	0.3 HUD per unit
	All others	0.1 HUD per unit
Aged care room	Transport	0.2 HUD per unit
	Community infrastructure	0.1 HUD per unit

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- 5.26 The Policy already provides an element of fairness for all types of small residences on the same title by using bedroom numbers as a proxy for levels of occupation (i.e. 3 or more bedrooms = 1 HUD; 2 bedrooms = 0.75 HUD and 1 bedroom = 0.5 HUD). This reduction is available for retirement villages which contain many dwellings on one title, and subsequent minor units on the same title as the original house in standard residential areas.
- 5.27 One of the objectives of the draft Policy is consistency; i.e. that like developments should be treated in a like manner. It would be inconsistent with this objective to provide retirement villages a benefit (a lower development contribution) that is not accorded to other residential developments which may also have lower occupancy (e.g. a retired couple living in a 3 bedroom house that is not within a retirement village).
- 5.28 The policy cannot be based on the premise of whether any particular HUD makes use of the infrastructure created by developments, but rather that they have access to that service and may choose to use it at any time. Accordingly, Council has to develop its capital assets based on, and in proportion to, potential demand, and the cost of that asset must be proportionately shared amongst those creating that demand.
- 5.29 For the same reasons, the cost of creating any other asset, including roading, reserves or community infrastructure, must be shared proportionately to those who have access to that asset or service, irrespective of whether any development or any one HUD may actually use the service or asset.
- 5.30 By way of comparison, Auckland Council use the rates in the table above when assessing retirement villages. This reflects the much higher complexity of the Auckland Council development contributions policy reflective of a much larger territorial authority. For Nelson City to have a development contributions policy as complex would require additional staff resourcing dedicated solely to administering the Policy. This level of complexity is considered by Council officers to be unnecessary given the relatively small and compact nature of Nelson City.
- 5.31 Tasman District on the other hand provides for "Special Assessments" where a development requires a special level of service as the result of being of a type or scale not readily assessed in terms of an equivalent HUD.
- 5.32 The option of a Development Agreement where a retirement village builds public infrastructure to meet a special level of service is still provided for in the proposed 2021 Policy.

**Recommendation:**

***That the Council***

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for retirement villages.***

**State integrated schools**

- 5.33 Submissions were received from Mr Peter Taylor (28397) and Dr Monika Clark-Grill (28387) that oppose the waiver of development contributions for state integrated schools.
- 5.34 State Integrated Schools are identical to state schools in how they undertake education but with an identified special character and the land being privately owned. State schools are exempt from paying DCs as they are identified as an entity of the crown.
- 5.35 Over the term of the 2018 DC Policy, one request for an exemption to paying DCs was received from Nelson Christian Academy. In that case, Council approved the exemption.
- 5.36 The argument used against an exemption is that, because the land and buildings are not owned by the Crown, it could be sold at a profit after developing the land and not paying DCs. The risk of this happening is unlikely with all three of the Nelson state integrated schools being well established in the community.
- 5.37 Based on the direction provided by Council at the 23 April 2020 Council meeting, the draft 2021 DC Policy lists State Integrated Schools as exempt from DC costs.

**Recommendation:**

***That the Council***

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for state integrated schools.***

**Discount for 1 and 2 bedroom dwellings**

- 5.38 Submissions were received from Mr Peter Taylor (28397), Dr Monika Clark-Grill (28387), Gaire Thompson (28734), and Mr Peter Olorenshaw (28672) in support of the discount for 1 and 2 bedroom dwellings that share a title. An additional submission was received from Mr Dean Straker (28626) stating that no development contributions should be charged for any second dwelling on an existing residential title.
- 5.39 As detailed in section 4.1 of this report, the LGA allows development contributions that are a fair, equitable, and proportionate portion of the

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total project cost. The draft 2021 Policy seeks to do just that in order to fund the additional infrastructure needed for growth.

- 5.40 Any Development Contributions Policy, when discounts and waivers are included, needs to find a balance between collecting funds for investment in infrastructure required to service growth and incentivising the outcomes for housing that Council seeks. A discount of 50% for 1 bedroom dwellings and 25% for 2 bedroom dwellings where they share a title with a primary dwelling is considered by Council officers to strike an appropriate balance.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for the discount for 1 and 2 bedroom dwellings.***

### **Brownfield reserves discount**

- 5.41 Submissions were received from Mr Peter Taylor (28397) and Dr Monika Clark-Grill (28387) in opposition to the removal of the 25% discount of reserves development contributions for brownfield sites. Both submitters expressed concern that removal of the discount would remove any incentive for redevelopment of brownfield sites and in doing so slow the provision of additional housing.
- 5.42 The 25% discount in the 2018 Policy applies to reserves development contributions only. The built urban boundary identified in the draft 2021 Policy has been developed to include all sites that meet the criteria of "brownfield" in the 2018 Policy. Therefore, with the proposed removal of a neighbourhood reserves land development contribution for sites within the built urban boundary the overall reduction in development contributions for sites previously identified as "brownfield" is much greater than the 25% previously offered. Therefore, a further 25% discount is not needed to incentivise intensification.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy for the reserves discount for brownfield development.***

### **Load specific development contributions**

- 5.43 A submission from Mr Peter Olorenshaw (28672) suggests a change to the draft 2021 Policy to allow for custom development contribution calculations based on the specific load that a new household will put on the relevant infrastructure. The submission lists examples such as onsite rainwater detention, low flow water fittings and composting toilets as options within a new dwelling that would reduce the load on the infrastructure networks.
- 5.44 Council officers acknowledge that there are specific methods available for reducing the loads on infrastructure and these may, if adopted widely enough and committed to long term by residents, be a way to reduce the cost of providing growth related infrastructure. There are two aspects to this issue though that make it difficult for Council to reduce development contributions on the basis of the use of these tools.
- 5.45 The primary issue is that Council plans for growth infrastructure well in advance of the growth and cannot guarantee a proportion of uptake of these types of low use tools. As a result, Council plans for the highest demand when planning infrastructure upgrades and the cost of these upgrades needs to be recovered from development contributions. In addition, Council has no mechanism for ensuring that owners of dwellings with these types of low demand tools continue to use and maintain them and do not in time change back to using more traditional facilities.
- 5.46 Furthermore, the Local Government Act allows for a level of administrative simplicity when setting and administering a development contributions policy. The level of customisation of a development contributions calculation suggested by the submitter would require significant additional Council officer time and expertise.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to custom calculations for each individual site.***

### **Catchments**

- 5.47 A submission from Mr Peter Olorenshaw (28672) suggests that having development in areas closer to the City Centre pay the same development contributions as developments further away is inappropriate as the length of network impacted by those closer is less.
- 5.48 As detailed earlier in this report, the Local Government Act allows for a level of administrative simplicity when setting and administering a

## Item 8: Deliberations on the Development Contributions Policy 2021

development contributions policy. With Nelson City being a relatively small and compact urban area, it is reasonable for the whole area to be treated as a single catchment.

- 5.49 Furthermore, the question of “which catchment?” becomes relevant as soon as multiple catchments are considered. In almost all cases, the water, stormwater, wastewater and transport catchments do not align with each other which would add significant complexity to the calculation of development contributions.
- 5.50 To further complicate this issue, use of the various network infrastructure types does not always relate to how far away from the City Centre a dwelling is. For example, users of the transport network that live close to the City Centre do not necessarily work in the City Centre and may commute to Stoke or even Richmond.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to catchments.***

### **Built Urban Boundary alignment**

- 5.51 A submission from Stoke Valley Holdings Limited (28751) has pointed out that the site of the old Ngawhatu Psychiatric Hospital is technically a brownfield site as far as it used to be developed and is now being redeveloped for residential use. The submitter asks that this site be included within the Built Urban Boundary defined in the maps in the draft 2021 Policy.
- 5.52 The purpose of the Built Urban Boundary as defined in the maps is only to delineate where Council would and would not expect to provide any further neighbourhood reserves. The boundary has been selected to skirt around the edge of the area of Nelson City that is already developed and does not include areas that are yet to be developed for full density residential use. The maps are not used for any other purpose in the draft 2021 Policy.
- 5.53 The submitter’s site in Ngawhatu Valley is a site yet to be developed into full density residential use and as such is outside the Built Urban Boundary. The submitters site is one in which additional neighbourhood reserves can and are expected to be developed within or very near, so it is appropriate that the site remain outside the Built Urban Boundary.



**Recommendation:**

***That the Council***

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to the Built Urban Boundary.***

**Library**

- 5.54 A submission from Stoke Valley Holdings Limited (28751) has requested that, due to uncertainty around the cost of the project and whether the project will go ahead the library project should be removed when calculating the development contribution for Community Infrastructure. If it is not removed, the submitter requests that provision be made in the 2021 Policy for a mechanism for returning this portion of the development contribution if the project does not go ahead.
- 5.55 The calculation of the development contributions for all infrastructure categories reflects the projects listed in the Long Term Plan 2021-31. To make any special provision specifically for the library would set a precedent where the inclusion of any project with a growth related portion could be challenged each time the Policy comes up for review.
- 5.56 If the project is removed as part of the Long Term Plan process it will be in turn removed from the final 2021 Development Contributions Policy.

**Recommendation:**

***That the Council***

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to inclusion of the library project as a growth project.***

**Amendment of reserves development contributions paid under the 2018 Policy**

- 5.57 A submission from Stephen and Julie Clements (28737) has requested that, due to large change in reserves development contributions between the 2018 Policy and the draft 2021 Policy for areas within the Built Urban Boundary, any reserves development contributions charged during the 2018 Policy should be waived or adjusted to the 2021 Policy amount.
- 5.58 Section 198(2A) of the Local Government Act 2002 relevantly provides:

*For the purposes of subsection (2), a development contribution must be consistent with the content of the policy adopted under section 102(1) **that was in force at the time that the application for a resource***

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***consent, building consent, or service connection was submitted, accompanied by all required information.***

- 5.59 This means the operative date is the date of granting of the resource consent and the policy that was in place at that date. Council's policy must be consistent with this statutory requirement.

### **Recommendation:**

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

***Approves that no change is required to the provisions of the Draft Development Contributions 2021 Policy with regard to payment of reserves contributions under the 2018 Development Contributions Policy***

## **6. Options**

- 6.1 Council is required to adopt a Development Contributions Policy. The options available to Council relating to the Development Contributions Policy are:

- Resolve to finalise the Development Contributions Policy 2021 in line with the recommendations in this report for adoption on 24 June 2021; or
- Alter the recommended resolutions before making them or make additional resolutions, including requesting further changes to the Development Contributions Policy 2021 to be brought back for adoption on 24 June 2021

### **Option 1: Resolve to finalise the Development Contributions Policy 2021 in line with the recommendations in this report for adoption on 24 June 2021.**

#### **Advantages**

- Addresses concerns of some submitters while maintaining consistency with the objectives of the policy.
- Allows Council to fund infrastructure required to provide for growth in accordance with s.197AB that 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 asset."
- Ensures compliance with the requirements of the LGA.

## Item 8: Deliberations on the Development Contributions Policy 2021

	<ul style="list-style-type: none"><li>• Provides a fairer and less complex system, for reserve contributions.</li></ul>
Risks and Disadvantages	<ul style="list-style-type: none"><li>• Does not address the concerns of all submitters.</li></ul>
<b>Option 2: Alter the recommended resolutions before making them or make additional resolutions, including requesting further changes to the Development Contributions Policy 2021 to be brought back for adoption on 24 June 2021.</b>	
Advantages	<ul style="list-style-type: none"><li>• Will allow elected members to make further amendments to the Development Contributions Policy 2021 in response to submitters.</li></ul>
Risks and Disadvantages	<ul style="list-style-type: none"><li>• May be inconsistent with the objectives of the policy and the requirements of the LGA in respect of Development Contributions.</li></ul>

## 7. Conclusion

- 7.1 Submissions were sought on the Draft Development Contributions Policy 2021 between 22 March and 21 April. Council heard from submitters on 6 May. At this meeting, Council will deliberate on the changes proposed to the Development Contributions Policy 2021. The Policy will be updated in accordance with Council's resolutions before going to a Council meeting on 24 June 2021 for adoption.

## 8. Next Steps

- 8.1 Following this deliberations meeting, Council officers will make any changes to the Policy requested by Council in response to the submissions received.
- 8.2 The final Policy will then be brought to the Council meeting on 24 June 2021 for adoption.
- 8.3 On adoption of the Development Contributions Policy 2021, the Policy will be placed on the Council website and stakeholders and the public notified via the Our Nelson newsletter.

**Author: Chris Pawson, Senior Analyst Environmental Management**

## Item 8: Deliberations on the Development Contributions Policy 2021

### **Attachments**

Attachment 1: Nelson City Council Development Contributions Policy 2021  
(A2502141) [↓](#)

Attachment 2: Discussion from DCs Council report approving consultation 2021  
(A2625782) [↓](#)

<b>Important considerations for decision making</b>	
<b>1. Fit with Purpose of Local Government</b>	The adoption of a Development Contributions Policy is required under the LGA 2002 s102.
<b>2. Consistency with Community Outcomes and Council Policy</b>	<p>The recommended Development Contributions Policy aligns with the following Community Outcome:</p> <p><i>Our Region is supported by an innovative and sustainable economy.</i></p>
<b>3. Risk</b>	Consultation has been carried out to determine the level of support from the community of the proposed changes to development and financial contributions. Council is able to consider any risks highlighted in that consultation, and in making a decision on submissions.
<b>4. Financial impact</b>	The adoption of the Development Contributions Policy 2021 will ensure that those who benefit from Council's investment in infrastructure to provide for growth fund it. This ensures a minimal impact on debt and rates levels.
<b>5. Degree of significance and level of engagement</b>	<p>Adopting this new policy has been assessed as having a medium-high degree of significance due to the level of impact of Council's revenue and costs decisions on the community. Council is required to consult on the draft policy in accordance with section 82 of the LGA.</p> <p>This consultation has taken place in stages, beginning with the stakeholder meeting on 28 September 2020 and ending with the month-long public submission period 22 March 2021 – 21 April 2021. Council has heard verbal submissions in the hearing on 6 May 2021.</p> <p>Further engagement on this decision is not required as submissions have already been sought.</p>
<b>6. Climate Impact</b>	The draft Policy supports the provision of intensification within the existing urban built environment in response to the community's concerns regarding the effects of greenfield development on climate change.

## **7. Inclusion of Māori in the decision making process**

No engagement with Māori has been undertaken in preparing this report.

## **8. Delegations**

The delegation for the Urban Development Subcommittee includes the following:

### *Areas of Responsibility*

- *Development Contributions and Financial Contributions*

### *Powers to Decide*

- *Developing, monitoring and reviewing strategies, policies and plans, with final versions to be recommended to Council for approval*

### *Powers to Recommend to Council*

- *Approval of final versions of strategies, policies and plans*

On the recommendation of the Chief Executive, and with the agreement of the Chair of the relevant committee, subcommittee or subordinate decision-making body and Mayor, matters within the area of responsibility of a particular committee, subcommittee or subordinate decision-making body may be considered directly by Council instead. If this occurs, the Chair of the relevant committee, subcommittee or subordinate decision-making body will report to the following meeting of the committee, subcommittee or subordinate decision-making body regarding the reason for doing so, and the outcome of the matter at the Council meeting.

Therefore the delegations for this report sit with the Urban Development Subcommittee. The Chair of the Urban Development Committee and the Mayor have agreed that, in order to meet statutory timeframes due to the delays in finalising the LTP programme, this report shall be considered by Full Council directly.

Nelson City Council

Policy on Development Contributions - 2021

# **Nelson City Council**

## **Policy on Development Contributions 2021**

**Operational from 1 July 2021**



A2502141

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<b>Accommodation units</b>	<p>The same meaning as defined in the Local Government Act 2002 section 197(2):</p> <p>Means "...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."</p>
<b>Allotment</b>	<p>The same meaning as defined in section 218 of the Resource Management Act 1991 section 218(2):</p> <ul style="list-style-type: none"> <li>a) any parcel of land under the Land Transfer Act 2017 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, or 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</li> <li>b) 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 subpart 6 of Part 3 of the Land Transfer Act 2017; or</li> <li>c) any unit on a unit plan; or</li> <li>d) any parcel of land not subject to the Land Transfer Act 2017</li> </ul>
<b>Allotment Value</b>	The value of the allotment including GST.
<b>Applicant</b>	The person(s) applying for a resource consent, building consent, or service connection.
<b>Asset Management Plan</b>	A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost effective manner to provide a specified level of service. A significant component of the Plan is a long term cashflow projection for the activities.
<b>Bedroom</b>	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 <sup>2</sup> in floor area and capable to be used for sleeping purposes.
<b>Building Work</b>	Work for, or in connection with, the construction, alteration, or demolition of a building.
<b>Capital Expenditure</b>	The cost Council expects to incur to acquire new assets, or to upgrade or renew existing assets.
<b>City Centre</b>	The area shown in the NRMP maps as Inner City – Centre and Inner City - Fringe
<b>Community Facilities</b>	<p>The same meaning as in the Local Government Act 2002 section 197(2):</p> <p>Reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 119 of the Local Government Act 2002.</p>

<b>Community infrastructure</b>	The same meaning as in the Local Government Act 2002 section 197(2):  <i>(a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and</i>  <i>(b) includes land that the territorial authority will acquire for that purpose</i>
<b>Community Outcomes</b>	The outcomes that Council aims to achieve to enable democratic local decision-making and action by, and on behalf of, communities and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.
<b>Consent Holder</b>	The person(s) to whom the resource consent, building consent, or service connection was granted.
<b>Crown Entity</b>	The same meaning as crown entity in the Crown Entities Act 2004 section 7.
<b>Development</b>	The same meaning as the Local Government Act 2002 section 197(1):  <i>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</i>  <i>a) does not include the pipes or lines of a network utility operator</i>
<b>Development Agreement</b>	The same meaning as the Local Government Act 2002 section 197(2):  A voluntary contractual agreement made under Sections 207A to 207F between 1 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.
<b>Development Contribution</b>	The same meaning as the Local Government Act 2002 section 197(2):  A contribution that is:  <i>a) provided for in a development contributions policy of a territorial authority; and</i>  <i>b) calculated in accordance with the methodology; and</i>  <i>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.</i>
<b>District</b>	The district of a territorial authority, in this case, the Nelson City area.
<b>Estimated Building Value</b>	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.
<b>Gross Development Area</b>	1. The total floor area of any building measured from the outer faces of the exterior walls, or the centre line of walls separating two abutting buildings  Plus  2. The area of any part of the allotment used solely or principally for the storage, sale, display, movement or servicing of goods or the provision of services on the allotment.

	<p>The gross development area does not include:</p> <ul style="list-style-type: none"> <li>vehicular parking ancillary to the primary development, manoeuvring, loading and landscaping areas, and areas used only for primary production purposes (such as quarry workings, farmlands and orchards) the conversion of which to another use would require resource consent or building consent; and</li> <li>the area of plant equipment servicing the site and network infrastructure including pipes, lines installations, roads, water supply, wastewater and stormwater collection and management systems</li> </ul>
<b>Household Unit of Demand (HUD)</b>	One Residential Unit (see definition below)
<b>ISA</b>	Impermeable surface area
<b>Land Development Manual</b>	The Nelson Tasman Land Development Manual 2018(or subsequent revision) that forms the basis for design and construction of all Nelson City's roads, drains, water supply and reserve areas.
<b>LGA</b>	The Local Government Act 2002
<b>Methodology</b>	The method by which development contributions are calculated.
<b>NRMP</b>	The Nelson Resource Management Plan
<b>Network Infrastructure</b>	The same meaning as the Local Government Act 2002 section 197(2): The provision of roads and other transport, water supply, wastewater, and stormwater collection and management.
<b>Non-Residential Development</b>	Any development that is not for a residential activity.
<b>Residential Unit</b>	Means a building or part of a building that is a single self-contained household unit, used principally for residential activities, whether by one or more persons, including accessory buildings. Where more than one kitchen facility is provided on the 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.
<b>RMA</b>	The Resource Management Act 1991.
<b>Service Connection</b>	The same meaning as the Local Government Act 2002 section 197(2): A physical connection to a service provided by, or on behalf of, Council
<b>Social Housing</b>	Housing developments undertaken by a Community Housing Provider that is registered with the Community Housing Regulatory Authority.
<b>Subdivision (of land)</b>	<p>The same meaning as in the Resource Management Act 1991 section 218:</p> <p>The division of an allotment by:</p> <ol style="list-style-type: none"> <li>an application to the Registrar-General of Land for the issue of a separate record of title for any part of the allotment; or</li> <li>the disposition by way of sale or offer for sale of the fee simple to part of the allotment; or</li> </ol>

	<ul style="list-style-type: none"><li>c) a lease of part of the allotment which, including renewals, is or could be for a term of more than 35 years; or</li><li>d) the grant of a company lease or cross lease in respect of any part of the allotment; or</li><li>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;</li><li>f) or an application to Registrar-General of Land for the issue of a separate record of title in circumstances where the issue of that record of title is prohibited by section 226 (of the Resource Management Act 1991).</li></ul>
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### ***Explanatory Note***

This explanatory note provides a summary of the major changes between the Development Contributions Policy 2018 and this Policy but does not form part of the substantive Policy. The contents are not a complete summary of the changes or policy reasons for the changes. 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 Policy 2018 include:

- a) simplifying the policy complexity and readability; and*
- b) removing the 30HUD per financial year limit on city centre Development Contributions (DCs) waivers and putting no limit on the number of waivers and changing the time it is allocated from when an application is submitted to when an application is approved; and*
- c) changing the reserves contribution in accordance with changed levels of service in the Long Term Plan 2021-31 (LTP) (Reduced from 1.7Ha per 1000 residents to 1.1Ha per 1000 residents) for reserves in greenfield areas; and*
- d) introduction of a fixed fee for greenfield neighbourhood reserve DCs based on median sales values of bare residential land in the previous calendar year noting that this part of the Policy will need to be updated annually subject to a public consultation process (most likely via the Annual Plan); and*
- e) introduction of a neighbourhood reserves redevelopment DC that applies in the existing built urban area to replace the neighbourhood reserves land DC; and*
- f) adding a waiver for state integrated schools; and*
- g) removal of the 25% discount for brownfield intensification; and*
- h) updating schedule 1 with growth projects programmed in the LTP; and*
- i) outlining the procedure around development agreements*

## Introduction

### Overview

Population growth and development such as subdivision and new buildings place increasing demands on Council's infrastructure, reserves and facilities. As a result of that growth new or upgraded and extended infrastructure, reserves and/or facilities are required to meet those demands.

Council has two main funding mechanisms: rates and development contributions. Council seeks to recover a fair, equitable and proportionate portion of the capital costs of infrastructure, reserves and some facilities needed to support growth through Development Contributions (DCs) under the Local Government Act 2002 (LGA).

Each new household unit of demand (HUD) or the equivalent for commercial development is required to pay a DC. Nelson City Council has a one catchment approach for DCs because of the single urban environment nature of all network services.

Council's Development Contributions Policy 2021 takes effect for all resource and building consent applications, and all new service connections from the 1 July 2021. This policy has three main sections:

Section 1: Summary – this section sets out key information on when DCs apply to a development, how much the charges are, and when they are required to be paid.

Section 2: Policy details – this section provides the technical detail and information needed to comply with the requirements of the LGA for a policy on DCs.

Section 3: Schedules of capital works – this section contains the schedule of assets as required by the LGA section 201A. The schedule contains list of all projects along with the growth portion which will be paid for by DCs.

This policy applies to applications for resource consent, building consent or service connections on or after 1 July 2021.

Prior to 1 July 2021 contributions for growth were sought under previous policies, which can be found on Council's website at <http://www.nelson.govt.nz/building-and-property/property-land-use/development-and-financial-contributions/>.

### 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, DCs will be inflated based on the rate of increase (if any) in the Producers Price Index Outputs for Construction (PPI) provided by Statistics New Zealand since the DC was last set.

Before any increases take effect, Council will make publicly available information setting out the amount of the newly adjusted DC and show how any increase was calculated.

The greenfield neighbourhood reserves land contribution is calculated using the median per square metre section sales price from a representative sample of bare residential sections located outside the built urban area and sold in the previous calendar year (01 January to 31 December). Before any annual update of the contributions (above the level of PPI adjustment allowed for in the LGA) in this policy is made a consultation process will be undertaken. This may occur as part of the Annual Plan..

## Section 1: Summary of Policy

This section provides a summary of key information on when DCs apply to a development, how much the charges are, and when they are required to be paid. For further information, see section 2.

### 1. What development is assessed?

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

A DC may be required to be made to Council when:

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

### 2. What contributions are payable?

Council may require DCs for 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:<sup>1</sup>

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

For the purpose of this Policy, the transportation activity is considered as an integrated activity that includes all modes of transport.

### 3. How is demand quantified?

Council applies a standard DC for all development within the city wide catchment. In order to have a consistent method of assessing demand and charges for DCs for different activities, a charge per Household Unit of Demand (HUD) or HUD equivalent is used.

Each development that creates an additional, or part of, a HUD pays a DC.

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

The following conversion factors are used to quantify the demand created by different types of development.

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<sup>1</sup> Definitions of the assets for which DCs may be payable can be found in the Glossary and Definitions section of this Policy

### 3.1 Residential

New residential development, building and subdivision pay 1 HUD of contribution per infrastructure service for each new household unit. Smaller household units on the same title as an existing household unit pay a portion of a HUD depending on size determined by bedroom numbers.

Table A: Residential HUD calculation

Infrastructure Service	Household Unit of Demand (HUD)	Comments
<b>Water</b>	New titles: Each additional residential title created shall pay 1 HUD; and Additional residential units on an existing title shall pay the following portion of a HUD <sup>1</sup> :	Applies everywhere
<b>Wastewater</b>		Applies everywhere
<b>Stormwater</b>		Applies everywhere
<b>Transport</b>		Applies everywhere
<b>General Reserves</b>		Applies everywhere
<b>Neighbourhood Reserves (Greenfield) – Sites outside the urban boundary</b>	a) 0.5 HUD for a one bedroom residential unit, b) 0.75 HUD for a two bedroom residential unit,	Only applies to development located outside the urban boundary area, see (defined in Maps A1, B1-B3, and C1-C3 in the appendix or online at <a href="http://www.nelson.govt.nz/built-urban-area">www.nelson.govt.nz/built-urban-area</a> )
<b>Neighbourhood Reserves (Intensification) – Sites inside the urban boundary</b>	c) 1 HUD for a residential unit of three or more bedrooms.	Only applies to development located within the urban boundary area, see (defined in Maps A1, B1-B3, and C1-C3 in the appendix or online at <a href="http://www.nelson.govt.nz/built-urban-area">www.nelson.govt.nz/built-urban-area</a> )

#### 3.1.1 General Reserves

The general reserves contribution is calculated from the reserves development and improvement programmes contained in the Reserves Asset Management Plan. The programme of works contained in the Asset Management Plan is summarised in the appendix. All new residential development shall pay a general reserves DC in addition to either the greenfield or intensification reserves DC.

#### 3.1.2 Sites outside the urban boundary - Greenfield

The neighbourhood reserves (greenfield) contribution is targeted at development outside the urban area (defined in Maps A1, B1-B3, and C1-C3 in the appendix or online at [www.nelson.govt.nz/built-urban-area](http://www.nelson.govt.nz/built-urban-area)) on the basis that Council will continue to purchase land for neighbourhood reserves and develop them in greenfield development areas.

The neighbourhood reserves (greenfield) contribution is calculated using the median per square metre section sales price from a representative sample of bare greenfield

<sup>1</sup> 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 Council's strategic outcome of promoting intensification for residential development throughout the city, encourages greater housing choice, and may also promote housing affordability.



residential sections sold in the previous complete calendar year (01 January and 31 December). An annual update of the neighbourhood reserves (greenfield) DC in this Policy is proposed in order to ensure the value of the DC adequately reflects market increases. The median per square metre land price calculated for the 2020 calendar year is \$397.

Any change to the neighbourhood reserves (greenfield) contribution above the level of PPI (as allowed for in the LGA) will be consulted on along with the Annual Plan. If for any reason the Annual Plan is not consulted on in any year, a separate consultation process will be undertaken.

The neighbourhood reserve (greenfield) contribution is linked to the Level of Service in the LTP that states that neighbourhood reserves will be provided at a rate of 1.1Ha per 1,000 residents. With a current average occupancy rate of 2.4 people per household, this corresponds to 26sqm of land needed per new household or HUD.

Any new lot that is located partially inside the urban boundary and partially outside the urban boundary shall pay a contribution as if it is located outside the urban boundary.

### **3.1.3 Sites inside the urban boundary - Intensification**

For sites inside the urban boundary, defined in Maps A1, B1-B3, and C1-C3 in the appendix or online at [www.nelson.govt.nz/built-urban-area](http://www.nelson.govt.nz/built-urban-area), the general reserves contribution (intensification) applies.

Further land purchase within the built urban area for the provision of neighbourhood parks is unlikely to occur due to the absence of available land in these areas. In lieu of providing additional neighbourhood parks in the built urban area, a programme of work has been developed in the Reserves Asset Management Plan for improving existing neighbourhood reserves, to provide a higher level of service suitable for more users expected as a result of the expected intensification.

The programme of works contained in the Asset Management Plan is summarised in the appendix.

## **3.2 Non-residential**

Non-residential subdivisions, land uses, or building developments are more complicated as they don't usually conform with typical residential household demand for each service. In these cases, Council makes a HUD equivalent assessment based on the characteristics of the development and its demand loading on different infrastructure services.

- (i) New titles: Each additional non-residential title created shall pay 1 HUD.
- (ii) In addition, at building consent stage a non-residential development will also be subject to, and assessed for, DCs based on the factors listed in Table B below. Credits will be given to any existing activity also based on the factors in Table B.

Neighbourhood reserves development contributions are not payable by developments that are not residential.

**Table B: HUD conversion rates for non-residential activities**

	Base unit	Household Unit of Demand (HUD)	Comments
<b>Water</b>	Internal pipe size into development	Water pipe size (see Table C below)	Internal pipe size into development dictates the HUD amount. Refer to table C below.
<b>Wastewater</b>	Number pans or urinals	2 pans or urinals	One urinal is considered equivalent to one pan.
<b>Stormwater</b>	Impervious surface area	316m <sup>2</sup> and multiples thereof for roof and paved areas	A typical residential dwelling covers approximately 316m <sup>2</sup> .
<b>Transport</b>	Number of HUDs	HUDs	Table D below sets out the number of HUDs by activity type.
<b>General Reserves</b>	Number of accommodation units	0.5 HUD per accommodation unit	Accommodation developments that do not meet the definition of "residential unit"

**Table C: Water and Wastewater HUD conversion**

Internal diameter of water connection (mm)	20	25	32	40	50	100	150
HUDs	1	1.56	2.56	4	6.25	25	<b>1.25</b>

**Table D: HUD conversion table for transport DC**

Activity	HUDs/100sqm GDA
Cool Stores including controlled atmosphere storage	0.01
Outdoor Storage Yards	0.05
Storage ancillary to the principal activity	0.13
Warehouses including storage as the principal activity	0.13
Service Stations	0.17
Home Occupations	0.25
Hospitals, and Homes for the Aged	0.25
Port Operational Area	0.43
Industrial Activity	0.50
Schedule N area in NRMP	0.75
Education Facilities (Pre-school and Primary)	0.75
Health Facilities (excluding hospitals), and Veterinary Clinics	0.83
Offices	0.83

<b>Activity</b>	<b>HUDs/100sqm GDA</b>
Education Facilities (Secondary)	0.88
Large Format Retail / Bulk Retail (other than within Schedule N – Quarantine Road)	0.88
Restaurants, Cafes and Taverns	1.00
Retail Activities, and Retail Services (other than supermarkets and large format retail / bulk retail) (for illustrative purposes, retail services include personal or household services such as hairdressers, dry cleaners, servicing or repair of appliances or equipment. Retail activity includes things such as vehicle sales).	1.00
Vehicle Parking Facilities also see AP10.2	1.00
Commercial Garages and service stations	1.00
Tertiary Education Facilities	1.25
Places of Entertainment, Buildings For Private for Public Assembly, Buildings For Community Use, Clubs and Places of Worship (includes funeral chapels, and Crematoriums.)	1.25
Short Term Living Accommodation	1.25
Supermarket	1.25
Recreation Areas	1.00
Activities other than listed above (outdoors)	0.05
Activities other than listed above (indoors)	0.50

#### **4. Other assessment matters**

Where a building is located on two or more allotments and is subject to the Building Act 2004 sections 75 and 77, then the development contributions will be assessed as for one allotment.

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 DCs.

## 5. How much is payable?

The city-wide DC per household unit of demand (HUD) for each of the network infrastructure activities is shown below in Table E. All values shown in the Policy are excluding GST.

**Table E: Development contributions by activity per HUD**

Activity	Greenfield \$ per HUD (excl. GST)	Brownfield \$ per HUD (excl. GST)
<b>Stormwater<sup>1</sup></b>	\$5,520	\$5,520
<b>Wastewater</b>	\$6,570	\$6,570
<b>Water supply</b>	\$3,620	\$3,620
<b>Transportation</b>	\$1,720	\$1,720
<b>Community infrastructure</b>	\$2,430	\$2,430
<b>Infrastructure Development Contribution Totals</b>	<b>\$19,860</b>	<b>\$19,860</b>
<b>General reserves <sup>2</sup></b>	\$730	\$730
<b>Neighbourhood Reserves (Greenfield) – Sites outside the urban boundary</b>	\$10,725	NA
<b>Neighbourhood Reserves (Intensification) – Sites inside the urban boundary</b>	NA	\$130
<b>Reserves Development Contribution Totals</b>	<b>\$11,455</b>	<b>\$860</b>
<b>Total Development Contribution</b>	<b>\$31,315</b>	<b>\$20,720</b>

<sup>1</sup>This 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.

<sup>2</sup> General Reserves includes the land and the improvements to that land.

## 6. Timing of payment

An invoice will be issued for DC charges to provide an accounting record and to initiate the payment process. The timing of the invoice is different for different types of developments (See Table F).

**Table F: DC invoice timing**

Consent type	Invoices issued
<b>Building consent</b>	At granting the building consent
<b>Certificate of acceptance</b>	Prior to issuing a certificate of acceptance
<b>Resource consent for subdivision</b>	At the time of application for a certificate under section 224(c) of the Resource Management Act 1991. An invoice will be issued for each stage of a development for which 224 (c) certificates are sought, even where separate stages are part of the same consent.
<b>Resource consent (other)</b>	At granting of the resource consent
<b>Service connection</b>	At granting of the service connection for water, wastewater or stormwater services

DC payable will be assessed based on the date the application for consent was submitted and will continue to be invoiced at 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 DC requirement will be assessed according to the policy applying at the time that each separate application for consent is submitted.

Invoices become due for payment by the due dates in Table G:

**Table G: DC payment due date**

Consent type	Payment due date
<b>Building consent</b>	20th of the month following the issue of the invoice
<b>Certificate of acceptance</b>	Prior to issuing the certificate of acceptance
<b>Resource consent for subdivision</b>	Prior to release of the certificate under section 224(c) of the Resource Management Act 1991 (the 224(c) certificate)
<b>Resource consent (other)</b>	20th of the month following the issue of the invoice
<b>Service connection</b>	Prior to issuing the connection approval

If invoices are not paid in full on time, Council may:

- Prevent the commencement of a resource consent.
- Withhold a certificate under section 224(c) of the RMA.
- Withhold a code compliance certificate under section 95 of the Building Act 2004.
- Withhold a service connection to the development.

Where invoices remain unpaid beyond the payment terms set out in this Policy, Council

will start debt collection proceedings, which may involve the use of a Credit Recovery agent. Council may also register the DC under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development.

## **7. Exemptions**

The following exemptions apply under this Policy:

### **7.1 Social Housing Developments**

Council will not require DCs to be paid in respect of social housing developments undertaken by a Community Housing Provider that is registered with the Community Housing Regulatory Authority or any other partnership where Council has entered into an agreement to provide social housing.

### **7.2 Developments undertaken by the Crown**

The Crown is not required to pay DCs where it is the landowner. However, the Crown is invited to pay DCs as appropriate on any activities that consume infrastructural capacity and may choose to accept or decline that invitation. The invitation to pay will not be a condition of the issue of a property information memorandum (PIM) or consent, section 224(c) certificate, code compliance certificate or service connection.

In accordance with section 8(4) of the LGA, people or entities that have an interest in any property of the Crown or who manage public reserves vested in the Crown will be subject to DCs and are not covered by this exemption.

### **7.3 Development undertaken at Whakatu Marae**

Council will not require DCs to be paid in respect of development undertaken in the sites labeled WM1 in the NRMP planning maps (Map 7) and detailed further in Chapter 11 (Oss.7) of the NRMP.

### **7.4 State Integrated Schools**

State Integrated Schools are identified in this Policy as providing the same service to the community as a state school in that they are required to provide education in accordance with the same curriculum. Therefore, Council will not require DCs to be paid in respect of State Integrated Schools under this Policy.

### **7.5 City Centre residential developments**

Council seeks to encourage residential growth in the central city in order to intensify development within networks of existing infrastructure. Council will not require DCs to be paid in respect of the development of:

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

In respect of the City Centre residential exemption, the following conditions apply:

- (i) The allocation of the exemption is based on the date the application for resource or building consent is approved; and
- (ii) The exemption is 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 DC will be required at the time of section 224 certificate or code of compliance. Where an applicant can demonstrate that substantial progress has been made, the exemption may be extended up to 24 months from the date it was granted.

## 7.6 Low impact stormwater developments

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 the DC for stormwater. In exercising this discretion, Council will be guided by:

- (i) Where, following an event equal to or greater than a one in 15 year storm event, stormwater will not discharge into a Council managed system, stormwater DCs may be reduced by up to 50%;
- (ii) Where, following events equal to or greater than a one in 15 years storm event, the stormwater will discharge into a Council managed system, the stormwater DC may be reduced by up to:
  - 1. 25% - where primary stormwater flows are managed to pre-development levels;
  - 2. 50% - where both primary and secondary stormwater flows are managed to pre-development levels

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

## 7.7 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.

## 7.8 Tasman District water supply

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

## 7.9 Other exemptions

Council does not accept any other exemptions to this Policy, other than where there is a relevant legislative exemption.

In exceptional circumstances, Council may grant an exemption from the requirement to pay DCs (including remission, reduction or postponement) at its absolute discretion and subject to the following:

An application for an exemption should be made to Group Manager Environmental Management prior to an invoice being issued.

- a) Each application will be considered on its own merits but the Group Manager Environmental Management may have regard to:
  - (i) whether the development is part of a not-for-profit entity; and
  - (ii) any unique contribution that the development is making towards Nelson City Community Outcomes; and
  - (iii) consistency with the general application of the 2021 Policy.
- b) A decision by the Group Manager Environmental Management to decline the application will not be subject to further review or reconsideration within the Council.

- c) 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).

## **8. Development Agreements**

The Council may enter into development agreements or other agreements in circumstances where there is a need to allocate responsibility between developers and the Council for the construction and funding of public works associated with a development in order to support outcomes in the Nelson Resource Management Plan.

Development agreements will not be used to reduce the amount of any contribution calculated under this Policy. It is expected that any agreement will include provisions that will underline the expectation for payment of DCs by developers and a works contract for the purchase of infrastructure constructed by the developer.

Where an applicant undertakes work on behalf of the Council, this will be done within normal procurement procedures and paid for under the terms of that engagement. DCs will still be payable by the applicant where they are required under this policy.

For activities covered by a development agreement, the agreement overrides the development contribution normally assessed as payable under the Policy.

Sections 207A to 207F of the LGA 2002 sets out criteria to be applying to development agreements.



## Section 2: Policy Details

This section provides further policy details, including those needed to fully comply with the requirements of the LGA.

### 9. 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 through DCs wherever it can be done so lawfully, fairly, reasonably, and practically.

Council considers that DCs 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.

The objectives of this Policy are:

- a) Fairness: to ensure that those who create a need for new or additional assets, or assets of increased capacity, contribute their fair share to the cost of providing that asset, and to ensure that the cost of providing new or additional assets, or assets of increased capacity, is allocated proportionately between those who benefit from those assets as well as those who create a need for those assets.
- b) Simplicity: ensure that the Policy is easy to understand and administratively simple to apply.
- c) Certainty and transparency: provide developers with a clear understanding of what will be funded from DCs, what they will have to pay towards those costs, and when.
- d) Consistency: ensure that developments are treated consistently in the assessment of DCs.
- e) Contribution to Nelson goals: support and facilitate the wider outcomes sought by Nelson City Council.

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

- a) DCs 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; and
- b) DCs 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; and
- c) cost allocations used to establish DCs are determined according to, and 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; and

- d) DCs are used —
  - (i) for, or towards, the purpose of the activity or the group of activities for which the contributions were required; and
  - (ii) for the benefit of the district or the part of the district that is identified in the DCs policy in which the DCs were required;
- e) DCs are not used to fund operational costs to maintain or to improve levels of service for existing users.
- f) Sufficient information is made available to demonstrate what DCs are being used for and why they are being used;
- g) DCs should be predictable and consistent with the methodology and schedules of this Policy;
- h) in calculating and requiring DCs, the Council may group together certain developments by geographic area or categories of land use, provided that—
  - (i) the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
  - (ii) the grouping by geographic area avoids grouping across an entire district wherever practical.

Other considerations which form part of the development of this Policy include DCs are not required if:

- a) Council has imposed a condition on a resource consent in relation to the same development for the same purpose; or
- b) the developer will fund or otherwise provide for the same network infrastructure; or
- c) Council has already required a DC for the same purpose in respect of the same building work; or
- d) Council has received or will receive funding from a third party for the project or provision of the same network infrastructure.

## 10. 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.

## 11. Reconsiderations and Objections

### 11.1 Reconsideration of a development contribution

An applicant may request the reconsideration of a DC within 10 working days of receiving notice to pay DCs. 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 the Policy; or
- b) Council incorrectly applied its Policy; or
- c) the information used to assess the development against the Policy, or the way council has recorded or used it when requiring a DC, was incomplete or contained errors.

If a 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 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 (available on Council's website) together with payment of the 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.

### 11.2 Objection to a development contribution

In accordance with sections 199C and 199D of the LGA, a person may object to any DC requirement. The right to object does not apply to challenges to the content of the Policy, but can apply if the objector believes Council:

- a) 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) Required a DC for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
- c) Required a DC in breach of Section 200 of the LGA; or

- d) Incorrectly applied the Policy to the 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 should use the objection form found on Council's website and supply any supporting information with the form.

Objectors must pay a deposit of \$2,750.00 + GST and are liable for Council's actual and reasonable costs incurred 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 in accordance with sections 199E to 199P and Schedule 13A of the LGA.

When considering a DC objection and any evidence provided in relation to that objection, commissioners must give due consideration to the following:

- a) the grounds on which the DC objection was made;
- b) the purpose and principles of DCs under Sections 197AA and 197AB of the LGA;
- c) the provisions of the Policy under which the DC 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 DC is to be used for or toward; and
- e) any other relevant factor associated with the relationship between the objector's development and the DC to which the objection relates.

## 12. Infrastructure Investment Assumptions

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

- (i) 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; and
- (ii) optimal use is made of existing infrastructure; and
- (iii) growth areas identified in the Future Development Strategy are prioritised; and
- (iv) sufficient capacity is provided to meet the requirements of the National Policy Statement on Urban Development.

Under this approach, not all identified development areas will be serviced in the next ten years. Developers who intend to undertake a development on areas not programmed to be serviced have the following options:

- (i) construct and fund the work themselves; or
- (ii) make a submission to the Council's Long Term Plan process to get the required projects funded by the LTP; or
- (iii) propose to Council that a private developer agreement is entered into – refer section 8.

## 13. Calculation Methodology

This section provides an introduction to the DC calculation methodology for DCs.

### 13.1 One-catchment approach

The Council assessed the effects of adopting a multiple catchment approach for planning and funding services in 2006, 2014 and 2018 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.

Council has adopted a one-catchment approach to calculating development contributions.

### 13.2 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.

### 13.3 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.

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:

$$\text{Growth \%} = (\text{Demand at capacity} - \text{Demand at construction}) / \text{Demand at capacity}$$

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.

### 13.4 Average cost of growth

DCs 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 2021-2031 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.

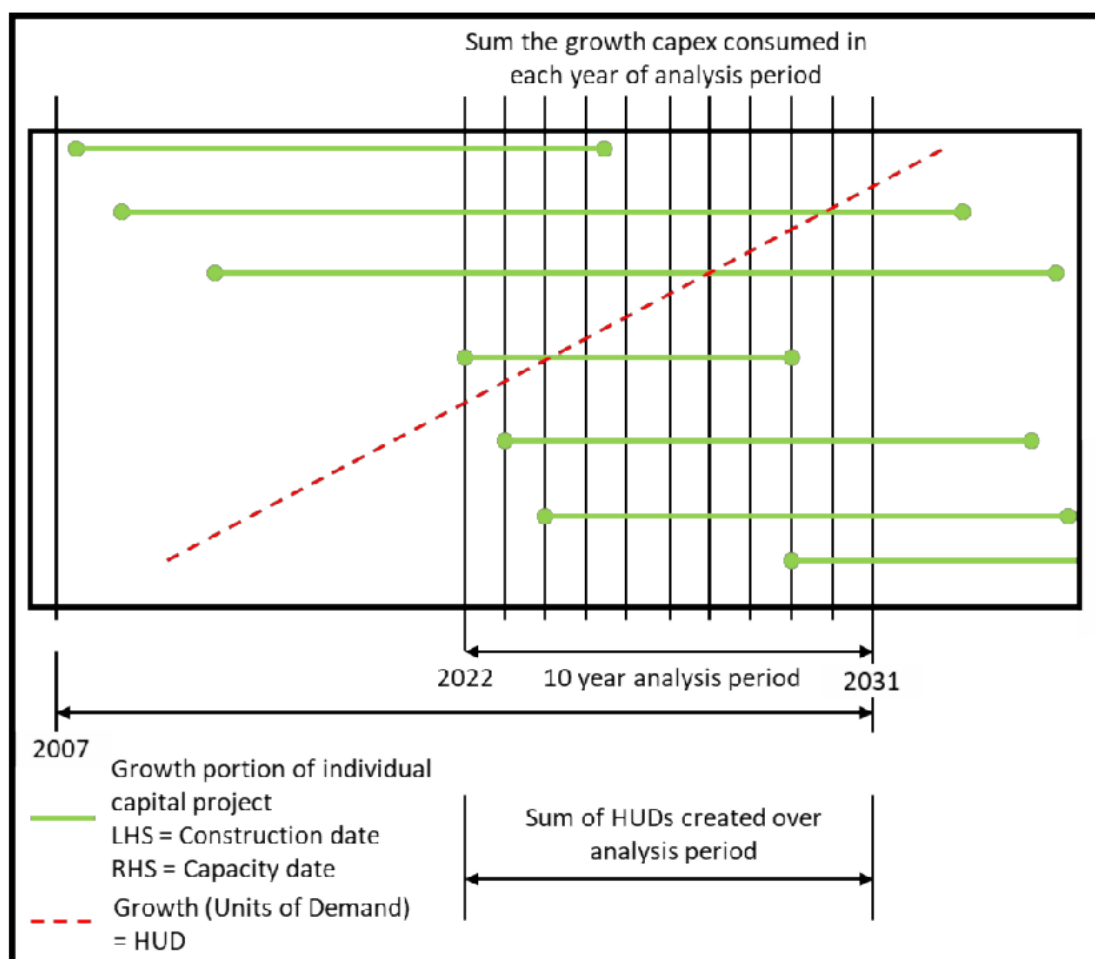
The standard contribution (\$/HUD) is based on the average cost of growth for each activity over a 10-year analysis period.

$$\text{Standard development contribution} = \frac{\$}{\text{HUD}}$$

$$= \frac{\text{Sum of growth costs consumed in analysis period}}{\text{Sum of new HUDs in analysis period}}$$

This method is summarised in the following diagram:

**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 disproportionately high. The 30 years was chosen as it is consistent with Council's 30 Year Infrastructure Strategy.

### **13.5 Interest considerations**

Interest costs have been assessed based on an average 3% interest per annum, as adopted in the 2021 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.

## **14. Significant assumptions**

The DC Policy is underpinned by a range of assumptions identified below.

### **14.1 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 2010/11 to 2019/20, and estimates for 2020/21 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.

### **14.2 Growth projections**

Council prepared growth projections in 2020 post COVID19 lockdown and these were adopted by Council on 12 November 2020. These projections used Statistics New Zealand census data and projections customised as a result of lower levels of migration growth anticipated as a result of COVID19.

These show that Nelson's population is expected to grow by around 2,020 residents between 2020 and 2030 to a total population of 56,640. The number of households is expected to increase by around 2000 in the life of this LTP.

The increase in residential HUDs in the development contribution model is based on the projected increase in households.

However, Council bases its financial forecasting for income from DCs based on the funds received in previous years. This is because developments, and the income from these, takes time to be realised, and Council needs to minimise the risk of income being lower than forecast. If development is faster or slower than forecast then Council can consider changing its capital work programme to match the rate of growth.



## **Section 3: Assessment of Development Contributions**

### **15. Assessment method**

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

- 1) test that the application represents a "development" (as defined under Section 197 of the LGA);
- 2) determine whether the development, alone or cumulatively with other developments, has the effect of requiring new or additional assets of increased capacity;
- 3) 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.

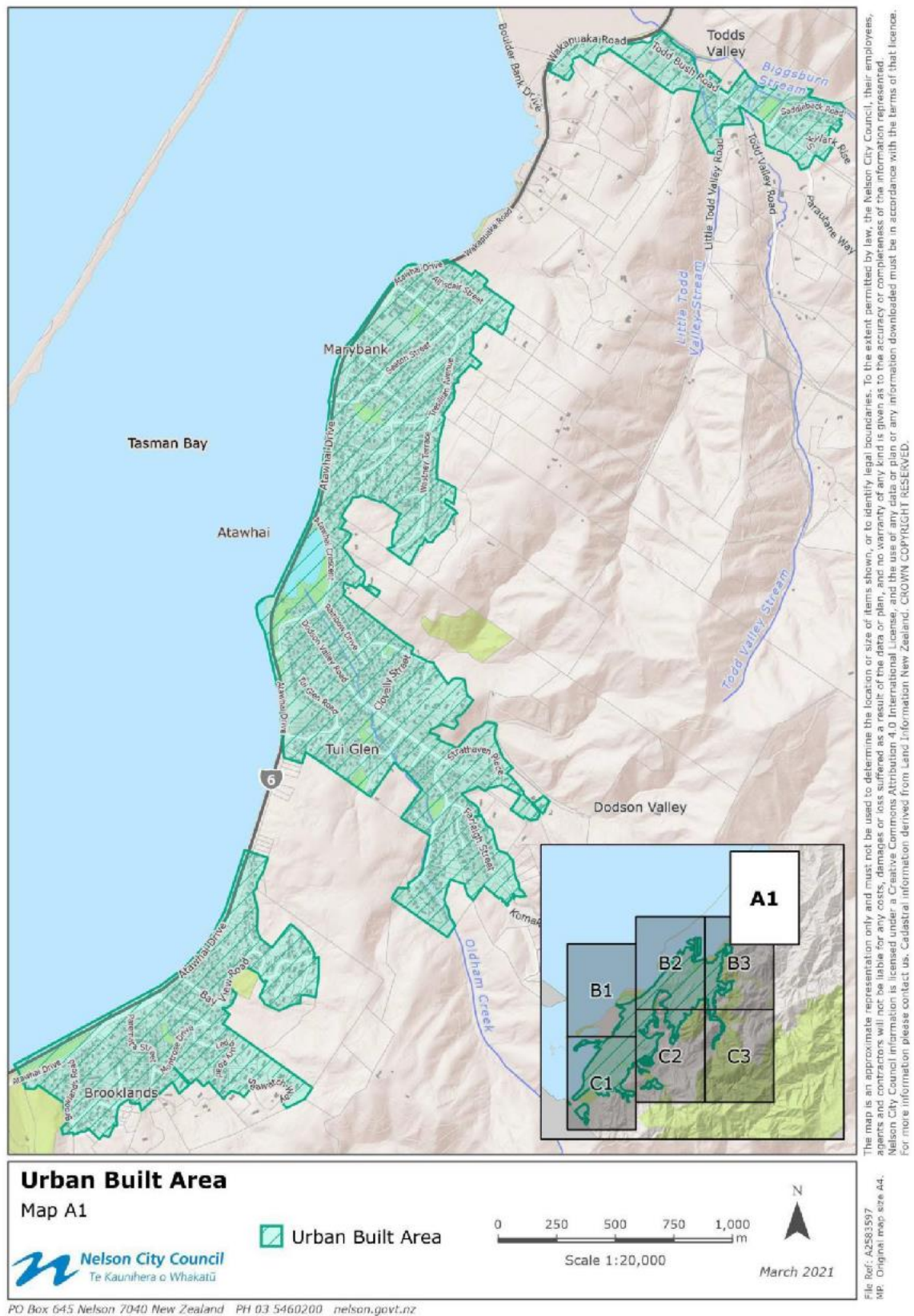
Step Three: Assess the additional demand

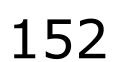
The additional demand is simply the difference between pre-development and post development, quantified in HUDs for each activity.

Step Four: Calculating the Development Contribution to be charged

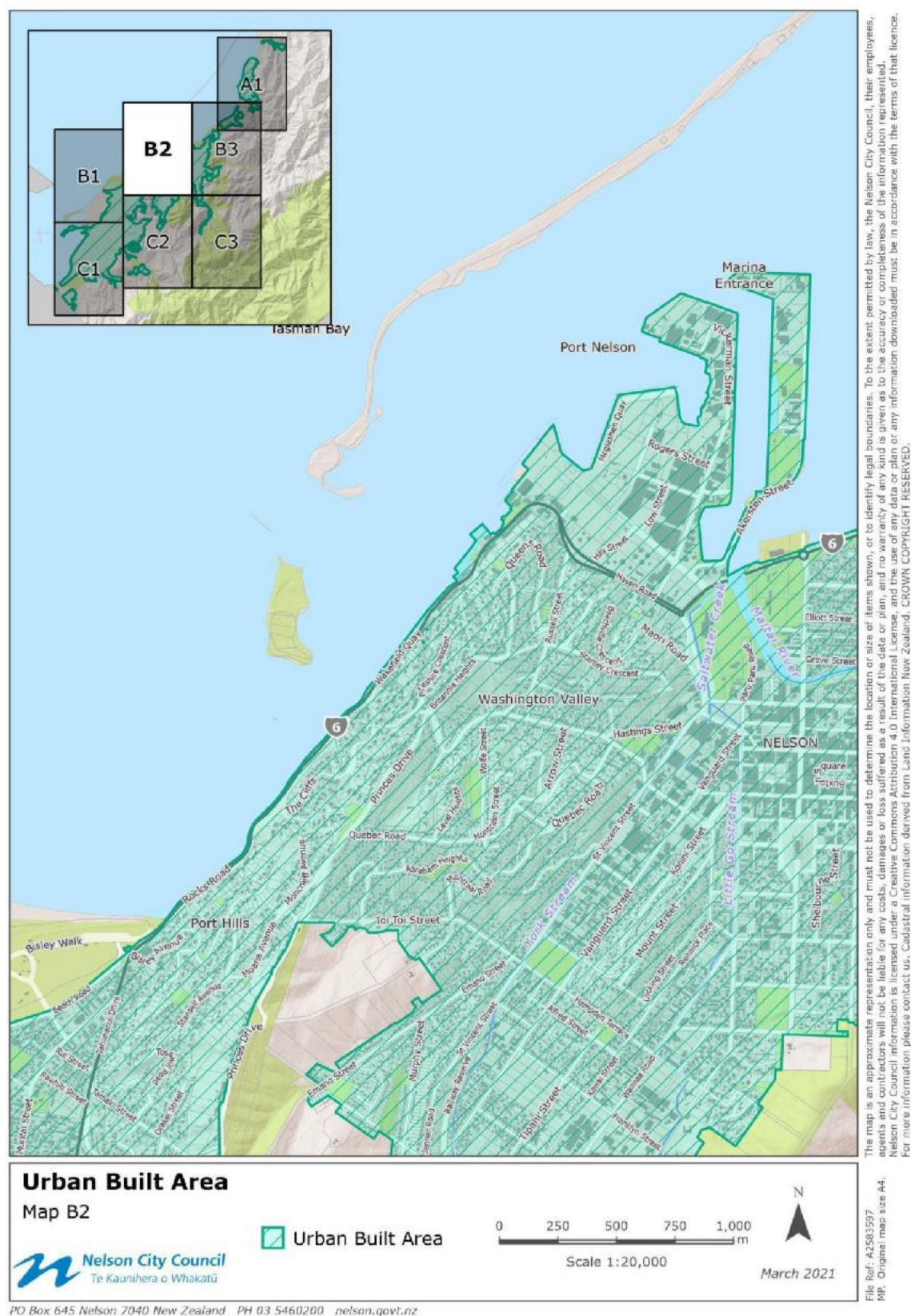
To calculate the contribution the number of additional HUDs is multiplied by the standard contribution of each activity.

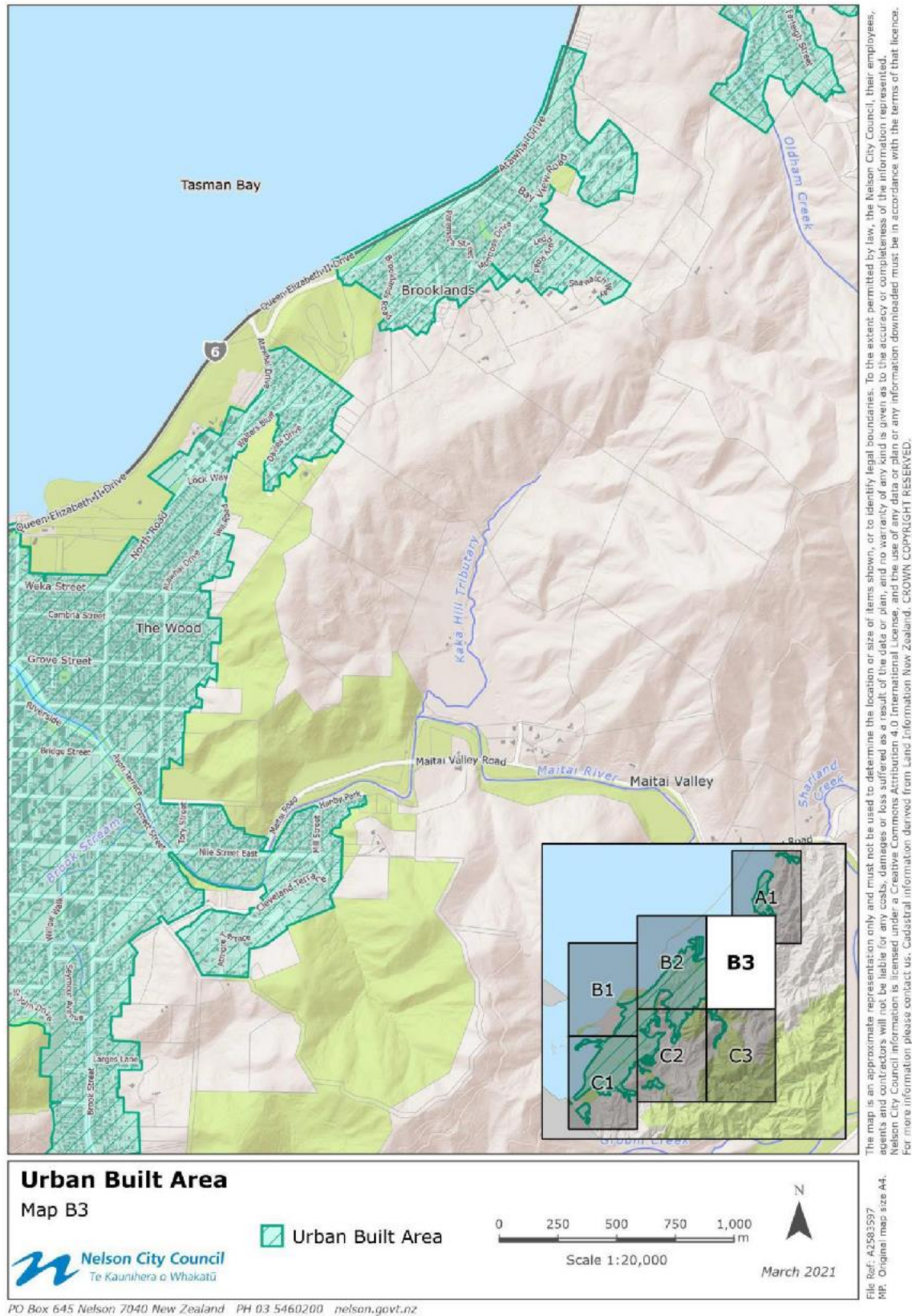
**APPENDIX – DISCLOSURE SCHEDULES AND SUPPORTING  
INFORMATION**



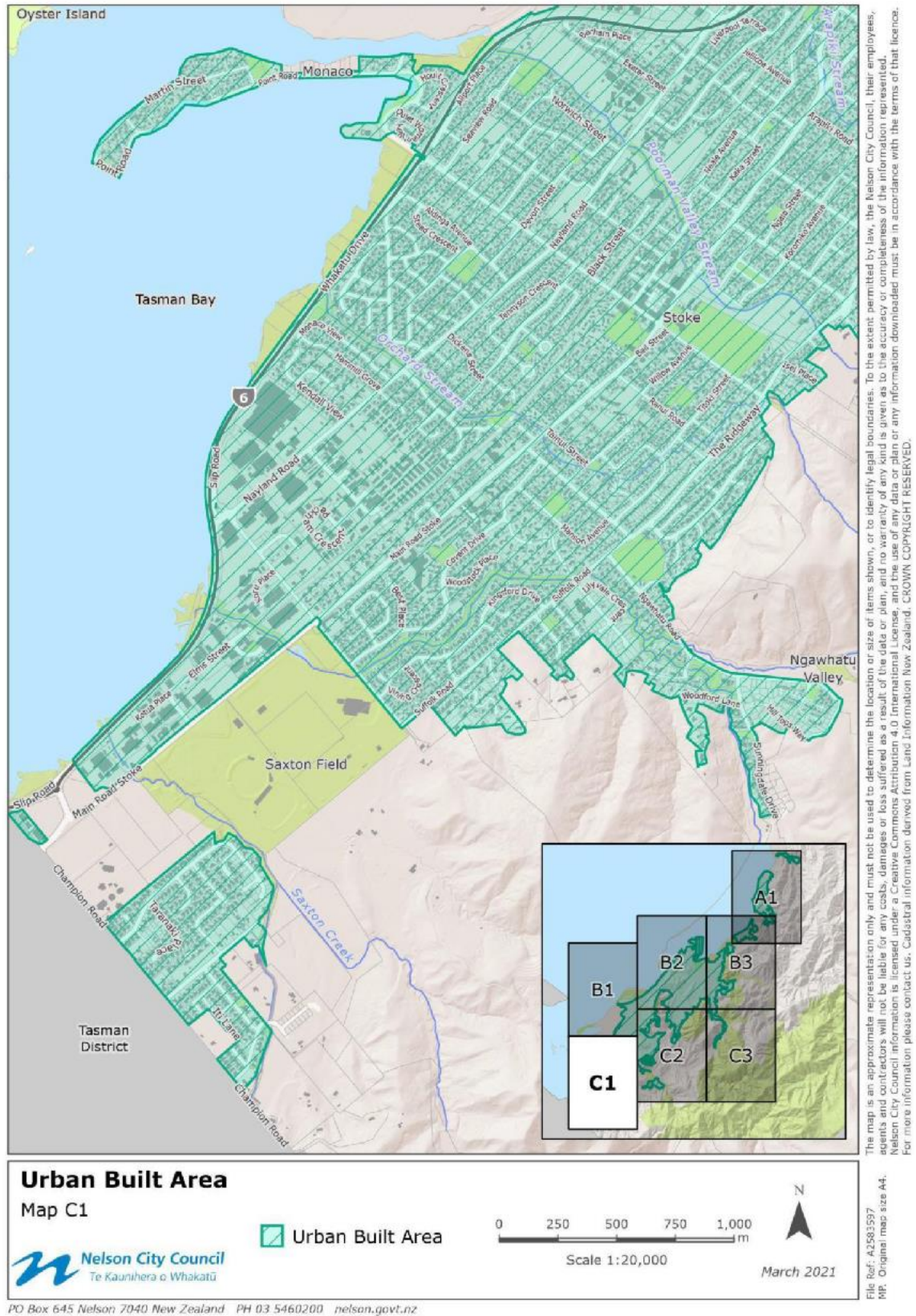




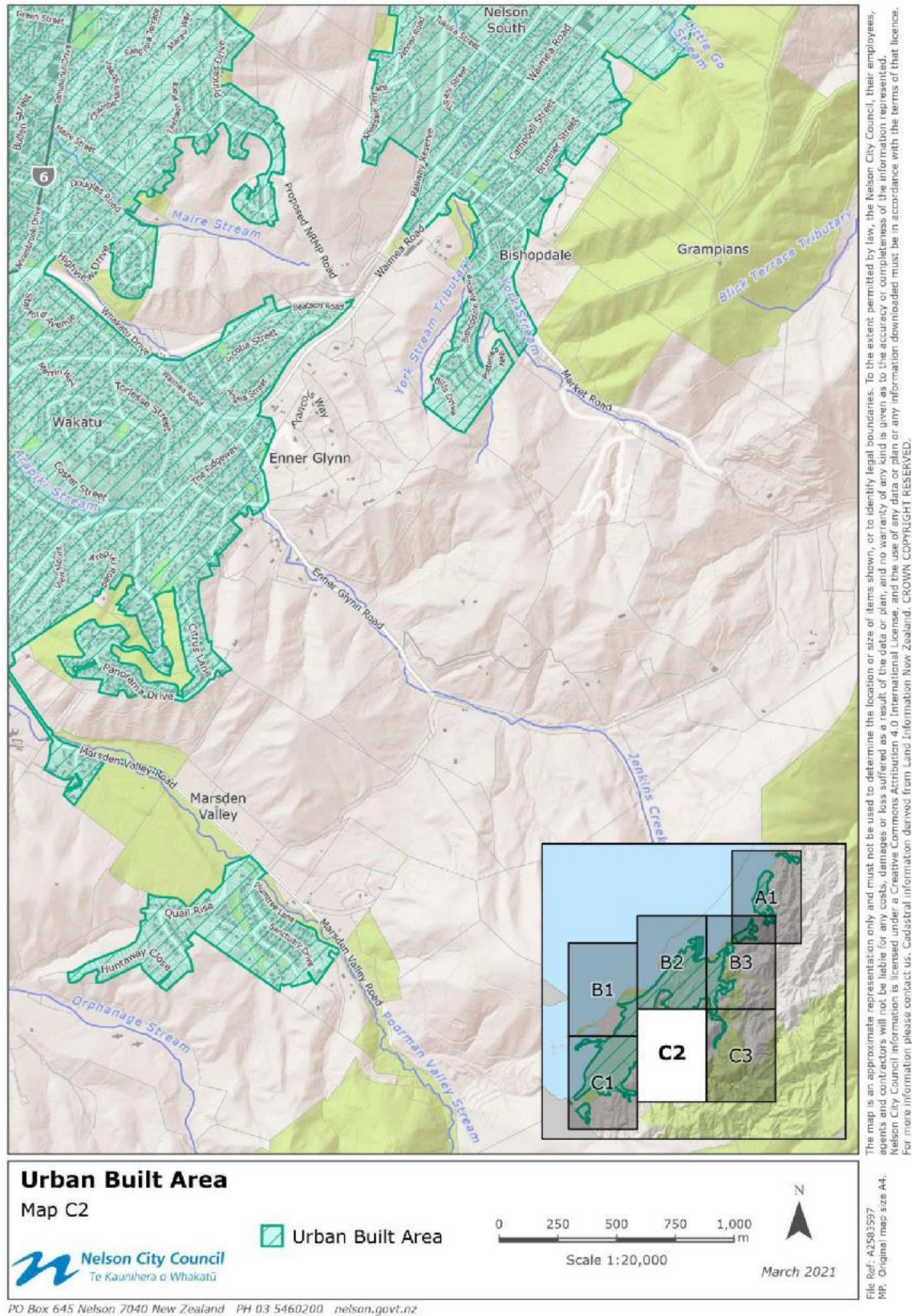




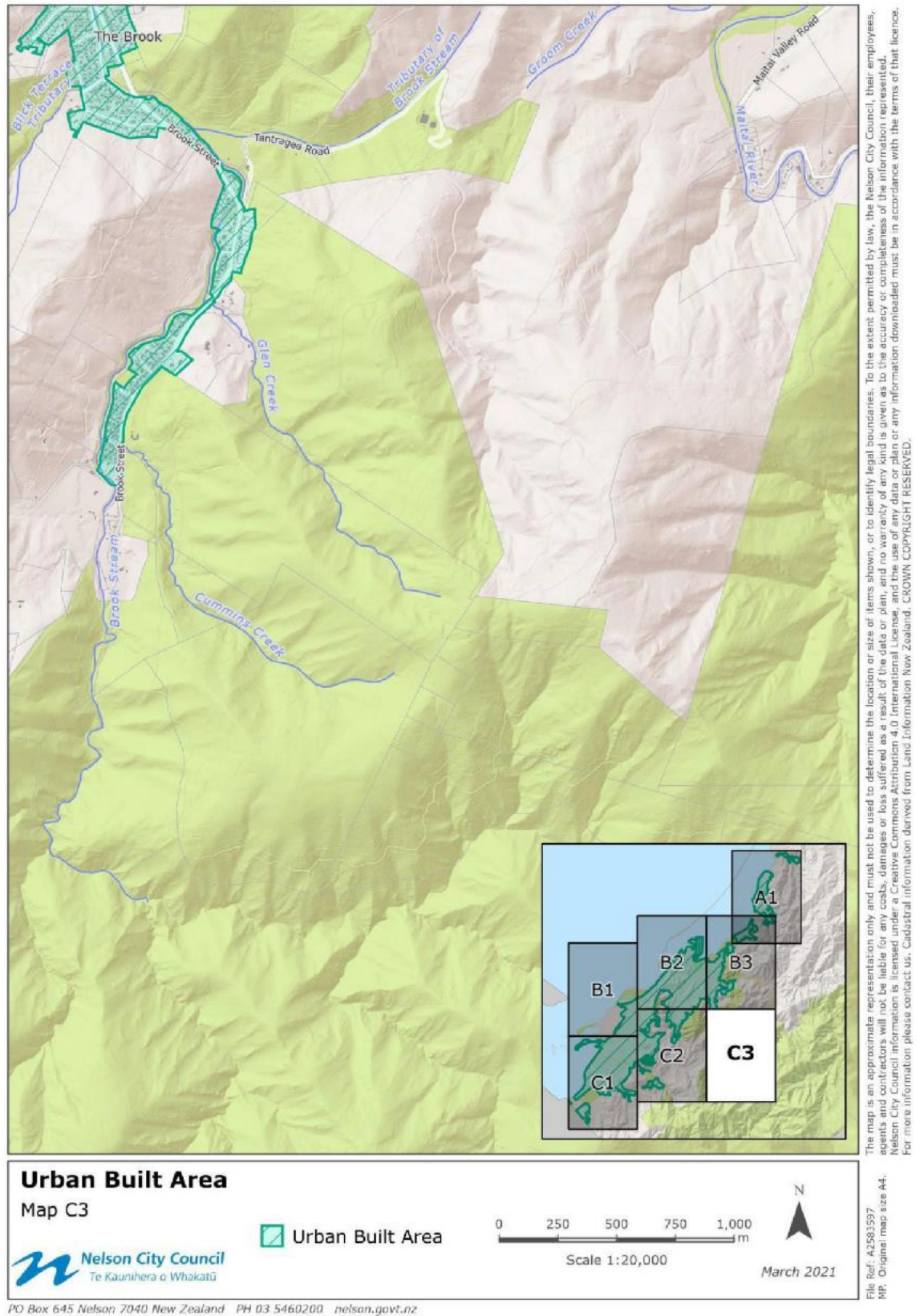


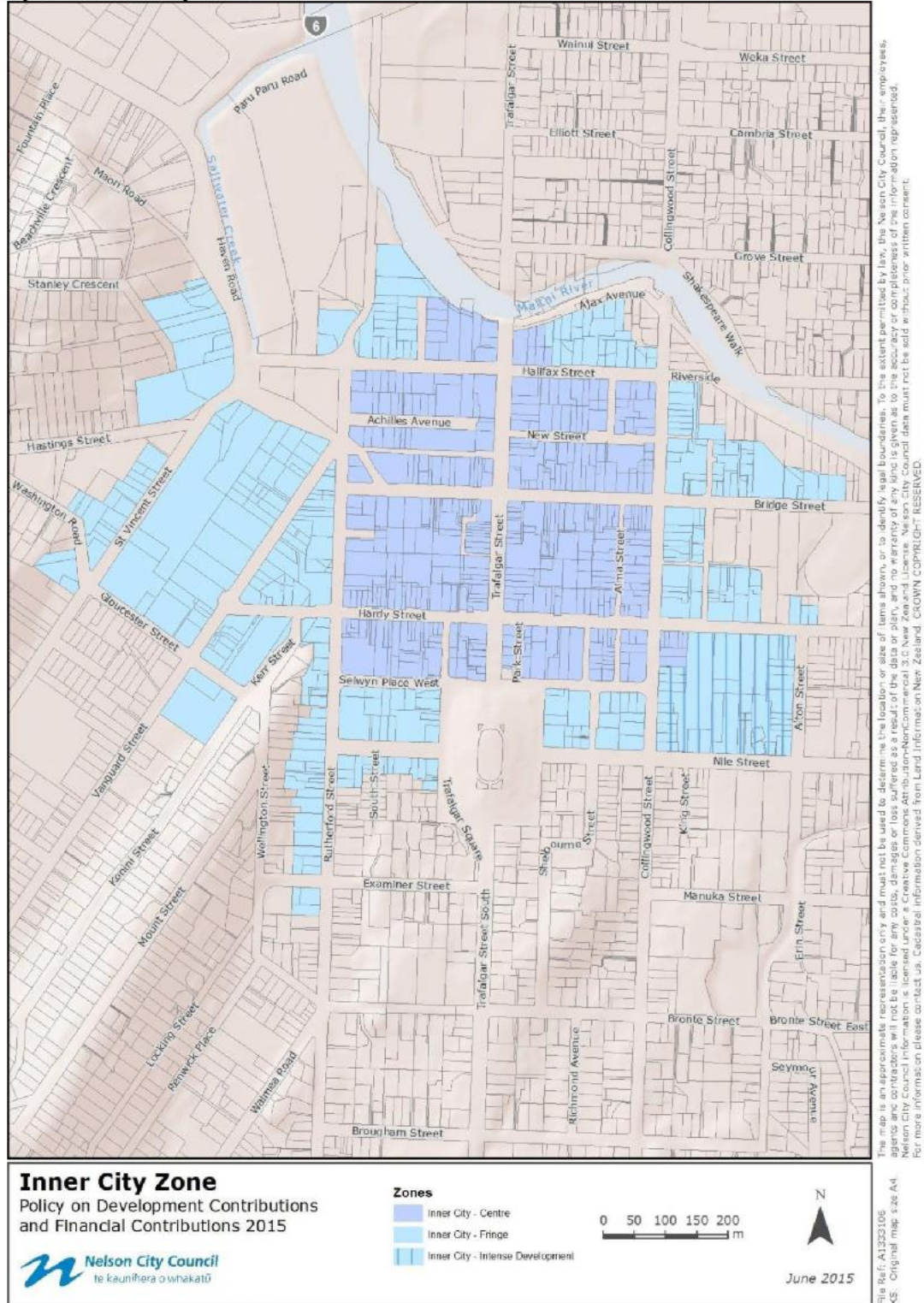










**Map 2 – Inner City Zone**

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**16. Consideration of activity funding – Section 101(3)**

Section 101(3)	Consideration of services
(a)(i) the community outcomes to which the activity primarily contributes	<p>Network infrastructure, community infrastructure and reserves contribute to several of the Council's joint regional community outcomes:</p> <ul style="list-style-type: none"> <li>• <u>Our unique natural environment is healthy and protected</u> - Development Contributions enable Council to provide network infrastructure that reduces the impact of people on the environment.</li> <li>• <u>Our urban and rural environments are people-friendly, well planned and sustainably managed</u> - Development contributions enable provision of good quality, sustainable and effective infrastructure and facilities.</li> <li>• <u>Our infrastructure is efficient, cost effective and meets current and future needs</u> - 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.</li> <li>• <u>Our communities are healthy, safe, safe, inclusive and resilient</u> - Development contributions enable council to provide network infrastructure that enables a healthy, safe community.</li> <li>• <u>Our region is supported by an innovative and sustainable economy</u> - Development contributions ensure that the cost of growth is fairly and reasonably met by new developments.</li> </ul>



(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.
<b>Section 101(3)</b>	<b>Consideration of services</b>
(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

## Policy on Development Contributions 2021

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	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 subsidise 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.

## 17. 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 below. The historic total cost and growth costs considered in the calculations of development contributions are also shown.

**Table H : 2021/22-2030/31 LTP – Summary of capital costs, growth costs and projected contribution revenue**

	Historical		2021/22 to 2030/31 LTP			2021/22 to 2030/31 LTP	
Activity	NCC Capital Costs	Growth Costs	NCC Capital Costs	Growth Costs	Total Growth Costs Considered	Total 10 Year Interest Costs	Projected Revenue from development contributions
Stormwater	59,578,000	13,282,000	128,004,000	21,321,000	34,603,000	3,933,000	12,409,000
Wastewater	58,262,000	18,669,000	127,895,000	27,893,000	46,562,000	4,598,000	14,685,000
Water Supply	53,930,000	10,508,000	78,537,000	14,168,000	24,676,000	2,290,000	8,041,000
Transportation	35,181,000	4,691,000	84,496,000	10,079,000	14,770,000	597,000	4,166,000
Community Infrastructure	15,113,000	2,511,000	54,377,000	9,533,000	12,044,000	1,614,000	5,370,000
Reserves	20,588,000	3,963,000	31,239,000	2,967,000	6,930,000	215,000	2,120,000
<b>Grand Total</b>	<b>242,652,000</b>	<b>53,624,000</b>	<b>504,548,000</b>	<b>85,961,000</b>	<b>139,585,000</b>	<b>13,247,000</b>	<b>46,791,000</b>

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) and is therefore difficult to forecast.

The proposed growth costs for each year of the 2021 LTP are summarised in the below table for each activity.

**Table I : 2021/22-2030/31 LTP growth costs by year (\$000s)**

Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Grand Total
Stormwater	3,935	3,581	2,102	1,722	980	815	1,386	1,853	2,433	2,515	<b>21,321</b>
Wastewater	2,669	2,167	2,199	1,505	2,177	2,470	2,992	2,647	5,492	3,576	<b>27,893</b>
Water Supply	1,112	1,341	1,432	1,196	1,254	1,736	1,597	1,902	1,374	1,224	<b>14,168</b>
Transportation	381	513	547	976	1,342	1,955	1,361	1,073	741	1,189	<b>10,079</b>
Community Infrastructure	625	693	3,654	4,330	81	150					<b>9,533</b>
Reserves	<b>215</b>	<b>423</b>	<b>211</b>	<b>339</b>	<b>348</b>	<b>241</b>	<b>218</b>	<b>304</b>	<b>264</b>	<b>404</b>	<b>2,967</b>
<b>Grand Total</b>	<b>8,937</b>	<b>8,717</b>	<b>10,145</b>	<b>10,068</b>	<b>6,183</b>	<b>7,367</b>	<b>7,553</b>	<b>7,779</b>	<b>10,304</b>	<b>8,909</b>	<b>85,961</b>

## 18. Schedule of assets

The following table shows the core component and the interest component of the development contribution for each activity.

**Table J : Summary of development contributions component**

Activity	Core Component	Interest Component	Total Development Contribution
Stormwater	3,770	2,240	6,010
Wastewater	4,510	2,620	7,130
Water Supply	2,570	1,290	3,860
Transportation	1,470	290	1,760
Community Infrastructure	1,700	930	2,630
General Reserves	645	85	730
Neighbourhood Reserves (Greenfield) – Sites outside the urban boundary	N/A	N/A	10,725
Neighbourhood Reserves (Intensification) – Sites inside the urban boundary	115	15	130
<b>Grand Total Greenfield</b>			<b>\$31,315</b>
<b>Grand Total Intensification</b>			<b>\$20,720</b>

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 2021 to 2031 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.



**Table K : Schedule of assets**

Activity / 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
<b>Stormwater</b>	<b>163,813,780</b>	<b>21%</b>	<b>79%</b>	<b>34,603,497</b>	<b>\$3,767.5</b>
<b>Historic</b>	<b>54,731,885</b>	<b>24%</b>	<b>76%</b>	<b>13,282,029</b>	<b>\$1,672.2</b>
SW7;Arapiki Stream (first stage)	6,320,007	31%	69%	1,962,792	\$218.4
2689;Saxton Creek upgrade	6,364,488	22%	78%	1,385,305	\$208.6
SW2;Q15 reticulation upgrades (Q15 pipelines) - pre-2009	5,070,537	32%	68%	1,631,822	\$179.0
SW3;Q15 reticulation upgrades (pump station catchment) - pre-2009	4,400,016	32%	68%	1,416,032	\$155.4
2865; Hampden St East Little Go Stream: Stage 2	3,740,829	26%	74%	974,471	\$125.0
SW8;Orchard Creek	2,361,308	31%	69%	733,347	\$81.6
2079;Capital: Mount St / Konini St	1,412,238	21%	79%	297,469	\$46.1
2866;Whakatu Drive (Storage World)	1,200,072	19%	81%	227,475	\$35.2
3289;Orphanage Stream - bunding Saxton Road East	1,038,916	21%	79%	219,848	\$33.9
SW1;Other conditioned projects (prior to Jul 2006)	283,942	100%	0%	283,942	\$30.9
SW4;Nayland Road (to Saxton)	874,924	32%	68%	278,242	\$30.7
2964;Saxton Creek Stage4 Upgrade	889,753	21%	79%	187,404	\$29.0
2624;LOS: Nile Street East	817,849	23%	77%	184,930	\$26.9
1069;Tosswill to Tahuna Stormwater Upgrade	946,205	17%	83%	161,343	\$25.0
2688; Orphanage Stream upgrade	649,995	28%	72%	181,154	\$21.9
2089;Salt Water Creek/Haven Rd Culvert	601,913	29%	71%	174,400	\$20.4
2958;Railway Reserve - Saxton Rd West - Dryden Street	599,495	26%	74%	155,774	\$20.0
2688;Orphanage Stream upgrade (Saxton Road East Culvert)	594,582	24%	76%	143,339	\$19.7
2054;Montcalm/Arrow/Wash Vly/Hastings	558,481	28%	72%	157,469	\$18.8
2689; Saxton Creek upgrade	2,965,680	5%	95%	141,223	\$17.4
3330;Tahunanui SH6 Stormwater Culvert Upgrades	456,110	21%	79%	96,068	\$14.9
2058;Tasman St upgrade(Nile to Bronte)	436,157	29%	71%	125,398	\$14.7

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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	Core Component \$/HUD
2861;Parere Street Stormwater upgrade	379,619	23%	77%	85,508	\$12.5
2689;Saxton Creek upgrade Land Purchase	360,144	22%	78%	78,052	\$11.8
SW5;Stanley Beachville (stage 1)	333,218	32%	68%	105,969	\$11.7
2855;Catchment 3 - days Track & SH6 Culverts	320,828	21%	79%	68,756	\$10.5
SW6;Iwa Road	299,405	31%	69%	94,093	\$10.4
2054;Washington Valley Stormwater Upgrade	304,330	21%	79%	64,546	\$9.9
2690;Minor Flood improvement prgm	264,911	21%	79%	56,573	\$8.7
1077;Stanley/Beachville stormwater	235,953	28%	72%	65,022	\$7.9
3218;Emano Reserve Stormwater	233,010	21%	79%	49,187	\$7.6
2473;Wastney Terrace stormwater (pvt drain prgm)	226,119	22%	78%	49,515	\$7.4
1178;Maitai flood management	216,155	21%	79%	46,388	\$7.1
2964;Saxton Creek Culvert Upgrade	206,186	23%	77%	46,730	\$6.8
2095;Airlie St	207,125	22%	78%	44,706	\$6.8
2100; Hampton St East- Little Go Stream	189,561	28%	72%	53,880	\$6.4
2830;Kauri Street	196,000	21%	79%	41,265	\$6.4
SW9;New Pumps (part of Pump Station Catchment Wood Area)	178,000	27%	73%	48,760	\$6.3
2473;Wastney Terrace stormwater (pvt drain prgm)	182,148	27%	73%	48,972	\$6.1
2590;Tahuna Slip Pvt/ Pub Drains	166,520	24%	76%	39,418	\$6.1
1182;Maire Stream: Stage 1	169,220	24%	76%	40,277	\$5.6
2072;Neale/Kea/Kaka/Railway Reserve	160,119	31%	69%	49,144	\$5.5
2818;Cawthron Crescent	167,368	21%	79%	35,465	\$5.5
2850;Rutherford Stage 1 - Girls College Detention	165,968	21%	79%	35,408	\$5.4
2968;Orphanage Stream / Sunningdale	153,038	23%	77%	35,297	\$5.1
1110;Nile St East Storm water	153,017	21%	79%	32,381	\$5.0
2855;Tahuna Slope Risk Area	145,285	27%	73%	39,118	\$4.9
1085;Tasman (Cambria/Grove) (part of Pump Station Catchment Wood Area)	140,978	30%	70%	42,180	\$4.8

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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	Core Component \$/HUD
2817;Brooklands	145,892	22%	78%	31,532	\$4.8
2061;Main Road Stoke / Arapiki - Maitland Stormwater Upgrade	144,642	21%	79%	30,465	\$4.7
1100; Capital: York Stream Channel Upgrade	692,143	5%	95%	38,047	\$4.7
2815;Bisley Avenue	134,273	22%	78%	29,391	\$4.4
2087;Main Rd Stoke/Poormans St/Culvert op. Fire Station	124,260	21%	79%	26,403	\$4.1
3311;Stormwater Network Models	121,298	21%	79%	25,490	\$4.0
2625;Jenkins & Arapiki (airport) - Flood Protection	121,433	21%	79%	25,577	\$4.0
1065;147A to 149 Waimea Road Stormwater	114,309	26%	74%	29,487	\$3.8
1095; LOS: York catchment evaluation	106,723	29%	71%	31,115	\$3.6
2850;Rutherford Stage 1 - Stormwater Upgrade	99,996	21%	79%	21,062	\$3.3
1060;Pvt/Pub Drains programme	92,255	27%	73%	25,368	\$3.1
2822;Examiner	88,022	21%	79%	18,846	\$2.9
2823;Fifeshire	79,869	26%	74%	20,531	\$2.7
2850;Rutherford Stage 1: Girls College	79,251	27%	73%	21,093	\$2.7
2624;LOS: Nile Street East SW & flood protection	78,671	28%	72%	22,240	\$2.7
1060;Pvt/Public Drains	139,874	12%	88%	16,476	\$2.5
2721; Wakapuaka Flats Stormwater Network Upgrade	73,654	29%	71%	21,476	\$2.5
2090;St Vincent/Hastings St Culvert	73,522	24%	76%	17,723	\$2.4
2091;North Esk/Beccles	71,773	29%	71%	20,660	\$2.4
2861;Vanguard Street Stormwater	69,292	27%	73%	18,633	\$2.3
2874;Beach Road	68,579	21%	79%	14,404	\$2.2
1106;Athol Street Storm water	57,873	21%	79%	12,164	\$1.9
1071;Capital: Shelbourne St s/w upgrade	56,454	21%	79%	11,891	\$1.8
3083;Minor Stormwater Improvements Programme	52,174	21%	79%	10,916	\$1.7
2851;Rutherford Stage 2 - Box Culvert	52,220	21%	79%	10,999	\$1.7
1173;Capital: Freshwater Improvement Programme	52,220	21%	79%	10,999	\$1.7

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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	Core Component \$/HUD
1100;Capital: York Stream Channel Upgrade	2,289,804	0%	100%	10,883	\$1.7
1196;Piping Ditches programme	50,026	27%	73%	13,499	\$1.7
2689; Saxton Creek upgrade Land Purchase	237,207	5%	95%	11,296	\$1.4
2052; Brook Stream Catchment Improvements	39,403	29%	71%	11,489	\$1.3
2961;York Terrace	40,001	21%	79%	8,420	\$1.3
3089;Strawbridge Sq Stormwater improvements	40,000	21%	79%	8,422	\$1.3
2824;Golf/ Parkers	39,529	21%	79%	8,325	\$1.3
1088; Capital: Todds Valley Stream upgrade	38,139	29%	71%	10,955	\$1.3
2059;Capital: Arapiki Road stormwater	38,003	26%	74%	10,032	\$1.3
2858;Totara/Hutcheson	38,000	21%	79%	8,004	\$1.2
3010;Toi Toi stormwater improvements	35,000	21%	79%	7,372	\$1.1
1057;Capital: Poynters Cres	31,335	21%	79%	6,600	\$1.0
2968; Orphanage Stream / Sunningdale	30,316	26%	74%	7,820	\$1.0
1041;Nayland-Honey Tye Way	30,000	21%	79%	6,318	\$1.0
2848;Rotoiti	30,000	21%	79%	6,319	\$1.0
2778;Tahunanui Hills Stormwater Catchment 4 - Bisley Ave	29,999	21%	79%	6,319	\$1.0
2964; Saxton Creek, Main Rd Stoke Culvert to Sea	156,104	5%	95%	7,434	\$1.0
1107;Catchment Mgt Plans: Maitai	26,323	29%	71%	7,675	\$0.9
2073;Oldham Creek upgrade	24,036	24%	76%	5,690	\$0.9
2589;Stansell Pvt/ Pub Drains	21,514	21%	79%	4,570	\$0.8
1182; Maire Stream: Stage 1	22,085	27%	73%	6,066	\$0.7
2591;Suburban Club private drain subsidised (storm)	19,258	24%	76%	4,550	\$0.7
2677;Chamberlain stormwater upgrade	16,527	29%	71%	4,819	\$0.6
2095;Airlie St Stormwater	16,555	26%	74%	4,271	\$0.6
1113;Atawhai Crescent Storm Water	15,694	23%	77%	3,538	\$0.5
1178; Maitai flood management	13,519	28%	72%	3,821	\$0.5

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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	Core Component \$/HUD
2075;Halifax St upgrade(Tasman to Milton)	9,179	27%	73%	2,521	\$0.3
2865;Hampden St East Little Go Stream: Stage 2	7,990	23%	77%	1,800	\$0.3
2087; Main Rd Stoke/Poormans St/Culvert op	5,050	29%	71%	1,442	\$0.2
2960;Seaton/Allisdair	4,962	21%	79%	1,038	\$0.2
2875;Ariesdale/Thompson Tce	3,782	24%	76%	913	\$0.1
2679;Ballard Dr stormwater upgrade	1,152	29%	71%	336	\$0.0
2821;Dodson Valley	845	21%	79%	178	\$0.0
2842;Ngaio/Maitland	605	21%	79%	127	\$0.0
2062;Capital: Main Rd Stoke (Louisson - Marsd	550	21%	79%	115	\$0.0
2145;Bellevue Heights Stormwater	550	21%	79%	115	\$0.0
2835;Manson Ave	256	21%	79%	54	\$0.0
2074;Capital: Milton: Grove-Cambria	192	21%	79%	40	\$0.0
<b>2021 LTP</b>	<b>109,081,895</b>	<b>20%</b>	<b>80%</b>	<b>21,321,468</b>	<b>\$2,095.3</b>
2964;Saxton Creek Stage4 Upgrade	18,776,500	21%	79%	3,981,368	\$588.4
2054;Washington Valley Stormwater Upgrade	7,442,360	21%	79%	1,580,077	\$229.6
2850;Rutherford Stage 1 - Stormwater Upgrade	6,219,620	21%	79%	1,321,011	\$188.1
1178;Maitai flood management	10,181,700	19%	81%	1,904,097	\$131.6
2061;Main Road Stoke / Arapiki - Maitland Stormwater Upgrade	10,470,400	18%	82%	1,886,674	\$92.9
2079;Capital: Mount St / Konini St	2,228,400	21%	79%	474,352	\$66.3
3450;Coastal Response Strategy Implementation	4,869,600	19%	81%	902,520	\$57.5
2473;Wastney Terrace stormwater (pvt drain prgm)	1,650,000	21%	79%	349,889	\$52.6
2817;Brooklands	1,783,360	21%	79%	380,715	\$51.4
1173;Capital: Freshwater Improvement Programme	2,718,300	19%	81%	529,812	\$48.5
1379;Centennial Park pump station outfall and stormwater Treatmen	1,450,000	21%	79%	307,478	\$46.2
2961;York Terrace	1,837,900	20%	80%	369,856	\$40.0
2095;Airlie St	1,020,000	21%	79%	216,296	\$32.5

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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	Core Component \$/HUD
3322;Intensification AP N270 City Centre	3,376,100	16%	84%	556,246	\$27.2
2074;Capital: Milton: Grove-Cambria	2,024,830	18%	82%	371,225	\$21.6
2969;Poormans Stream	2,950,400	18%	82%	523,721	\$21.3
2778;Tahunanui Hills Stormwater Catchment 4 - Bisley Ave	726,010	21%	79%	154,811	\$21.1
2868;Jenkins Stream stormwater upgrade	2,754,160	18%	82%	488,866	\$19.9
1111;Annesbrook Drive Storm Water	720,490	21%	79%	152,230	\$19.4
3444;Coastal Inundation Modelling	790,550	20%	80%	158,694	\$18.1
3338;Maire Stream Upgrade Stage 2	664,880	21%	79%	140,544	\$18.1
2858;Totara/Hutcheson	603,140	21%	79%	128,674	\$17.4
2625;Jenkins & Arapiki (airport) - Flood Protection	581,660	21%	79%	123,780	\$17.4
2818;Cawthron Crescent	571,390	21%	79%	121,846	\$16.6
3089;Strawbridge Sq Stormwater improvements	539,610	21%	79%	115,097	\$15.7
2509;Trafalgar Park and Hathaway Tce	486,750	21%	79%	103,775	\$14.2
2145;Bellevue Heights Stormwater	417,920	21%	79%	88,918	\$12.5
1485;Stormwater Renewals	737,960	19%	81%	142,526	\$12.4
2815;Bisley Avenue	396,380	21%	79%	84,291	\$11.9
2971;Beatson Road	530,380	20%	80%	107,735	\$11.7
3380;Vanguard Street LOS	549,760	20%	80%	108,580	\$11.6
1057;Capital: Poynters Cres	394,530	21%	79%	84,193	\$11.4
2872;Upgrade Urban Streams	356,600	21%	79%	75,869	\$10.7
3311;Stormwater Network Models	432,180	21%	79%	91,453	\$10.3
3326;Intensification City Wide	2,910,510	16%	84%	479,535	\$8.5
2863;Network Capacity Confirmation for Growth Areas	265,980	40%	60%	106,392	\$8.4
2690;Minor Flood improvement prgm	434,640	20%	80%	85,211	\$8.2
2851;Rutherford Stage 2 - Box Culvert	2,485,200	17%	83%	425,130	\$8.1
3447;Coastal Erosion Modelling	374,000	20%	80%	74,714	\$8.0

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1447;Stormwater Detention Dam Renewals	452,525	19%	81%	87,250	\$7.5
3010;Toi Toi stormwater improvements	240,440	21%	79%	50,996	\$7.4
3083;Minor Stormwater Improvements Programme	325,980	20%	80%	63,908	\$6.2
3149;Atawhai SW Strategy Implementation	1,714,000	17%	83%	293,765	\$5.9
1121;Railway Reserve (Bishopdale - St Vincent) stormwater improve	246,420	21%	79%	50,700	\$5.9
1100;Capital: York Stream Channel Upgrade	1,182,250	17%	83%	205,040	\$5.7
2834;Mahoe/Orsman/Matipo	332,860	19%	81%	64,572	\$5.6
2957;Orakei/Tamaki/Rangiora Intersection	321,690	19%	81%	62,436	\$5.4
2822;Examiner	150,000	21%	79%	31,808	\$4.8
1071;Capital: Shelbourne St s/w upgrade	170,280	21%	79%	35,999	\$4.5
2073;Capital: Oldham Creek	858,060	17%	83%	148,404	\$3.8
2859;Trafalgar Square	127,580	21%	79%	27,053	\$3.4
3143;Haven Rd open channel upgrade	518,855	17%	83%	90,156	\$2.7
3289;Orphanage Stream - bunding Saxton Road East	70,000	21%	79%	14,844	\$2.2
2875;Ariesdale/Thompson Tce	86,360	21%	79%	17,827	\$2.0
1106;Athol Street Storm water	60,000	21%	79%	12,723	\$1.9
2852;Central Nelson SW Strategy Implementation	590,100	17%	83%	100,678	\$1.9
2854;Stoke SW Strategy Implementation	442,575	17%	83%	75,508	\$1.4
2080;Capital: Arapiki Stream	871,310	17%	83%	146,535	\$1.4
2862;Natural Hazards Risk Remediation	412,450	17%	83%	70,389	\$1.4
1041;Nayland-Honey Tye Way	40,000	21%	79%	8,482	\$1.3
3145;Nikau Rd open channel upgrade	233,130	17%	83%	40,529	\$1.2
2845;Port Hills SW Strategy Implementation	295,050	17%	83%	50,339	\$0.9
1114;Marsden Road storm water	68,160	18%	82%	12,540	\$0.8
1088;Capital: Todds Valley Stream upgrade	272,150	17%	83%	46,199	\$0.7
2867;Orchard Stream	332,350	17%	83%	56,169	\$0.7

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2721;Wakapuaka Flats Stormwater Network Upgrade	140,930	17%	83%	24,329	\$0.6
1109;Ashdonleigh Grove Storm water	154,150	17%	83%	26,172	\$0.4
2833;Kowhai	648,090	17%	83%	107,915	\$0.4
<b>Wastewater</b>	<b>167,807,080</b>	<b>28%</b>	<b>72%</b>	<b>46,397,670</b>	<b>\$4,513.4</b>
<b>Historic</b>	<b>48,368,265</b>	<b>39%</b>	<b>61%</b>	<b>18,669,142</b>	<b>\$2,194.3</b>
NRSBU1;WWTP Upgrade Primary Clarifier - NRSBU	4,182,704	100%	0%	4,182,704	\$462.6
WW1;Nelson North Wastewater Treatment Plant (NNWWTP) - mechanical treatment	9,721,760	32%	68%	3,133,213	\$345.4
1187;Neale Park PS	6,492,394	23%	77%	1,514,426	\$215.9
1920;Corder Park Pump Station upgrade	6,248,784	28%	72%	1,746,554	\$211.8
NRSBU2;Regional Pipeline - NRSBU	5,979,796	30%	70%	1,793,939	\$200.0
1184;Marsden Valley Trunk / Express Sewer (Stage 1)	1,703,565	100%	0%	1,703,565	\$195.0
WW4;NNWWTP - wetland treatment	3,416,983	31%	69%	1,075,358	\$119.7
1194;Marsden Valley Trunk / Express Sewer (Stage 2)	720,751	100%	0%	720,751	\$82.7
WW2;Previous contribution conditions	682,280	100%	0%	682,280	\$73.7
2884;Gracefield Sewer Diversion	1,925,913	21%	79%	406,379	\$63.2
1190;Ngawhatu Valley sewer trunk main	539,592	100%	0%	539,592	\$63.0
1716;Awatea Place Pump station	2,472,983	9%	91%	226,164	\$34.1
1061;Quarantine/Songer sewer trunk main	937,921	29%	71%	273,799	\$31.9
1187;Neale Park PS upgrade	559,177	27%	73%	153,383	\$18.9
WW6;Vanguard and Paru Paru pump stations	316,903	25%	75%	80,385	\$11.9
1648;Wastewater model calibration	725,549	9%	91%	64,865	\$10.1
3294;Vanguard St (Totara - Franklyn) sewer upgrade	299,650	23%	77%	67,487	\$9.9
1920;Corder Park Pump Station	228,447	23%	77%	51,911	\$7.6
2054;Washington Valley Sewer Upgrade	224,393	21%	79%	47,240	\$7.4
3230;System Performance Improvements	200,577	22%	78%	43,547	\$6.6
1914;Pump station resilience improvement programme	296,447	14%	86%	40,989	\$6.4



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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	Core Component \$/HUD
1272;Nelson WWTP trickling filter cover	182,803	29%	71%	53,365	\$6.2
3230;System Performance Improvements (Overflow Reduction / I&I)	97,556	21%	79%	20,538	\$3.2
2885;Atawhai Pump Stations (Brooklands & Marybank)	83,517	21%	79%	17,463	\$2.7
2890;Natural Hazards Risk Remediation	56,470	21%	79%	11,888	\$1.9
1716;Awatea Place	49,336	26%	74%	12,735	\$1.7
2822;Examiner St - Rutherford to Trafalgar	15,000	21%	79%	3,156	\$0.5
3010;Toi Toi St misc sewer renewals	7,014	21%	79%	1,467	\$0.2
<b>2021 LTP</b>	<b>119,438,815</b>	<b>23%</b>	<b>77%</b>	<b>27,728,528</b>	<b>\$2,319.1</b>
1564;Wastewater Pipe Renewals	20,026,600	20%	80%	3,963,505	\$404.1
1716;Awatea Place Pump station	8,560,000	21%	79%	1,814,433	\$271.0
2879;Atawhai Rising Main - Stage 1	21,481,400	18%	82%	3,870,092	\$192.3
3355;Pump Station upgrades	9,502,850	19%	81%	1,822,387	\$150.8
3322;Intensification City Centre (Maitai Precinct) N270	4,328,210	61%	39%	2,623,977	\$138.1
2054;Washington Valley Sewer Upgrade	4,049,360	21%	79%	859,073	\$126.3
2768;NWWTP renewals	3,485,230	10%	90%	333,395	\$73.9
1563;Rising/swallows renewals	3,393,400	20%	80%	669,601	\$65.1
1502;Renewals Pump stations	2,650,280	20%	80%	521,689	\$52.3
1914;Pump station resilience improvement programme	3,449,400	19%	81%	655,725	\$52.0
3230;System Performance Improvements (Overflow Reduction / I&I)	3,100,100	19%	81%	594,547	\$49.9
2890;Natural Hazards Risk Remediation	3,662,200	19%	81%	683,103	\$46.9
3369;Climate Change - Vulnerability Assessment Implementation	2,424,550	19%	81%	453,583	\$31.5
;NRSBU - Implement increased capacity through Aeration basin and clarifier phase 2	1,761,000	85%	15%	1,496,850	\$31.1
;NRSBU - Saxtons Pump and Discharge pipework upgrade (design under regional pipeline upgrade)	1,022,000	21%	79%	217,485	\$30.6
1648;Wastewater model calibration	1,021,950	10%	90%	99,261	\$29.4
;NRSBU - Beach Rd to Saxtons Rd Pipeline - Construction phase 1	1,067,000	21%	79%	225,866	\$28.7

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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	Core Component \$/HUD
;NRSBU - Beach Rd to Saxtons Rd Pipeline - Construction phase 2	1,067,000	21%	79%	225,866	\$28.7
3368;Climate Change - Emissions Reduction Strategy Implementation	1,571,700	19%	81%	304,530	\$27.0
;NRSBU - Saxtons Rd to Monaco Pipeline - Construction phase 2	766,500	21%	79%	163,114	\$23.0
;NRSBU - Saxtons Rd to Monaco Pipeline - Construction phase 1	766,500	21%	79%	163,114	\$23.0
;NRSBU - Install duplicate pipelines from C3 to ponds	783,000	21%	79%	167,288	\$22.8
2850;Rutherford St (Little Go Stream) Renewal	704,400	21%	79%	149,473	\$21.6
1191;NWWTP Minor Upgrades	1,143,786	20%	80%	223,348	\$21.3
;NRSBU - Complete installation of new storm pump generators	600,000	21%	79%	127,186	\$19.3
3361;Capital WW network small upgrades	1,011,600	19%	81%	196,980	\$18.3
;NRSBU - Adjustment to match business plan	332,437	38%	62%	125,631	\$17.4
;NRSBU - Implement increased capacity through Aeration basin and clarifier phase 1	880,500	85%	15%	748,425	\$15.6
;NRSBU - Install ring main (or generators)	500,000	21%	79%	105,976	\$15.4
3326;Intensification City Wide	2,365,400	56%	44%	1,330,538	\$15.3
;NRSBU - Installation of Airport storage	511,000	21%	79%	108,742	\$15.3
;NRSBU - Install additional screen at inlet works	511,000	21%	79%	108,742	\$15.3
;NRSBU - Install second system with second fan plus additional capacity, odour scrubbers for ammonia removal and cooling	375,000	21%	79%	79,491	\$12.1
;NRSBU - Undertake desludging in stages (1/2)	375,000	21%	79%	79,482	\$11.6
;NRSBU - Implementation of buffer storage	546,000	20%	80%	109,824	\$11.4
3370;Climate Change - Adaptation Strategy Implementation	1,982,500	17%	83%	346,226	\$11.3
3358;Data Gathering equipment	582,475	9%	91%	53,706	\$10.7
;NRSBU - Install pumped overflow screens at Wakatu and Songer PS	300,000	21%	79%	63,593	\$9.6
;NRSBU - Construct containment area	300,000	21%	79%	63,585	\$9.3
;NRSBU - Investigation and planning	281,050	21%	79%	59,808	\$8.4
3359;LoS network problem/issues upgrade/renewal appraisal	434,640	20%	80%	85,151	\$8.3
;NRSBU - Install pilot ultrafiltration plant - phase 2	250,000	21%	79%	52,994	\$8.0

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;NRSBU - Design-build of new facilities block on Bell Island	250,000	21%	79%	52,994	\$8.0
;NRSBU - Design additional screen and revise screening technology to reduce odour and maintenance issues, and increase maintainability at inlet works.	255,500	21%	79%	54,371	\$7.7
;NRSBU - Saxtons Rd to Monaco Pipeline - Design and Consent	255,500	21%	79%	54,371	\$7.7
;NRSBU - Seismic structural strengthening	266,750	21%	79%	56,467	\$7.2
;NRSBU - Implement alternative to existing overhead powerlines	266,750	21%	79%	56,467	\$7.2
;NRSBU - Install duplicate grit trap	273,000	20%	80%	54,912	\$5.7
;NRSBU - Relocate and Install generators at inlet works	175,000	21%	79%	37,096	\$5.6
;NRSBU - Beach road bund and sealing system implementation	175,000	21%	79%	37,096	\$5.6
;NRSBU - New ducting, controls and biofilter cell	175,000	21%	79%	37,096	\$5.6
;NRSBU - Airport 2nd storm pump installation	182,700	21%	79%	39,034	\$5.3
;NRSBU - Design increased capacity through Aeration basin and clarifier	293,500	85%	15%	249,475	\$5.2
;NRSBU - Install overflow screen & monitoring at Airport	150,000	21%	79%	31,796	\$4.8
;NRSBU - Undertake desludging in stages (2/2)	150,000	21%	79%	31,793	\$4.6
;NRSBU - Install pumped overflow screens at Saxton PS	150,000	21%	79%	31,793	\$4.6
;NRSBU - Implement UV disinfection	279,500	19%	81%	53,212	\$4.2
;NRSBU - Wakatu pump capacity increase (design under regional pipeline upgrade)	133,375	21%	79%	28,233	\$3.6
;NRSBU - Beach Rd to Saxtons Rd Pipeline -Design and Consent phase 2	133,375	21%	79%	28,233	\$3.6
;NRSBU - Beach Rd to Saxtons Rd Pipeline -Design and Consent phase 1	133,375	21%	79%	28,233	\$3.6
;NRSBU - Install pilot ultrafiltration plant - phase 1	100,000	21%	79%	21,198	\$3.2
;NRSBU - Flooding resilience works implementations including Wetwell cover replacement at Saxtons and Airport	100,000	21%	79%	21,195	\$3.1
;NRSBU - Design and install covers for biosolids storage tanks at Rabbit Island	100,000	21%	79%	21,195	\$3.1
;NRSBU - Songer street bund and sealing system design installation	75,000	21%	79%	15,896	\$2.3
;NRSBU - Design of buffer storage	109,200	20%	80%	21,965	\$2.3
;NRSBU - Purchase new equipment for forestry clearing and/or application	78,300	21%	79%	16,729	\$2.3

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;NRSBU - Improvements prior to lease (eg fencing, recontouring, removing old machinery, etc)	80,025	21%	79%	16,940	\$2.2
;NRSBU - Wakatu cross connection to two pipes - construction	80,025	21%	79%	16,940	\$2.2
;NRSBU - Landscape management plan and planting with saline tolerant species - Bell Is and Best Is	50,000	21%	79%	10,599	\$1.6
;NRSBU - Buy new pivot irrigator if current farmer takes his when contract terminated	50,000	21%	79%	10,598	\$1.5
;NRSBU - Assess condition of existing 11kV line and cost of mitigation options (ring main/generators/etc)	50,000	21%	79%	10,598	\$1.5
;NRSBU - Cover and plant dewatering bags	50,000	21%	79%	10,598	\$1.5
;NRSBU - Detailed design of Airport storage (in former digester and clarifier)	51,100	21%	79%	10,874	\$1.5
;NRSBU - Condition assessment of Airport digester and clarifier, concept design of improvements	51,100	21%	79%	10,874	\$1.5
;NRSBU - Seismic strengthening design	53,350	21%	79%	11,293	\$1.4
2876;Ngawhatu Valley TM - Stage 2	299,500	100%	0%	299,500	\$1.2
;NRSBU - Design duplicate pipelines from C3 to ponds	41,760	21%	79%	8,922	\$1.2
;NRSBU - Design to resolve lack of overflow head at Wakatu, Saxton and Songer	25,000	21%	79%	5,299	\$0.8
;NRSBU - Improve accuracy/reliability of flowmeters and data processing of results so able to charge Contributors for all peak flows	25,000	21%	79%	5,299	\$0.8
;NRSBU - Flooding, and sea level rise review for Pumpstations	25,000	21%	79%	5,299	\$0.8
;NRSBU - Design second system with second fan plus additional capacity, odour scrubbers for ammonia removal and cooling	25,000	21%	79%	5,299	\$0.8
;NRSBU - Control pump stations from Bell Island, SCADA data to go straight to IPS at Bell Island	25,000	21%	79%	5,299	\$0.8
;NRSBU - Design ducting, controls and biofilter cell	25,000	21%	79%	5,299	\$0.8
;NRSBU - Link Rabbit Island to Bell Island (controls and SCADA, cross-referencing of FMs)	25,000	21%	79%	5,299	\$0.8
;NRSBU - Purchase NRSBU vehicle	24,000	21%	79%	5,087	\$0.8
;NRSBU - Design and implement intra-plant pipework modifications to enable re-use	25,550	21%	79%	5,437	\$0.8
;NRSBU - Airport 2nd storm pump design	26,100	21%	79%	5,576	\$0.8

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;NRSBU - Wakatu cross connection to two pipes - design	26,675	21%	79%	5,647	\$0.7
;NRSBU - Renovations to facility to house hui	20,000	21%	79%	4,240	\$0.6
;NRSBU - Design duplicate grit trap	27,300	20%	80%	5,491	\$0.6
;NRSBU - Design UV disinfection facility or similar for re-use water	27,950	19%	81%	5,321	\$0.4
;NRSBU - Obtain resource consent for pond desludging	10,000	21%	79%	2,120	\$0.3
;NRSBU - Options assessment to select preferred buffer storage options and configuration, including consideration of different water uses and water qualities	13,650	20%	80%	2,746	\$0.3
;NRSBU - Begin installation of new generators	5,000	21%	79%	1,060	\$0.2
;NRSBU - Acquire digester and clarifier at Airport from NCC	5,110	21%	79%	1,087	\$0.2
;NRSBU - Investigate if can irrigate forest on Bell Island or if better to remove and replace with cut to carry crop that can be irrigated	5,110	21%	79%	1,087	\$0.2
;NRSBU - Assess options to relocate/underground existing overhead powerlines to golf course (or consider off-grid solution eg solar power for golf course)	2,668	21%	79%	565	\$0.1
<b>Water Supply</b>	<b>103,529,229</b>	<b>24%</b>	<b>76%</b>	<b>24,666,099</b>	<b>\$2,587.2</b>
<b>Historic</b>	<b>30,605,574</b>	<b>34%</b>	<b>66%</b>	<b>10,507,710</b>	<b>\$1,243.0</b>
1179;Maitai Pipeline (Dam to Water Treatment Plant)	13,171,954	30%	70%	3,950,374	\$454.2
WS5;Stoke #3 reservoir and trunkmain	1,575,828	100%	0%	1,575,828	\$176.1
2130;Maitai Pipeline (WTP Westbk Tce)	4,954,723	27%	73%	1,317,106	\$167.9
2315;Obs. Hill Res & Pump	982,437	100%	0%	982,437	\$115.1
WS1;Cross city link return	2,500,000	34%	66%	838,308	\$93.0
2555A;WTP Membranes	2,151,437	28%	72%	610,389	\$73.4
2803;Water Loss Reduction Programme	866,013	22%	78%	191,309	\$28.8
WS2;Todds Valley upgrade	760,944	34%	66%	255,162	\$28.3
WS4;Maitai Pipeline design	537,295	32%	68%	171,320	\$19.1
WS3;Wastney Tce pump station	520,191	33%	67%	171,582	\$18.9
3164;Suffolk Road (Saxton to Ngawhatu) water upgrade	324,608	31%	69%	100,616	\$15.7
2314;Capital: Atawhai No.2 Reservoir	253,791	21%	79%	53,951	\$8.4

Activity / 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
2810;Dam Upgrades	208,219	21%	79%	44,543	\$6.9
3209;Bolt Road Roundabout	200,000	21%	79%	41,871	\$6.6
2800;Pressure Enhancement	112,912	21%	79%	23,761	\$3.7
2807;Natural Hazards Risk Remediation	217,538	11%	89%	23,761	\$3.7
2801;NCC - TDC Link	100,000	21%	79%	21,043	\$3.3
1179;Maitai Pipeline Duplication	88,071	29%	71%	25,566	\$3.0
2054;Washington Valley Water Upgrade	84,000	21%	79%	17,677	\$2.8
2785;Chamboard Place new water ridermain	68,781	24%	76%	16,334	\$2.5
1081;System Improvements	255,777	6%	94%	14,257	\$2.2
2812;Reservoir Refurbishment Programme	154,451	7%	93%	10,504	\$1.9
2802;DMA establishment	340,750	3%	97%	9,982	\$1.6
3259;Water supply H&S risk mitigation programme	41,968	20%	80%	8,309	\$1.4
2130;Maitai Pipeline (WTP - Westbk Tce)	40,000	23%	77%	9,179	\$1.3
1190;Ngawhatu Valley - Polstead/Suffolk ridermain	32,630	29%	71%	9,535	\$1.1
3010;Toi Toi St water ridermain	29,998	21%	79%	6,284	\$1.0
0;Plant and Equipment	25,458	21%	79%	5,321	\$0.8
1615;Water Model Calibration - Update	5,800	24%	76%	1,401	\$0.2
<b>2021 LTP</b>	<b>72,923,655</b>	<b>19%</b>	<b>81%</b>	<b>14,158,389</b>	<b>\$1,344.1</b>
1461;Renewals: Water Pipes	19,420,600	20%	80%	3,801,610	\$374.8
2314;Capital: Atawhai No.2 Reservoi	4,930,410	21%	79%	1,026,985	\$127.2
3322;City Centre N270 Maitai Precinct Intensification Growth proj	6,870,500	19%	81%	1,284,552	\$90.4
3307;Washington (Rentone to Watson) water renewal	2,652,940	21%	79%	563,262	\$81.4
2810;Dam Upgrades	2,600,250	21%	79%	552,195	\$79.7
2140;Capital: Atawhai Trunkmain	6,913,690	18%	82%	1,254,764	\$69.5
1496;Headworks Upgrades	2,615,600	20%	80%	520,407	\$56.0
2809;Water Treatment Plant Upgrades	2,476,350	20%	80%	489,187	\$50.5

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3387;Future growth and Intensification Projects	1,812,750	20%	80%	359,052	\$35.3
2951;Water Treatment Plant Renewals	1,768,405	18%	82%	312,239	\$28.7
2803;Water Loss Reduction Programme	1,390,670	20%	80%	275,176	\$28.6
2313;Capital: Atawhai Res & pump Ma	175,000	100%	0%	175,000	\$26.7
3329;Bayview Development Growth project	1,078,950	20%	80%	218,986	\$24.7
3385;Washington Road (Hastings to St Vincent) Renewal	815,840	21%	79%	173,185	\$22.7
2807;Natural Hazards Risk Remediation	1,136,600	20%	80%	223,346	\$22.5
3060;Konini Street water renewal	694,300	21%	79%	147,692	\$21.0
2850;Rutherford St (Little Go Stream) Renewal	552,200	21%	79%	117,095	\$17.1
3388;Maitai Pump Station upgrade	1,416,800	17%	83%	242,534	\$17.0
3165;water pump stations - upgrades	1,671,300	17%	83%	279,442	\$16.4
2131;Fire Flow Upgrades	936,600	19%	81%	180,965	\$16.1
2805;Future Growth Additional Storage	522,000	21%	79%	111,508	\$15.3
3367;Climate Change Adaptation Projects	2,089,200	18%	82%	368,391	\$14.3
2812;Reservoir Refurbishment Programme	750,410	18%	82%	134,398	\$13.6
1081;System Improvements	651,960	20%	80%	127,650	\$12.5
2811;Pump Stations - Renewals	660,055	18%	82%	118,772	\$12.4
2800;Pressure Enhancement	420,300	21%	79%	88,031	\$11.5
1496;Renewals: Headworks	460,655	20%	80%	93,108	\$11.0
3142;Maitai Pipeline Hazard mitigation	360,470	19%	81%	67,584	\$7.7
2132;Telemetry/Control Upgrade	244,470	16%	84%	39,631	\$6.6
2999;Scada Renewal	341,130	9%	91%	32,229	\$6.5
3010;Toi Toi St water ridermain	200,000	21%	79%	42,382	\$6.5
3259;Water supply H&S risk mitigation programme	217,320	18%	82%	39,307	\$4.3
1498;Renewals: Misc Pipes & Fittings	217,320	20%	80%	42,550	\$4.2
3381;Maitai Raw water pipeline renewal	464,100	18%	82%	81,786	\$3.2

Activity / 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
3326;Intensification City Wide	2,091,000	17%	83%	350,022	\$3.0
3231;Ngawhatu Valley high level reservoir	546,065	17%	83%	93,252	\$2.2
2129;Roding Pipeline	405,145	17%	83%	69,594	\$1.7
2801;NCC - TDC Link	352,300	17%	83%	60,517	\$1.5
<b>Transportation</b>	<b>74,970,141</b>	<b>20%</b>	<b>80%</b>	<b>14,739,184</b>	<b>\$1,470.6</b>
<b>Historic</b>	<b>19,886,472</b>	<b>24%</b>	<b>76%</b>	<b>4,690,527</b>	<b>\$607.1</b>
2172;WC 341 Railway Reserve/Princes Dr cycle crossing upgrade	375,336	100%	0%	375,336	\$53.8
TR3;Ridgeway connection	1,466,266	32%	68%	466,845	\$48.6
3182;WC 341 Tahunanui Cycle Network - SH6 Tahunanui Drive connect	1,367,144	22%	78%	294,493	\$41.6
2798;WC 341 New Footpaths	951,342	22%	78%	206,536	\$29.0
2736;Building Improvements	850,000	21%	79%	179,969	\$25.7
3291;WC 341 Seafeld Terrace Road Re-instatement	681,611	21%	79%	144,612	\$20.7
2173;Maitai Shared Path	660,000	21%	79%	139,722	\$20.0
2193;Todd Bush Rd upgrade	590,473	26%	74%	155,215	\$18.4
2058;Tasman St upgrade(Nile to Bronte)	574,252	28%	72%	158,085	\$18.0
1526;Princes Drive	559,124	29%	71%	164,903	\$17.7
1314;WC 452 UCP Saltwater Creek Crossing	560,351	22%	78%	123,423	\$17.1
3151;WC 341 Maitai shared path to Anzac Park active transport fac	644,640	18%	82%	117,911	\$16.9
TR2;Nayland Road	443,327	31%	69%	136,616	\$14.2
3036;WC 341 Main Road Stoke cycleway Saxton Creek to Champion Roa	465,055	21%	79%	99,393	\$14.1
TR5;Footpath: Walkway Connection	443,930	29%	71%	130,929	\$14.1
TR6;Minor Improvements top up	408,080	29%	71%	120,356	\$12.9
1313;Maitai Walkway (Akerston St to Traf St)	355,361	29%	71%	101,831	\$11.2
1080;WC 341 Streetlight Improvement	342,405	17%	83%	56,756	\$11.0
1227;Bishopdale to the Ridgeway shared path	284,358	22%	78%	62,885	\$9.6
2199;WC 341 Waimea Road Retaining Wall at Snows Hill	341,510	19%	81%	64,298	\$9.2



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2611;Stock Effluent Facility	256,698	29%	71%	73,856	\$8.1
2997;WC 531 CBD interchange	255,008	21%	79%	54,103	\$7.7
2471;Arapiki Rd retaining wall replacement	210,857	23%	77%	48,896	\$7.1
TR7;School approaches/frontage treatments	201,553	24%	76%	48,131	\$6.9
3389;Beach Road Raised Table - PGF	180,000	21%	79%	38,110	\$5.5
3287;WC 215 Westbrook Convergence Bridge deck replacement	158,793	22%	78%	35,604	\$4.9
2699;Railway Reserve to CBD (via St Vincent (Stage II Gloucester Street to Haven Rd))	132,948	20%	80%	27,248	\$4.4
1225;Manuka St minor improvements	130,458	22%	78%	29,157	\$4.4
1840;Bridge St enhancement	127,129	28%	72%	35,108	\$4.0
1080;Streetlight upgrade Programme	116,838	23%	77%	27,105	\$4.0
3024; WC341 Maori Rd Retaining wall	111,967	22%	78%	24,087	\$3.8
3286;WC 341 Athol St slip stabilisation	120,930	23%	77%	27,289	\$3.7
3100;Church Street Improvements	107,356	22%	78%	23,690	\$3.4
3075; Songer St new footpath - Nayland to Durham	102,439	20%	80%	20,539	\$3.4
3105;WC 341 Oldham Bridge Replace	110,405	24%	76%	26,583	\$3.4
3105; WC 341 Oldham Bridge Replace	99,496	20%	80%	19,949	\$3.3
3430;WC341 TDM Inner City - Bike Shelters	107,800	21%	79%	22,824	\$3.3
3284;WC 341 Maitai footbridge cathodic protection	98,738	24%	76%	23,672	\$3.0
2896;WC 341 Curtis Street footbridge (Link to Manu Kau reserve)	99,451	21%	79%	21,053	\$3.0
3010;WC 341: Toi Toi St upgrade	96,864	22%	78%	20,828	\$2.9
TR1;Corder Park Cycleway	87,731	32%	68%	28,391	\$2.9
3062; WC 341 Elm Street Intersection safety improvements	86,661	20%	80%	17,413	\$2.9
1525;WC 341 Minor Improvements	91,795	22%	78%	19,944	\$2.8
0;Road Drainage Improvements	90,076	21%	79%	19,118	\$2.7
2079;WC 341: Mount Street and Konini Street upgrade	85,226	22%	78%	18,355	\$2.6
3313;WC 341 Ped facilities at Arapiki Road/ The Ridgeway	84,390	21%	79%	17,828	\$2.6

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TR4;Gloucester / Kerr / Oxford St cyclelane & Hardy St crossing	79,995	25%	75%	20,180	\$2.5
2945;WC 531 Integrated Ticketing GRETS	542,917	3%	97%	17,621	\$2.5
3076;Ring Route Signage CBD	74,916	22%	78%	16,195	\$2.5
2533;School frontage St Josephs and Central (Willow Walk)	73,230	23%	77%	17,000	\$2.5
3215;WC 341 Arapki Road Upgrade - retaining Wall	433,491	4%	96%	16,794	\$2.4
0;Land Purchase - LOS	99,070	17%	83%	16,518	\$2.3
3226;WC 341 Waimea Road / Hampden Street intersection upgrade	74,900	20%	80%	14,900	\$2.3
3046;WC 341 Bronte Street new footpath, Scotland to Collingwood	75,057	24%	76%	18,126	\$2.3
2211;Capital: Halifax/Traf St landscape improvements	64,974	23%	77%	15,083	\$2.2
3139;Maitai Valley Road shared path modifications	70,446	23%	77%	15,881	\$2.2
1531;Waimea Rd / Motueka St Intersection	575,280	15%	85%	87,687	\$2.1
3299;WC 341 Travel demand management improvements	66,395	21%	79%	13,992	\$2.0
2213;Rocks Rd cycling and walking project	61,119	29%	71%	17,514	\$1.9
2529;School frontage Nelson Intermediate	55,454	23%	77%	12,873	\$1.9
3080;Nikau/Palm new footpaths	58,032	24%	76%	13,973	\$1.8
1375;WC 341 Marsden Valley Ridgeway Upgrade	13,053	100%	0%	13,053	\$1.8
2932;Rocks Rd to Maitai shared path	52,866	23%	77%	12,240	\$1.7
1924;WC 341 Nayland Rd Ped crossing	51,666	21%	79%	10,973	\$1.6
3219;WC341 Seaview Underpass Weir	49,184	21%	79%	10,413	\$1.5
3055;WC 341 Speed Feedback Signs	47,806	23%	77%	10,801	\$1.5
3032;WC 341 Airport Bridge Replacement	48,182	21%	79%	10,173	\$1.5
2335;WC 531 PT Minor Improvements	227,602	4%	96%	9,958	\$1.4
2530;School frontage Auckland Point School	41,924	23%	77%	9,732	\$1.4
1076;Road Frontage Planting Program	134,330	7%	93%	9,736	\$1.4
2697;Whakatu Drive / Beatson Road	43,376	28%	72%	12,294	\$1.4
3224;WC 341 IseI Park Cycle Connections	44,700	21%	79%	9,441	\$1.4

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3319;WC 341 Footpath Connection Bishopdale	39,200	21%	79%	8,300	\$1.2
2698;Railway Reserve to CBD (via St Vincent (Stage I Railway Reserve to Gloucester Street))	30,469	23%	77%	7,073	\$1.0
3179;WC 341 Nayland Road Pedestrian Refuge - Orchard Creek Crossi	33,442	21%	79%	7,123	\$1.0
2703;St Vincent to CBD cycle connection	28,498	21%	79%	5,882	\$1.0
3030; WC341 Poleford Bridge seismic upgrade	28,082	21%	79%	5,757	\$0.9
2087;WC341 Main Rd Stoke/Poormans St/Culvert op. Fire Station	29,400	21%	79%	6,190	\$0.9
3031; WC341 Gibbs Bridge Seismic upgrade	26,413	20%	80%	5,335	\$0.9
1222;The Brook Area Cycling and Walking Improvements	26,037	21%	79%	5,581	\$0.9
1525;Rooding Minor Improvement Programme	25,766	22%	78%	5,705	\$0.9
1525;WC341 Rooding Minor Improvement Programme	24,500	17%	83%	4,166	\$0.8
3037;WC 341 Waimea Road Pedestrian Refuge	24,761	23%	77%	5,654	\$0.8
2703;WC 341 St Vincent to CBD cycle connection	24,371	24%	76%	5,868	\$0.8
2189;WC341 Kawai Innovate Streets	24,500	21%	79%	5,173	\$0.7
3227;WC 341 Waimea Road Franklyn Street intersection improvements	24,500	21%	79%	5,187	\$0.7
2947;Muritai SH6 intersection (incl Ped crossing across SH6)	19,902	21%	79%	4,272	\$0.7
1062;Road: Queens Rd	20,885	23%	77%	4,711	\$0.6
1314;Maitai Walkway (Saltwater Creek Crossing)	19,564	26%	74%	5,012	\$0.6
1079;Street Tree Dev	65,784	6%	94%	4,090	\$0.6
3104; WC 341 Anti Slip to Maitai Path deck	16,149	20%	80%	3,238	\$0.5
0;Rocks Rd Bollards	15,785	21%	79%	3,323	\$0.5
3219;WC341 4 Stansell Ave Footpath	15,599	21%	79%	3,293	\$0.5
3037; WC341 Waimea Road Pedestrian Refuge	12,982	20%	80%	2,659	\$0.4
1222;WC 341 Brook Cycle&Walk Imprvmnts	13,778	24%	76%	3,317	\$0.4
3026;WC 341 Sharedzone - Wigzell	13,476	23%	77%	3,142	\$0.4
2173;Maitai shared path (Collingwood St to Nile St)	13,100	28%	72%	3,609	\$0.4
3048;Joyce Place walkway new footpath	12,541	24%	76%	3,020	\$0.4

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2069;WC341 Collingwood St Drainage	12,740	21%	79%	2,697	\$0.4
0;Sundry Land Purchases - Growth	3,000	100%	0%	3,000	\$0.4
3036; WC452 Main Road Stoke cycleway Saxton Creek to Champion Road	11,384	20%	80%	2,282	\$0.4
3127;Atawhai Dr (near Founders)	11,071	24%	76%	2,666	\$0.3
3034;WC 341 Atawhai Crescent - Bus stop relocation	10,969	24%	76%	2,641	\$0.3
3025;WC 341 Sharedzone - Beachville Cres	10,899	22%	78%	2,414	\$0.3
0;Capital: Plant & Equipment	23,271	10%	90%	2,220	\$0.3
2994;Strawbridge Sq Layout & Access Improvement	92,328	2%	98%	2,212	\$0.3
2173;WC 341 Maitai shared path to Nelson east programme	10,190	24%	76%	2,446	\$0.3
3236;Polytech to CBD enhancements	10,220	21%	79%	2,164	\$0.3
2194;WC341 Franklyn St Pedestrian Improvements	10,148	21%	79%	2,137	\$0.3
3025; WC341 Sharedzone - Beachville Cres	8,702	22%	78%	1,881	\$0.3
2200;Marsden Valley Road Upgrade	10,445	18%	82%	1,927	\$0.3
1529;WC 341 Cable Bay catch fence	8,432	24%	76%	2,030	\$0.3
1078;Street Garden Dev	30,304	6%	94%	1,694	\$0.2
3106;WC 341 Jenkins Creek shared path widening	7,779	24%	76%	1,832	\$0.2
3032; WC341 Airport Bridge Replacement	7,099	20%	80%	1,438	\$0.2
2333;Tahunanui to Annesbrook cycle connection	6,925	26%	74%	1,814	\$0.2
3220;WC341 Seaview Underpass Weir	7,378	21%	79%	1,553	\$0.2
2694;Wood to Intermediate via Colleges, part B (Brougham chgs)	7,153	28%	72%	1,981	\$0.2
2613;10 Halstead Rd building conversion (aka Bata, Hub)	5,813	29%	71%	1,673	\$0.2
2695;Wood to Intermediate via Colleges, part C (Van Deiman St)	5,693	28%	72%	1,611	\$0.2
2176;School approach & Frontage treatments	5,220	23%	77%	1,212	\$0.2
3090;WC 341 Maitai Path underpass flooding improvements	5,721	22%	78%	1,259	\$0.2
3046; Bronte Street new footpath, Scotland to Collingwood	5,128	20%	80%	1,028	\$0.2
1175;Greenmeadows Centre	5,000	24%	76%	1,204	\$0.2

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1888;WC341 Home Zone Signs	4,900	21%	79%	1,037	\$0.1
3047;Natalie Street new footpath	4,289	24%	76%	1,033	\$0.1
3301;WC 421 Travel Demand Management e-bikes	4,138	23%	77%	933	\$0.1
3212;WC 341 Cross Town Links Brook to Central Programme	3,415	23%	77%	770	\$0.1
3029; WC341 Ridgeway/Marsden Valley Rd, minor improvements	3,054	22%	78%	660	\$0.1
3106; WC 341 Jenkins Creek shared path widening	2,930	20%	80%	587	\$0.1
2624;WC 341 Nile St/Clouston Tce intersection improvement	2,847	23%	77%	642	\$0.1
2193;Todd Bush Rd	2,815	22%	78%	632	\$0.1
1313;Maitai shared path (Akerston St to Traf St)	2,634	23%	77%	609	\$0.1
0;Plant & Equipment	2,611	21%	79%	553	\$0.1
2054;Washington Valley Street Lighting Upgrade	2,450	21%	79%	519	\$0.1
3174;WC 341 Stoke East West Cycle Connection	1,400	23%	77%	316	\$0.0
2693;Wood to Intermediate via Colleges, part A (Sharrows to Tasman)	1,260	29%	71%	363	\$0.0
1810;Toi Toi: Vanguard St intersection	1,153	23%	77%	268	\$0.0
3312;WC341 Quarantine Road Bridge Footpath (at Bolt Rd)	1,194	21%	79%	251	\$0.0
3076; Ring Route Signage CBD	1,016	20%	80%	204	\$0.0
3107; WC 341 Cable Bay Road cycle safety signs	989	20%	80%	198	\$0.0
2934;WC 324 Quarantine/Nayland intersection upgrades	1,066	21%	79%	224	\$0.0
2172;Railway Res/Princes Dr ext overbridge	129	100%	0%	129	\$0.0
2995;Putaitai St/Main Rd Stoke Right Turn	540	20%	80%	108	\$0.0
3310;WC 341 Washington Road Safety Improvements	547	21%	79%	115	\$0.0
3074; WC 341 Milton weka intersection safety	497	20%	80%	100	\$0.0
2174;Variable speed signs	464	29%	71%	133	\$0.0
1881;North Esk ToiToi Street intersections MS	292	29%	71%	84	\$0.0
1812;Collingwood St pedestrian refuge at New St	162	29%	71%	47	\$0.0
3139;WC 341: Maitai Valley Road shared path modifications	134	23%	77%	30	\$0.0

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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	Core Component \$/HUD
1531;Waimea/Motueka intersection upgrade	779	14%	86%	109	\$0.0
3090; WC 341 Maitai Path underpass flooding improvements	78	20%	80%	16	\$0.0
2218;WC 531 Stoke interchange	51	23%	77%	12	\$0.0
<b>2021 LTP</b>	<b>55,083,668</b>	<b>18%</b>	<b>82%</b>	<b>10,048,657</b>	<b>\$863.5</b>
3211;WC 324 Nelson Future Access Study	14,178,934	20%	80%	2,851,369	\$263.5
1525;WC 341 Minor Improvements	3,194,604	16%	84%	506,653	\$57.9
1539;WC 214 Sealed Road Pavement Rehabilitation	3,843,560	19%	81%	736,471	\$49.8
1173;Freshwater Improvements programme	2,115,820	21%	79%	438,399	\$45.2
2798;WC 341 New Footpaths	2,440,053	20%	80%	478,661	\$39.5
2997;WC 531 CBD interchange	1,386,100	21%	79%	289,127	\$31.4
0;Road Drainage Improvements	1,548,920	20%	80%	314,566	\$30.9
3078;WC 222 Traffic Services Renewal - Lighting	1,597,302	16%	84%	253,326	\$29.0
2200;Marsden Valley Road Upgrade	2,493,255	18%	82%	460,001	\$22.4
3212;WC 341 Cross Town Links Brook to Central Programme	1,068,372	20%	80%	216,734	\$20.3
1375;WC 341 Marsden Valley Ridgeway Upgrade	1,757,125	18%	82%	324,186	\$19.5
2335;WC 531 PT Minor Improvements	676,740	17%	83%	116,167	\$16.4
3062;WC 341 Elm Street Intersection safety improvements	1,267,606	16%	84%	196,798	\$15.9
1971;WC341 Domett Street - LOS Capital	616,273	21%	79%	131,350	\$15.7
3225;WC 452 Nile Street cycle facilities	763,234	20%	80%	155,560	\$14.7
3010;WC 341: Toi Toi St upgrade	504,700	21%	79%	107,616	\$14.6
2994;Strawbridge Sq Layout & Access Improvement	945,150	16%	84%	150,057	\$14.4
2946;Railway Reserve Lighting	482,200	17%	83%	79,597	\$14.3
1078;Street Garden Dev	565,980	9%	91%	53,539	\$14.3
3391;Nelson College Frontage Franklyn St	719,150	20%	80%	141,048	\$11.1
2079;WC 341: Mount Street and Konini Street upgrade	408,800	21%	79%	87,260	\$11.1
3172;WC 324 Polstead Main Road Stoke Intersection Upgrade	522,835	16%	84%	85,930	\$10.5

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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	Core Component \$/HUD
1079;Street Tree Dev	543,300	16%	84%	86,165	\$9.9
1076;Road Frontage Planting Program	488,970	9%	91%	46,370	\$9.6
2189;WC341 Kawai Innovate Streets	336,875	21%	79%	72,105	\$8.8
1080;WC 341 Streetlight Improvement	365,834	16%	84%	58,820	\$7.7
3174;WC 341 Stoke East West Cycle Connection	530,249	19%	81%	102,451	\$7.3
3312;WC341 Quarantine Road Bridge Footpath (at Bolt Rd)	200,900	21%	79%	42,754	\$5.7
2054;Washington Valley Street Lighting Upgrade	177,694	21%	79%	37,860	\$5.0
0;CBD Enhancement	200,050	21%	79%	41,187	\$4.1
3026;WC 341 Sharedzone - Wigzell	156,286	21%	79%	33,209	\$3.8
3233;WC 452 Atawhai Shared path extension to Todds Valley	2,111,456	17%	83%	362,655	\$3.5
3025;WC 341 Sharedzone - Beachville Cres	124,656	21%	79%	26,592	\$3.4
2074;Milton St (Grove to Cambria)	664,350	18%	82%	117,246	\$3.1
2218;WC 531 Stoke interchange	700,150	18%	82%	123,254	\$3.1
2945;WC 531 Integrated Ticketing GRETS	106,700	11%	89%	11,635	\$2.9
1525;WC341 Roading Minor Improvement Programme	159,730	16%	84%	25,333	\$2.9
3320;WC 151 Asset Management Capex	86,289	10%	90%	8,310	\$2.8
3226;WC 341 Waimea Road / Hampden Street intersection upgrade	84,917	17%	83%	14,219	\$2.5
1484;Renewals: On and Off St Parking Meter	1,268,663	8%	92%	101,709	\$2.3
1884;WC341 School Speed Zone Signs	75,117	21%	79%	16,034	\$2.0
3176;WC341 Songer Street signals review	59,878	17%	83%	10,033	\$1.7
3333;Bay View Rd SH6 intersection improvements	61,725	17%	83%	10,596	\$1.7
0;Plant & Equipment	86,928	20%	80%	17,175	\$1.5
2984;Stoke Centre Enhancements	173,300	15%	85%	25,586	\$1.2
3038;WC 215 Structures component replacement - Bridges	82,173	19%	81%	15,803	\$1.1
0;Capital: Plant & Equipment	45,372	20%	80%	8,915	\$0.8
2537;WC 452 CBD Cycle parking facilities	40,477	10%	90%	3,979	\$0.7

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Policy on Development Contributions 2021

Activity / 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
2934;WC 324 Quarantine/Nayland intersection upgrades	702,930	17%	83%	120,040	\$0.7
3120;Stoke Centre Traffic Calming and Ped Safety Works non sub ae	1,923,400	14%	86%	266,463	\$0.4
2075;Halifax (Maitai to Milton)	179,100	17%	83%	30,539	\$0.2
3151;WC 341 Maitai shared path to Anzac Park active transport fac	4,900	21%	79%	1,043	\$0.1
2199;WC 341 Waimea Road Retaining Wall at Snows Hill	4,900	21%	79%	1,043	\$0.1
2933;WC 324 Main Rd Stoke/Marsden Rd	93,218	17%	83%	15,484	\$0.1
3173;WC 341 Ngawhatu Suffolk Intersection	146,471	13%	87%	19,636	\$0.1
<b>Community Infrastructure</b>	<b>56,261,185</b>	<b>21%</b>	<b>79%</b>	<b>12,044,219</b>	<b>\$1,701.3</b>
<b>Historic</b>	<b>11,457,996</b>	<b>22%</b>	<b>78%</b>	<b>2,511,334</b>	<b>\$354.8</b>
1175;Greenmeadows Centre	8,212,612	24%	76%	2,009,545	\$277.6
2226;Elma Turner Library Extension/ Relocation	1,055,552	21%	79%	222,024	\$35.0
2002;Growth: Millers Acre Toilet	688,638	21%	79%	145,018	\$22.9
3238;Octopus Garden playground upgrade (Ngawhatu Reserve)	150,406	24%	76%	36,201	\$5.1
3277;Mako St playground development	139,026	23%	77%	31,304	\$4.7
1175; CP: Greenmeadows Centre	125,336	27%	73%	33,241	\$4.3
3300;Marsden Park playground	114,655	12%	88%	13,505	\$2.2
3180;Tahunanui Lions Toilet Upgrade	925,076	1%	99%	9,727	\$1.5
3292;Pepper Tree Park playground	35,000	23%	77%	7,881	\$1.2
3097;Freedom Camping signage	9,373	24%	76%	2,265	\$0.3
1175; AM: Greenmeadows Centre	1,322	28%	72%	364	\$0.0
1175; Cafe facility	1,000	26%	74%	258	\$0.0
<b>2021 LTP</b>	<b>44,803,189</b>	<b>21%</b>	<b>79%</b>	<b>9,532,884</b>	<b>\$1,346.5</b>
2226;Elma Turner Library Extension/ Relocation	44,786,809	21%	79%	9,529,593	\$1,346.1
1175;Greenmeadows Centre	16,380	20%	80%	3,292	\$0.3
<b>General Reserves</b>	<b>25,441,277</b>	<b>23%</b>	<b>77%</b>	<b>5,968,377</b>	<b>\$732.5</b>
<b>Historic</b>	<b>10,898,253</b>	<b>31%</b>	<b>69%</b>	<b>3,336,330</b>	<b>\$438.6</b>



Nelson City Council

Policy on Development Contributions 2021

Activity / 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
1063; Reserve Development Programme	156,712	100%	0%	156,712	\$19.4
1049; Capital: General Development	580,070	100%	0%	580,070	\$68.6
2154; Relocate Overhead Power	868,538	30%	70%	260,821	\$30.1
1049;Capital: General Development	240,973	67%	33%	161,270	\$25.3
1052;Esplanade & Foreshore Planting Prgm	269,322	44%	56%	118,340	\$18.1
1101; Road Entrance Main Rd Stoke	474,566	31%	69%	146,227	\$16.6
1051;Capital: Planting	255,460	42%	58%	106,327	\$16.4
1728; Capital: Planting	140,679	100%	0%	140,679	\$16.3
1422; Capital: Fences and Walls	122,084	100%	0%	122,084	\$14.5
3275;Paddys Knob reserve development	203,152	45%	55%	91,178	\$14.4
3111;Brook MTB Hub	394,026	22%	78%	85,210	\$12.5
1422; Capital: Furniture	99,380	100%	0%	99,380	\$11.6
1044;New cycle/path development	332,407	24%	76%	78,533	\$11.2
1832; Upgrade for multiuse	262,426	30%	70%	78,764	\$9.1
2247;Landscape reserves	88,998	62%	38%	55,567	\$8.8
2689; Saxton Creek recreation pond enhancements	256,525	26%	74%	66,289	\$8.7
2718; Cricket oval drainage remediation	243,025	30%	70%	72,980	\$8.4
1093; Capital: Upgrd Accessways/Carp	63,591	100%	0%	63,591	\$7.4
2894;Poormans walkway (Main rd - Neale ave)	1,190,279	4%	96%	45,034	\$6.9
1379;Modellers Pond Solution	462,739	9%	91%	42,926	\$6.3
2245;Fringed hill Revegetation	250,505	16%	84%	39,546	\$5.8
2345;Capital: Park Upgrades	165,312	22%	78%	36,481	\$5.5
1044; new Cycle / Path development	43,722	100%	0%	43,722	\$5.4
3309;Maungatapu to Coppermine Trail	37,709	84%	16%	31,613	\$5.0
1165;Capital: Accessway / Carparks	124,784	23%	77%	29,142	\$4.4
1068;Capital: Security Gates/Bollards	54,549	52%	48%	28,144	\$4.4

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Policy on Development Contributions 2021

Activity / 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
1050;Capital: Planting	53,307	45%	55%	23,774	\$3.7
1049; CP: Saxton Field General Development	106,716	29%	71%	30,455	\$3.7
1422;Capital: Fences and Walls	60,349	36%	64%	21,913	\$3.3
2893;Maitai revegetation	123,175	17%	83%	21,122	\$3.2
1422;Upgrade: Structures	78,501	24%	76%	18,868	\$3.0
1422;Capital: Furniture	44,705	41%	59%	18,230	\$2.8
2734; Capital: Stadium Surface Water Deflection	80,001	28%	72%	22,710	\$2.7
1422; Upgrade: Structures	22,323	100%	0%	22,323	\$2.7
3067; Saxton Oval electrical improvements	77,856	28%	72%	21,440	\$2.7
1728;Capital: Planting	27,361	61%	39%	16,563	\$2.6
1257;Capital: Minor Development	137,170	13%	87%	17,566	\$2.6
1629;Isel park bridge upgrade	75,498	21%	79%	16,092	\$2.5
1731;Paremata Flats upgrade (growth)	43,818	37%	63%	16,231	\$2.5
1044; CP: Saxton -Walkways/cycleways	67,677	28%	72%	18,926	\$2.3
1731;Growth: Furniture/Signs	26,713	50%	50%	13,466	\$2.1
2901;Minor LOS improvements	60,455	23%	77%	13,626	\$2.0
3194;Wakapuaka Sandflats Esplanade shared path	345,220	4%	96%	12,952	\$2.0
2159; Capital: land purchase (Daelyn)	15,424	100%	0%	15,424	\$2.0
2433; Saxton Oval Util shed & Fire Alarm (CWC)	51,349	29%	71%	15,024	\$1.8
1072;Capital: Signs	28,225	37%	63%	10,436	\$1.6
2432; Cricket ODI	44,796	30%	70%	13,452	\$1.6
2902;LOS: accessibility improvement items	54,314	19%	81%	10,256	\$1.5
3093; Hammer throw at Saxton Field	35,713	26%	74%	9,229	\$1.2
3140;Codgers new MTB tracks	33,748	24%	76%	8,156	\$1.1
1422;New entrance signs	34,750	20%	80%	6,936	\$1.0
3247;Complete tree planting (Hareke and Champion)	30,658	21%	79%	6,449	\$1.0

Nelson City Council

Policy on Development Contributions 2021

Activity / 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
3244;Mountain Bike track development (P59)	28,639	23%	77%	6,448	\$1.0
3273;Back Beach Car Parking Renewal	26,400	21%	79%	5,514	\$0.9
1422; OPs: Neighbourhood Parks Upgrade Prgm	24,930	28%	72%	6,896	\$0.9
3242;Alliance Green levelling, irrigation and drainage	25,550	21%	79%	5,337	\$0.9
3135;Almond Tree flats to Maitai track connection	23,689	21%	79%	4,948	\$0.8
1101; CP: Saxton Road Construction Main Road Stoke	22,071	31%	69%	6,801	\$0.8
2150; CP: Grant: Road Entrance Champion Drive	22,105	27%	73%	5,882	\$0.8
2154; CP: Relocate Overhead Power	21,629	30%	70%	6,529	\$0.8
2433; Cricket World Cup Ltd	21,750	29%	71%	6,364	\$0.7
1093;Capital: Upgrd Accessways/Carp	40,890	11%	89%	4,394	\$0.7
3193;Eureka Park walkway development	76,901	5%	95%	4,225	\$0.7
3274;Delaware Bay water access	19,096	23%	77%	4,300	\$0.6
1731;Capital: Fences / Walls	18,081	22%	78%	4,028	\$0.6
1029; Cricket/Athletics Pavilion	4,819	100%	0%	4,819	\$0.5
1832; Internet Upgrade	13,370	30%	70%	4,015	\$0.5
3246;Accessibility Improvements	13,737	23%	77%	3,093	\$0.5
1422; New entrance signs	3,653	100%	0%	3,653	\$0.5
0604; Athletics equipment shed	11,761	29%	71%	3,441	\$0.4
1308; HoN: Bio & Eco Planting	3,031	100%	0%	3,031	\$0.3
1728; OPs: New Planting Prgm	9,845	30%	70%	2,931	\$0.3
3242;Harekeke Green levelling, irrigation and drainage	10,167	21%	79%	2,139	\$0.3
3269;Courtside lighting and seating for outdoor netball courts	10,000	21%	79%	2,089	\$0.3
1073;Capital: Signs/Furniture	21,539	10%	90%	2,090	\$0.3
0;Cable Bay House	9,817	22%	78%	2,194	\$0.3
1072;Upgrade: Structures	9,721	24%	76%	2,349	\$0.3
3152;Maitai MTB Hub	779,635	0%	100%	2,188	\$0.3

Nelson City Council

Policy on Development Contributions 2021

Activity / 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
2433; CWC Legacy	8,826	29%	71%	2,582	\$0.3
3110; Marsden Valley mountain bike tracks stage one 2016-17	8,638	24%	76%	2,088	\$0.3
1730; Capital: New Planting	7,411	24%	76%	1,791	\$0.3
3190; Atawhai Reserve Improvements	240,000	1%	99%	1,515	\$0.2
1422; PF: Neighbourhood Parks Upgrade Prgm	7,027	26%	74%	1,840	\$0.2
2159; AM: Daelyn land purchase	5,846	29%	71%	1,696	\$0.2
1257; Minor Development	5,767	26%	74%	1,490	\$0.2
2345; Capital: Lighting / Signs	5,783	24%	76%	1,398	\$0.2
2718; CP: Cricket oval drainage remediation	4,601	30%	70%	1,382	\$0.2
1318; HoN: Trees & Plants	1,344	100%	0%	1,344	\$0.2
1175; Greenmeadows Centre	4,319	24%	76%	1,044	\$0.1
1049; PP: Saxton Field General Development	3,614	31%	69%	1,114	\$0.1
1093; CP: Neigh Parks: Capital Accesswayscarparks	3,396	31%	69%	1,046	\$0.1
3108; Codgers MTB track renewals	6,000	12%	88%	725	\$0.1
1938; PP: Saxton Cycle Track (Regional Velodrome)	2,711	31%	69%	835	\$0.1
1170; CP: Branford Park	1,811	31%	69%	555	\$0.1
1728; PF: Neighbourhood Parks Planting Prgm	1,450	31%	69%	447	\$0.1
3093; Hammer throw at Saxton Field	1,493	24%	76%	361	\$0.1
2159; PP: Daelyn land purchase	758	30%	70%	230	\$0.0
1093; ET: Neigh Parks: Capital Accesswayscarparks	640	30%	70%	193	\$0.0
1548; Rutherford/ Trafalgar Park Development	592	24%	76%	143	\$0.0
1029; CP: Cricket/Athletics Pavilion	414	31%	69%	127	\$0.0
1049; PF: Saxton Field General Development	365	31%	69%	112	\$0.0
1044; PP: Saxton -Walkways/cycleways	290	31%	69%	89	\$0.0
1170; PP: Branford Park cycleway	226	31%	69%	70	\$0.0
3112; CP: Victory Square - Skateboard half pipe	232	26%	74%	60	\$0.0

Nelson City Council

Policy on Development Contributions 2021

Activity / 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
2924; CP: Grant: Champion carpark	162	26%	74%	42	\$0.0
1938; CP: Saxton Cycle Track (Regional Velodrome)	138	31%	69%	42	\$0.0
3195; Dog exercise park	160,220	0%	100%	25	\$0.0
<b>2021 LTP</b>	<b>14,543,023</b>	<b>18%</b>	<b>82%</b>	<b>2,632,048</b>	<b>\$293.8</b>
1063; Reserve Development Programme	597,259	13%	87%	77,325	\$12.4
1186; Capital: Mountainbike Tracks	918,593	10%	90%	89,713	\$25.0
3397; Collection store H&S	710,000	21%	79%	150,394	\$22.4
3398; Energy centre venue development	759,870	20%	80%	155,354	\$18.3
3135; Almond Tree flats to Maitai track connection	591,545	21%	79%	125,395	\$16.4
1052; Esplanade & Foreshore Planting Prgm	689,701	16%	84%	109,896	\$15.6
1051; Capital: Planting	753,611	16%	84%	119,713	\$15.3
3254; Harekeke Green toilets and changing rooms	1,272,699	18%	82%	227,836	\$11.2
2895; Jenkins Stream (Pascoe to Airport)	666,950	19%	81%	128,518	\$11.1
1257; Capital: Minor Development	402,931	21%	79%	83,822	\$10.9
3071; Cultural space development	363,300	21%	79%	77,206	\$10.7
1731; Paremata Flats upgrade (growth)	92,752	100%	0%	92,752	\$10.4
3242; Harekeke Green levelling, irrigation and drainage	261,000	21%	79%	55,744	\$7.7
1165; Capital: Accessway / Carparks	345,601	16%	84%	55,252	\$7.5
3192; Marsden Valley MTB Hub	224,400	21%	79%	47,713	\$6.8
2893; Maitai revegetation	347,821	20%	80%	68,053	\$6.7
3241; Play Facilities	119,475	21%	79%	25,296	\$3.3
1422; Capital: Fences and Walls	231,970	13%	87%	30,146	\$6.6
1044; New cycle/path development	205,000	21%	79%	43,423	\$6.4
2325; Capital: Trafalgar Park Stand Removal	190,800	16%	84%	31,436	\$6.3
2247; Landscape reserves	181,235	16%	84%	29,446	\$5.0
3416; Entrance development	154,400	21%	79%	32,889	\$4.6

Nelson City Council

Policy on Development Contributions 2021

Activity / 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
3399;Granary venue development	155,590	21%	79%	32,517	\$4.0
1049;Capital: General Development	182,990	16%	84%	29,129	\$4.0
1050;Capital: Planting	173,910	16%	84%	27,626	\$3.5
1731;Growth: Furniture/Signs	23,188	100%	0%	23,188	\$3.1
1422;Capital: Furniture	139,128	13%	87%	18,007	\$2.9
3404;Sand storage shed	90,000	21%	79%	19,064	\$2.8
3272;Walkway link from the Wood (Cambria St) to Stanley Whitehead	91,760	21%	79%	19,509	\$2.8
1422;Upgrade: Structures	118,965	13%	87%	15,409	\$2.7
1731;Capital: Fences / Walls	81,158	21%	79%	16,999	\$2.6
1068;Capital: Security Gates/Bollards	115,940	13%	87%	15,006	\$2.4
3246;Accessibility Improvements	107,620	20%	80%	21,342	\$2.3
2902;LOS: accessibility improvement items	115,940	20%	80%	22,684	\$2.2
1093;Capital: Upgrd Accessways/Carp	117,050	19%	81%	22,597	\$2.1
1072;Capital: Signs	77,300	10%	90%	7,389	\$2.0
3403;Wastewater solution	50,000	21%	79%	10,591	\$1.6
3253;Harekeke Green cricket wicket blocks (x2)	52,200	21%	79%	11,149	\$1.5
1728;Capital: Planting	69,564	10%	90%	6,665	\$1.5
1072;Upgrade: Structures	42,000	21%	79%	8,897	\$1.4
3402;Media towers	327,995	17%	83%	56,049	\$1.3
3203;Saxton Oval renewals	63,079	20%	80%	12,336	\$1.2
3417;Wayfinding	35,000	21%	79%	7,414	\$1.1
3255;Lighting Improvements	257,700	17%	83%	44,041	\$1.1
3400;Church venue development	28,710	21%	79%	6,132	\$0.8
1073;Capital: Signs/Furniture	23,188	10%	90%	2,222	\$0.5
3250;Harekeke Green car park and paths	1,201,000	17%	83%	198,492	\$0.4
2786;Temporary Seating	9,814	21%	79%	2,088	\$0.3

## Policy on Development Contributions 2021

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	Core Component \$/HUD
3251;Harrier/cross country running tracks with trestles etc	22,900	18%	82%	4,126	\$0.2
3245;Champion Green facility	676,713	17%	83%	111,803	\$0.2
1422;New entrance signs	11,705	19%	81%	2,260	\$0.2
<b>Neighbourhood Reserves (Intensification)</b>	<b>3,135,358</b>	<b>30%</b>	<b>70%</b>	<b>961,444</b>	<b>\$130.6</b>
<b>Historic</b>	<b>626,846</b>	<b>100%</b>	<b>0%</b>	<b>626,846</b>	<b>\$77.7</b>
1063; Reserve Development Programme	626,846	100%	0%	626,846	\$77.7
<b>2021 LTP</b>	<b>2,508,512</b>	<b>13%</b>	<b>87%</b>	<b>334,598</b>	<b>\$52.9</b>
1063; Reserve Development Programme	2,389,037	13%	87%	309,302	\$49.6
3241;Play Facilities	119,475	21%	79%	25,296	\$3.3
<b>Grand Total</b>	<b>594,958,049</b>	<b>23%</b>	<b>77%</b>	<b>139,380,490</b>	

## 19. Previous development contributions

**Table L : Historical Development Contributions and Financial Contribution exemption**

Activity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Stormwater	2,999	3,043	3,075	2,370	2,394	2,442	3,230	3,360	3,460
Wastewater	2,756	2,796	2,825	4,270	4,319	4,418	5,000	5,190	5,360
Water Supply	3,054	3,098	3,131	2,950	2,984	3,053	2,050	2,130	2,200
Transport	882	895	904	980	998	1,034	1,370	1,420	1,470
Community Infrastructure	0	0	0	0	0	0	280	290	300
Reserves	0	0	0	0	0	0	1,160	1,200	1,240
<b>Total Development Contributions<sup>1</sup></b>	<b>9,691</b>	<b>9,832</b>	<b>9,935</b>	<b>10,570</b>	<b>10,695</b>	<b>10,947</b>	<b>13,090</b>	<b>13,590</b>	<b>14,030</b>
Financial contribution exemption amount	88,371	89,657	90,598	91,974	92,747	94,299	N/A	N/A	N/A

<sup>1</sup> Contributions set in the 2012, 2015 and 2018 Long Term Plans and adjusted for inflation in between



## Discussion from Council Report R22680

**18 March 2021**

### Continuation of levying contributions from developments

- 1.1 Local authorities are not required to levy development contributions. Some councils choose not to levy development contributions either because they have very limited growth-related capital expenditure, or to create an additional incentive for development. However, the majority of councils (45 of 67 territorial authorities) use development contributions.
- 1.2 The LGA provides 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." (s.197AA)*
- 1.3 Contributions may 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)*
- 1.4 Development and financial contributions are only a small source (approximately 2%) of Nelson's total revenue. 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 5.3 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.

### Reserves contributions

- 1.5 The reserves contribution method of calculation in the 2018 Policy has been identified as a financial barrier to intensive development of small, high value lots or unit titles. Under the current policy, all residential development pays a neighbourhood reserves DC based on the per square metre value of the land post development (currently for the equivalent of 40sqm per HUD). For apartments, townhouses and comprehensive developments located close to centres where the underlying land is valuable the neighbourhood reserves DC is currently high. In comparison, for greenfield areas, typically with larger sites further away from services and lower per square metre land values, the current neighbourhood reserves DC is much lower. Currently, the neighbourhood reserves DC is collected for the purchase of new reserves in greenfield areas.
- 1.6 The Nelson Tasman Future Development Strategy (FDS) identified a significant level of intensification as being necessary for accommodating growth in the

region. There is now a need to programme redevelopment of existing reserves, in addition to new reserves in new subdivisions to support intensification.

- 1.7 In response to this issue, the draft 2021 Policy introduces a Neighbourhood Reserves (Intensification) DC for areas within the existing built urban area to replace the standard Neighbourhood Reserves DC in the 2018 Policy. Developments outside the existing built urban area will continue to pay the standard Neighbourhood Reserves DC for purchase of new reserve land in greenfield areas.
- 1.8 The new Neighbourhood Reserves (Intensification) DC is calculated based on a programme of works focussed on improving existing reserves in the intensification areas identified in the FDS. In the term of the 2021-2031 LTP, works to improve reserves in the City Centre, Victory and Washington intensification areas are included. This is to align with the infrastructure upgrade programme for intensification areas.
- 1.9 The proposed method for calculating reserves DCs for intensification recognises that Council does not generally plan to provide further reserve land in the existing built urban area but instead, improve the level of service in existing reserves so that the existing reserves will be able to serve a greater number of residents as the City intensifies.
- 1.10 In addition, Council Asset Managers have identified that the level of service for neighbourhood reserve land in greenfield areas is very high compared to the level of service adopted by most other councils. Therefore it is proposed to reduce the current level of service for the provision of neighbourhood reserve land from 1.7Ha per 1000 (or 40sqm per HUD) residents to 1.1Ha per 100 residents (or 26sqm per HUD).
- 1.11 The reduction in the level of service brings Nelson City Council in line with other councils throughout New Zealand and will reduce the cost of the neighbourhood reserves land DC for greenfield developments.

### **Valuations for greenfield neighbourhood reserves contributions**

- 1.12 To simplify the calculation of the greenfield neighbourhood reserves DC, it is proposed in the draft Policy to calculate a standard fixed amount. This will be defined by using the sales of bare residential sections in the previous year. This will remove the need for individual valuations to be provided and therefore reduce the cost to developers.
- 1.13 The method proposed involves collecting sales data for bare residential section sales over the last calendar year, calculating the per square metre land sales price for each site and then using the median value to calculate the DC based on 26sqm per lot.
- 1.14 The set fee will need to be updated annually. The LGA allows for DCs to be increased by PPI each year along with the requirement for Council to advertise the change. Land prices typically increase at a rate much higher than PPI so if the DC is to increase at a rate that reflects the increase in land prices, a greater level of consultation will be required.

- 1.15 It is therefore recommended that the neighbourhood reserves land DC is recalculated every year based on the bare land sale prices of the previous calendar year and the new DC for reserves be consulted on alongside the Annual Plan. If the Annual Plan is not consulted on, then a separate consultation process will be needed.
- 1.16 A summary of the proposed reserves DCs, along with the current DCs for an example greenfield and intensification/brownfield site is shown below:

	2021 draft Policy (excl. GST)		2018 Policy (excl. GST)	
	Intensification	Greenfield	Intensification	Greenfield
Category	Any intensification per HUD	600sqm site @ \$350,000	100sqm site @ \$350,000	600sqm site @ \$350,000
Neighbourhood reserves (greenfield)	\$ -	\$10,725	\$70,000	\$23,333
Neighbourhood reserves improvement (intensification)	\$130	\$ -	\$300	\$ -
General reserves	\$730	\$730	\$1,240	\$1,240
<b>Total</b>	<b>\$860</b>	<b>\$11,455</b>	<b>\$71,540</b>	<b>\$24,573</b>

- 1.17 As shown in the table above, the reserves DCs proposed in the draft Policy are significantly lower than those in the current Policy and more than offset any increase in the infrastructure DCs discussed below.

### Infrastructure contributions

- 1.18 Under the draft 2021 Policy the development contribution charge is \$19,860 (excl. GST) plus reserves per HUD or an increase of \$7,070 (55%). This increase is offset by significantly lower reserves development contributions as detailed in the following sections of this report.
- 1.19 The infrastructure DCs are calculated using the capital programme of the draft LTP 2021/31. A summary of the proposed infrastructure DCs, along with the current DCs for an example greenfield and intensification/brownfield site is shown below:

	2021 draft Policy (excl. GST)		2018 Policy (excl. GST)	
	Intensification	Greenfield	Intensification	Greenfield
Category	Any intensification per HUD	600sqm site @ \$350,000	100sqm site @ \$350,000	600sqm site @ \$350,000
Stormwater	\$5,520	\$5,520	\$3,460	\$3,460
Wastewater	\$6,570	\$6,570	\$5,360	\$5,360
Water supply	\$3,620	\$3,620	\$2,200	\$2,200

Transportation	\$1,720	\$1,720	\$1,470	\$1,470
Community Infrastructure	\$2,430	\$2,430	\$300	\$300
Total	<b>\$19,860</b>	<b>\$19,860</b>	<b>\$12,790</b>	<b>\$12,790</b>

- 1.20 By way of comparison, the Council's existing and proposed charge is significantly lower than comparable charges levied in Tasman District which were \$27,013 for the Richmond area in the 2018 TDC Policy.

### **Exemptions to development contributions obligations**

- 1.21 In addition to developments which the LGA does not permit contributions to be levied, the 2018 Policy contains the following (full or partial) exemptions to paying development contributions:
- Residential HUDs developed within the City Centre;
  - Brownfield Intensification – Reserve Contribution 25% discount;
  - Developments which have low impact stormwater infrastructure;
  - Developments which are unable to connect to water or wastewater networks;
  - Developments which have water supplied by Tasman District Council;
  - 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;
  - Additions and alterations to buildings where no additional HUD is created;
  - Accessory buildings that do not create an additional unit of demand e.g. hay sheds, unserviced utility buildings;
  - Developments undertaken by entities of the Crown;
  - 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;
  - Development undertaken at Whakatu Marae; and
  - Utility titles (e.g. for power transformers), access ways or legal roads.
- 1.22 The changes in the draft 2021 Policy look to simplify the list of exemptions by removing the items in the 2018 Policy that are essentially self-evident. Examples of this are boundary adjustments and accessory buildings which clearly do not create an additional HUD.

1.23 The exemptions that remain in the 2021 Policy are:

- Social housing developments
- Developments undertaken by entities of the Crown
- Development undertaken at Whakatu Marae
- City Centre residential developments (unlimited in number)
- Developments which have low impact stormwater infrastructure
- Developments which have water supplied by Tasman District Council
- Developments which are unable to connect to water or wastewater networks

1.24 An additional exemption is included in the draft 2021 Policy for State Integrated Schools.

1.25 Explanation of each of the exemptions, where they are new or have been modified, are included in the following sections.

#### **City Centre residential waiver**

1.26 The 2015 and 2018 Policies waived development contributions for up to 30 Housing Units of Demand (HUDs) per year in the City Centre and City Fringe areas. This waiver was included in response to Council's goal of increasing the number of residents living in, or close to, the City Centre and in doing so supporting the vibrancy of the City Centre.

1.27 Since the 2015 Policy came into effect on 1 July 2015, there have been waivers of DCs for an average of around 18 HUDs per year up until the end of June 2020. Waivers for 16 HUDs have been granted to date in the 2020/21 financial year. The waiver was oversubscribed in 2016/17 and 2019/20 with developers typically delaying the timing of development to qualify for the waiver outside the oversubscribed years.

1.28 The current 30 HUDs/year limit has resulted in developers delaying the beginning of projects to ensure that they qualify for the waiver. This behaviour does not fully support the goal of a large increase in the number of residents living in the City Centre and City fringe as it constrains the supply to a maximum of 30 HUDs per financial year regardless of demand or contractor availability.

1.29 Officers have discussed the issue of limiting the number of waivers in the city centre and city fringe with Council Asset Managers who are supportive of removing the limit and no longer consider infrastructure capacity as a reason to justify the limit of 30 HUDs.

1.30 The draft 2021 Policy proposes the following:

- The 30 HUD per year limit be removed so that all residential development in the City Centre qualifies for a waiver; and
- The timing of the allocation of the exemption be changed to when resource consent or building consent (whichever is first) is granted rather than when applied for as in the 2018 Policy; and
- The waiver continue to be conditional on construction beginning within 12 months of the waiver being granted or 24 months if the developer can demonstrate that substantial progress has been made.

### **Brownfield discount**

- 1.31 The 2018 Policy has a 25% reserves contribution discount for residential development on brownfield sites. Brownfield sites eligible for the discount are defined in the policy as:
- (i) *Has an underlying title of 2000m<sup>2</sup> or less; and*
  - (ii) *Creates lots of 300m<sup>2</sup> or less; and*
  - (iii) *Is located in the Residential Zone; and*
  - (iv) *Is not located in the Services Overlay.*
- 1.32 With the proposed changes to how the reserves DC is calculated for sites in the existing built urban area, including brownfield sites, the Neighbourhood Reserves (Intensification) reflects the need for additional investment in the existing reserves to bring them up to the standard required for intensification. The draft Long Term Plan 2021-31 currently contains approximately \$27M for upgrading infrastructure for intensification of which around \$8M is proposed to be funded by DCs. If this contribution is not collected in full then, over time there is likely to be a significant shortfall in growth funding that will need to be covered by rates.
- 1.33 It is important to note that later in this report is the recommendation that the discount for one and two bedroom dwellings that share the same title is retained from the 2018 policy. Rationale for this is detailed later in the report but relates primarily to increasing supply while also improving affordability. Other means of encouraging intensification will be put in place through the Intensification Action Plan and the Nelson Plan.
- 1.34 It is therefore recommended that the 25% reserves contribution discount be discontinued. The discount is not included in the draft 2021 Policy.
- 1.35 The proposed changes to the Neighbourhood Reserves contribution will reduce the costs to developers in intensification areas in any event. Additionally, second dwellings sharing a title will continue to receive a discount.

### **State Integrated Schools**

- 1.36 State Integrated Schools are identical to state schools in how they undertake education but with an identified special character and the land being privately

owned. There are three State integrated schools in Nelson; Nelson Christian Academy, Garin College and St Joseph's School.

- 1.37 The 2015 DCs Policy exempted State Integrated Schools but the exemption was removed in the 2018 Policy. State schools are exempt from paying DCs as they are identified as an entity of the crown.
- 1.38 Over the term of the 2018 DC Policy, a single request for an exemption to paying DCs was received from Nelson Christian Academy. In that case, Council approved the exemption.
- 1.39 The argument used against an exemption is that, because the land and buildings are not owned by the Crown, it could be sold at a profit after developing the land and not paying DCs. The risk of this happening is unlikely with all three of the Nelson state integrated schools being well established in the community.
- 1.40 Based on the direction provided by Council at the 23 April 2020 Council meeting, the draft 2021 DC Policy lists State Integrated Schools as exempt from DC costs.

#### **Extension of 1 and 2 bedroom discount**

- 1.41 During early engagement, developers and their representatives queried why the DC discount for 1 and 2 bedroom dwellings only applied when they are located on the same title as another primary dwelling. It was suggested that this discount should be applied to sites where smaller dwellings are on their own title as the effect on the need for additional infrastructure is the same whether subdivided or not.
- 1.42 The original rationale for limiting the discount to dwellings sharing a title was twofold:
  - To incentivise backyard infill within the existing built urban area and thereby increase the density of residential dwellings in this area; and
  - To make developing smaller secondary dwellings more feasible for a wider range of property owners and therefore increasing the likelihood of more affordable homes being developed.
- 1.43 Backyard infill has been identified as an opportunity for increasing the supply of more affordable housing in Nelson. In times when housing is unaffordable for young people in particular, it is more common for parents, for example, to want to develop a secondary dwelling on their section for their children or even for themselves and for their children to occupy the primary dwelling. This type of development is typically more affordable as a result of the land owner not valuing the land under the new dwelling at full market value. This is the behaviour that Council was looking to incentivise when it adopted the discount. The discount remains consistent with the goals of the Future Development Strategy (FDS) and the draft Nelson Plan provisions.
- 1.44 Currently, when Council officers assess new lots created through subdivision consent for DCs there is one step as a full HUD per lot is charged. Typically, the

lots are grouped in development stages that can be assessed together which limits the administrative load on Council officers. A change to allow the discount to apply for all 1 and 2 bedroom dwellings would increase the complexity of the process significantly. At issue of title following subdivision (s224), the developer would need to identify sites that would only have a 1 or 2 bedroom dwelling and the discounted DC would be applied. Then, at building consent stage, the new owner would be subject to a further DC assessment to confirm the number of bedrooms and that the DC discount still applies.

- 1.45 This second stage in the process has potential to require additional staff resource as the applications will likely arrive one lot at a time rather than by subdivision stage containing multiple lot. The level of processing for a single lot is similar to that for a larger subdivision stage resulting in significant officer time being required. It is likely that lot owners will be surprised by the additional DC if they plan to build a dwelling with more than two bedrooms.

### **Timing of payment - subdivision**

- 1.46 During early engagement with developers, the issue of when DCs are paid for a subdivision was a common topic. Some developers commented that the demand on the Council infrastructure does not occur until soon after building consents are granted for each section and therefore DCs should not be required to be paid until building consent is issued.
- 1.47 For there to be adequate servicing of a site, Council has almost always had to provide infrastructure in advance of the development of the site. Therefore, while the actual load on the infrastructure does not occur until after building consents are issued, the loan for the capital expenditure has already been raised and therefore the financial effect of the development begins well in advance of building consents being issued.
- 1.48 It is therefore recommended that, for subdivision, payment of DCs is still required at the time of applying for a certificate under s.224(c) of the RMA. This provision is carried over to the 2021 Policy.

## **2. Complexity and readability**

- 2.1 The 2018 Policy has been criticised by users of the Policy for being overly complex. In particular the calculation assessments, waivers, discounts and statutory limits are all in different parts of the Policy.
- 2.2 In response to this issue, the draft 2021 Policy is split into three distinct parts; Summary of Policy, Policy Details and Assessment of Development Contributions.
- 2.3 The first part (Summary of Policy) contains everything a prospective developer or consultant needs to determine what the development contribution will be for a particular site and development type with the remaining two sections providing details required by the LGA. This grouping of the main information that is of interest to users is expected to make the Policy simpler to use and reduce the number of requests for assistance received by Council officers.



- 2.4 The format and layout of the draft 2021 Policy aligns with that in the Tasman District Council Policy and that of the template issued by the Department of Internal Affairs in April 2021.

**Development agreements**

- 2.5 The section of the draft 2021 Policy on development agreements has simplified the content of the 2018 Policy. The process remains the same (as it is detailed in the LGA), but any unnecessary detail has been removed to make the document more straightforward to implement and read.

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**REPORT R24785**

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**Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case**

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**1. Purpose of Report**

- 1.1 To provide information and recommendations to support deliberations on submissions received through the Long Term Plan 2021-31 relating to the Elma Turner Library Redevelopment.
- 1.2 To approve the business case for the Elma Turner Library Redevelopment project.
- 1.3 To provide information in response to submissions received on the Climatorium proposal.

**2. Summary**

- 2.1 The Library Precinct Redevelopment was one of the key issues identified by Council in its Consultation Document for the Long Term Plan 2021-31. A total of 342 submissions were received on this issue. The majority of submitters (234, just over 68%) supported some form of redevelopment or refurbishment. Option One was supported by 101 submitters, while Option Two and Option Five were supported by 40 and 47 submitters respectively. Other options received far less support.
- 2.2 Of the 93 submissions against a library redevelopment, the key factors mentioned are cost, flood risk, that the library is adequate as it is, and that the Council should wait until after the Climate Change Adaptation Act has passed into law.
- 2.3 There are several other submission points that relate to facilities, programmes or community groups that could be housed within a new library.
- 2.4 A business case has been developed for the project. The four key investment objectives have been identified as:
  - Knowledge economy and innovation;
  - Culture and heritage;
  - Connected and learning community;

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- Sustainability and resiliency.
- 2.5 The business case sets out the current arrangements and the business needs identified under each investment objective. The option to construct a new library on the corner of Halifax Street and Trafalgar Street best meets these needs. Approval of the business case will allow officers to commence preparatory work in the new financial year and to commence formal negotiations with Wakatū Incorporation in relation to a land exchange.
- 2.6 Council decided in February 2021 to support Wakatū Incorporation's approach of developing a business case for the development of a Climatorium, and that Council will recognise the potential development of a Climatorium in library development planning (R20301). This report does not recommend any change to this decision.

### 3. Recommendation

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

1. ***Receives the report Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case (R24785) and its attachment (A2630896); and***
2. ***Reconfirms that, having considered submissions on the Long Term Plan 2021-31 and having considered the business case, Council's preferred option is to build a new library building on the corner of Halifax Street and Trafalgar Street, within the Riverside Precinct, subject to agreement with Wakatū Incorporation on a land exchange involving that site and the current library site; and***
3. ***Confirms that, should negotiations with Wakatū Incorporation on a land exchange be unsuccessful, Council will proceed with Option Four – to construct a new high specification library on the current site.***

### 4. Background – Long Term Plan Consultation

#### **Library**

- 4.1 One of the key issues identified in the Long Term Plan 2021-31 Consultation Document was the Library Precinct Redevelopment. The community was asked:
- 4.1.1 Do you support the redevelopment? Why or why not?;
  - 4.1.2 Do you support us working towards a precinct with Wakatū Incorporation?; and

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- 4.1.3 What do you think works about Council's proposal and what doesn't? If you prefer a different option, please let us know your reasons.
- 4.2 Five options were included within the consultation:
- 4.2.1 Option One: Construct a new library on the corner of Halifax Street and Trafalgar Street (Council's preferred option);
- 4.2.2 Option Two: Refurbish the existing library building;
- 4.2.3 Option Three: Construct a new, reduced specification library on the current site;
- 4.2.4 Option Four: Construct a new, high specification library on the current site;
- 4.2.5 Option Five: Construct a new library somewhere else in the City
- 4.3 A total of 342 submissions were received on this key issue. Ten submissions from different people have been made on a pro forma basis (28157, 28161, 28163, 28168, 28173, 28174, 28177, 28184, 28425 and 28505). These have all been counted as individual submissions.

### **Climatorium**

- 4.4 On 18 February 2021, Council received the report 'Options for a Climatorium' (R20301). It provided some background on the concept of the Climatorium, with reference to the Lemvig (Denmark) example. After hearing a presentation by Wakatū Incorporation, and recognising the Principles of Collaboration agreement that Council has signed with Wakatū and Lemvig Climatorium, Council decided:

Resolved CL/2021/001

*That the Council*

1. *Receives the report Options for a Climatorium (R20301) and its attachment (A2398703); and*
2. *Supports Wakatū Incorporation's approach of developing a business case for the development of a Climatorium; and*
3. *Agrees that planning for any library redevelopment in the Mahitahi River Precinct should recognise the potential development of a Climatorium on Wakatū Incorporation land; and*
4. *Agrees to work with Wakatū Incorporation to convene a meeting with representatives from government, industry, research institutions, and the community to explore the*

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*opportunity for Nelson to become a centre for climate change mitigation, adaptation and resilience research and innovation; and*

*5. Requests that progress on the development of the Climatorium is reported to Council on a regular basis via the Mayor's Report.*

- 4.5 Council subsequently included a section in the Long Term Plan consultation document on 'A Climatorium for Nelson'. There was no specific question asked within the consultation document; however, 39 submitters did specifically mention the Climatorium within their submission – some within the context of the library development and some in relation to Council's proposed Climate Change activities.

**5. Discussion - Long Term Plan Consultation - Library**

- 5.1 Of the 342 submissions received on this topic, 234 supported some form of library redevelopment or refurbishment, 93 did not support any library development, and a further 15 did not indicate whether or not they supported the library being redeveloped.
- 5.2 Of those that indicated a preference for one of the options presented,
- 101 supported Option One;
  - 40 supported Option Two;
  - 5 supported Option Three;
  - 4 supported Option Four;
  - 47 supported Option Five;
  - 11 supported more than one of these options.
- 5.3 Those that supported the Council's preferred option spoke about the need for Council to be visionary, bold and innovative. They spoke of the opportunity to create a community hub that acts as a place for people to meet and which fosters ideas and learning. Its accessibility and location would be increasingly important as more and more people live in the city. Investment in the library was seen as investment in the whole community.
- 5.4 Of the 241 submitters that did not support Option One, the four key issues most frequently mentioned were:
- Cost (mentioned by 120 submitters);

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- Flood risk (78);
- That there was no need to do anything as the current library is adequate (21);
- The need to defer a decision until the Climate Change Adaptation Act [CCAA] has been passed (17);
- No reason given (76).

Note: Some submitters mentioned more than one of these issues.

### Key Issues

- 5.5 **Cost** was a key issue mentioned by around one third of submitters. Some felt that Council should not be spending such a large sum on a library in the current economic climate. Others suggested alternative uses for those funds, including improving infrastructure (wastewater/roading), tackling housing affordability and homelessness, and spending more on climate change response.
- 5.6 Council has set out its approach to all of these activities within its Long Term Plan Consultation Document.
- 5.7 A few submitters sought for Council to take a lower cost option for the Elma Turner Library to enable it to spend more on Stoke Library and other community library facilities. Council has included \$600,000 in years three and four of the Long Term Plan 2021-31 for further remediation works on the Stoke Library, and has indicated that further development will be included in future Long Term Plans, with a 10-15 year timeframe.
- 5.8 Other significant capital projects that were suggested included a performing arts centre and a convention centre (separate submissions).
- 5.9 Some concerns were expressed that the Council would not be able to deliver the project within the budget indicated and that the final cost would be much higher.
- 5.10 Council has adopted a prudent and transparent approach to costs, which were presented in the Elma Turner Library Redevelopment Options Report (R21341) on 18 February 2021. All costed options have a significant contingency for uncertainty, given the early stage of the project. Having a clear project scope at the design phase, a strong project management structure, and regular governance oversight will be critical in managing the budget for the project.
- 5.11 **Flood risk** to the Riverside location was another key factor for people who opposed Option One. Whilst many acknowledged the building could be constructed to mitigate the risk, there were concerns about the

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impact of flooding/inundation on supporting infrastructure (roading access and services).

- 5.12 The Elma Turner Library Redevelopment Options report (R21341) provided analysis of the flooding/inundation risk and a series of mitigations. In summary:
- 5.12.1 There is an existing flood risk to the city centre, including the Riverside Precinct, that extends through The Wood and lower parts of the central city, including Halifax, St Vincent, Vanguard, Gloucester and Rutherford Streets.
  - 5.12.2 A new build with a floor level of 4.00m would exceed the current standard in relation to minimum ground levels for 2130. The current floor level of the corner site is 3.50m, which compares with the 2.86m floor level of the existing library.
  - 5.12.3 Design features that include the ability to raise the ground floor levels will provide additional protection – up to a 2m sea level rise – beyond 2130.
  - 5.12.4 There is a range of responses available to Council that will further mitigate the risk to the site and adjacent access roads.
- 5.13 Council has invested significantly in flood mapping and modelling of the Maitai Catchment. Over the next three years, Council will be engaging with the Nelson community to discuss options for managing the future risk of flooding and coastal inundation affecting these areas. An initial budget of \$10.6 million over the next 10 years has been included in the Long Term Plan 2021-31 to begin implementing the flood mitigation programme; full implementation will be a multi-decade project.
- 5.14 The **Climate Change Adaptation Act** (CCAA) is one of three pieces of legislation announced by the Government in February 2021, as part of the reform of the Resource Management Act. The other pieces are the Natural and Built Environment Act and the Strategic Planning Act.
- 5.15 There are limited details available on what the CCAA might contain, and the level of direction that it will give to councils. The Ministry for the Environment website states:
- "This [the CCAA] Act would support New Zealand's response to the effects of climate change. It would address the complex legal and technical issues associated with managed retreat and funding and financing adaptation."*
- 5.16 The Government has indicated that it aims to pass the CCAA into law in 2023. However, its initial focus is on the Natural and Built Environment Act and the Strategic Planning Act, which are both due to be introduced to Parliament in December 2021. Given the complexities of the legislation, and the uncertainty as to the specifics of what it will contain, deferring a decision on the library to wait for the release of the CCAA is

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likely to mean that no major work will be carried out on the library within the first three years of this Long Term Plan. There would be consequential impacts on other city centre projects and development from adopting this policy position.

- 5.17 The modelling work that Council has carried out to date gives Council a good understanding of the hazard associated with the Riverside site and to the wider city. Whilst there is still uncertainty over what will happen to sea level in 100 years' time, there are several practicable options available to Council to mitigate its effects. As Council is actively considering its responses to these issues now, officers believe that general access to a new building in the Riverside Precinct can and will be maintained over the next 100 years and beyond.
- 5.18 Some submitters questioned **the need for a new library**, saying that the current library is adequate. As has been identified in previous Council reports, the current building is dated, too small and requires investment just to maintain it as it is. For people who just see libraries as places to borrow books, it may appear that the current facility is adequate. However, modern libraries provide a range of events, activities and programmes that cannot be delivered in the current facility. These are further explored by the business case and discussed below.

### Other Feedback

- 5.19 A successful community facility is flexible and able to be used for diverse and changing activities. It is important to acknowledge this when considering requests for accommodation and use. Some submitters have requested specific accommodation or design in the proposed new library; these requests will be considered through the engagement and design phases of the project, in the context of shared, diverse, flexible and adaptable community spaces.
- 5.20 Several submitters asked for the library to include space for the Nelson Toy Library. An area of 80m<sup>2</sup> was indicated. Officers recommend that library staff engage with the Toy Library to better understand what its operational needs are, to determine whether they should be considered in the design phase, or alternative options be considered.
- 5.21 Similarly, there are two requests for Council to include the Citizens Advice Bureau (CAB) in a new facility. Officers recommend that Council continues to engage with the CAB to identify its requirements and consider those in the design phase, or alternative options be considered.
- 5.22 Other suggestions included: the provision of a film office, studios and a 'black box' theatre, and the possibility of constructing apartments above the library. There is an opportunity to explore these ideas further as the design scope is drawn up.
- 5.23 The availability of parking was raised. The preferred option sees the existing car parking retained, with additional mobility parking nearer the



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entrance to the new library. This issue will also be specifically addressed during land exchange negotiations with Wakatū Incorporation.

- 5.24 The Nelson Library Re-Imagined website ([www.tales.co.nz/library/](http://www.tales.co.nz/library/)) was referred to by a number of submitters. The website, created by Whakatu Intellectual Capital Kohanga (WICK), asks people to:

*"Imagine a library that plays a pivotal role in revitalising our CBD... In building our community... In enhancing our quality of life... And in driving our economy."*

- 5.25 It sets out a range of visionary ideas and opportunities that centre on the library being an 'ideas factory'. It proposes a number of different funding mechanisms for consideration, and a range of outcomes that an idea factory could deliver, including: Supporting the knowledge economy; addressing social and economic issues; living spaces and central city revitalisation.
- 5.26 Officers recommend that, if Council proceeds with a new library, that it engages closely with WICK to identify those ideas which can be accommodated within the project at the scoping stage, and prior to detailed designs being commissioned.
- 5.27 Officers recognise that there needs to be significant ongoing community engagement around this project to better understand the opportunities and the community's expectations, and to manage these in line with the approved budget. Should the project be approved, significant project resource will be invested in identifying, discussing and assessing aspirations and initiatives that exist within our community, in order to build a project scope that maximises benefits and strengthens community support for the project.

## 6. Background – Business Case - Library

- 6.1 On 18 February 2021, Council received the report 'Elma Turner Library Redevelopment Options' (R21341). The report sets out some of the background to the project and discusses the key issues. In summary:
- 6.1.1 The Elma Turner Library has occupied its current site since 1989, when the main part of the existing building was converted from its former use as a car showroom;
- 6.1.2 Council has included placeholder funding for some form of refurbishment/redevelopment of the library since 2009;
- 6.1.3 Progress was deferred to allow consultation with Wakatū Incorporation (the adjacent landowners) to better understand its plans for the wider Riverside Precinct development, and how the library could contribute to that;
- 6.1.4 Feedback from the community engagement undertaken in 2019 by Athfield Architects and Irving Smith Architects affirmed a

Item 9: Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case

range of components that members of the community would like to see in a redeveloped library;

- 6.2 The report presented a range of information with a focus on flood risk management within the Riverside Precinct and on the costs, with a comprehensive breakdown of the rough-estimate costs and associated contingencies.

- 6.3 Having considered its options, the Council decided:

Resolved CL/2021/002

*That the Council:*

*Confirms that Council's preferred option is to build a new library building on the corner of Halifax Street and Trafalgar Street, within the Riverside Precinct, subject to agreement with Wakatū Incorporation on a land exchange involving that site and the current library site; and*

*Directs officers to enter into preliminary negotiations with Wakatū Incorporation to develop a land exchange proposal and report back; and*

*Notes that a business case will be brought to Council for final approval of the project; and*

*Notes that any agreements negotiated with Wakatū Incorporation will be subject to approval of the business case and confirmation of the location and the budget for the Elma Turner Library through the Long Term Plan 2021-2031.*

- 6.4 A draft business case for the library redevelopment has been developed and is attached (Attachment 1).

## **7. Discussion – Business Case - Library**

- 7.1 The business case sets out the four key investment objectives that have been identified for this project. These are:

7.1.1 **Knowledge economy and innovation** – how libraries contribute to supporting social and economic development through the collection and utilisation of human knowledge and expertise;

7.1.2 **Culture and heritage** – how libraries support the community to learn and connect with our bicultural heritage in Nelson/Whakatū;

7.1.3 **Connected and learning community** – Libraries should be places where people from different parts of our community come

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together to share their ideas and interests and to learn from each other; and

- 7.1.4 **Sustainability and resiliency** – Modern libraries can act as a catalyst for communities to respond to climate change and other environmental issues.
- 7.2 For each of these objectives, the current arrangements are presented, along with the business needs and opportunities that should be delivered in the future. The current library delivers partly on objectives one and two and weakly against objectives three and four.
- 7.3 Size and functionality of the existing facilities are key issues. For example:
  - 7.3.1 There is only one activity room and one smaller bookable room available for community use. Neither has out of hours access. Demand is strong and two to three bookings a week are declined;
  - 7.3.2 The space used for performances is part of the main body of the library, and its use affects other users of the library;
  - 7.3.3 Connectivity to the river and central city is poor. Frontage on Halifax Street does not contribute to city vibrancy;
  - 7.3.4 There is no café or spaces that support the library as being the 'living room of the city'; and
  - 7.3.5 The ground floor level is susceptible to a 1% annual exceedance probability (AEP) present day flood.
- 7.4 The Elma Turner Library currently has less than 2,000m<sup>2</sup> of public space, out of a total of 2,455m<sup>2</sup>.
- 7.5 Increasing the space available and creating an environment that encourages people to engage with library services, programmes and each other will deliver multiple benefits to the city. These include:
  - 7.5.1 Ensuring equitable access to all members of our community to the latest digital and physical resources;
  - 7.5.2 Providing exhibitions and performances and other ways of telling stories and promoting literacy and cultural activity;
  - 7.5.3 Enabling the library to establish strong relationships and work in partnership with others, and provide facilities for community groups and organisations to share;
  - 7.5.4 Providing places to display taonga safely and securely, and that attract whānau to encourage storytelling and cultural understanding;

## Item 9: Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case

- 7.5.5 Improving the connection to the city centre, street, river and on to the Haven, making the library and Riverside Precinct a visitor destination;
- 7.5.6 Demonstrating low-carbon, climate-resilient design and providing ongoing knowledge and support for people to take action on climate change.
- 7.6 The option that delivers best against the identified investment objectives is to negotiate a land exchange deal with Wakatū Incorporation and construct a high-specification library on the corner of Halifax Street and Trafalgar Street. Rough order costs have been based on a 3,250m<sup>2</sup> building. However, the exact size will not be finalised until the scope for the detailed design brief has been confirmed.

### **8. Discussion - Long Term Plan Consultation - Climatorium**

- 8.1 Just under half (19 out of 39) of the submitters did not support council involvement in the Climatorium project. Some thought there was not enough definition around what the Climatorium was, or how much it might cost, others felt that council should spend money on climate change projects rather than a building. Several submitters suggested that Climatorium-like activities could be delivered from existing facilities around the city. Two suggested that this was not a council responsibility.
- 8.2 Seventeen submitters supported the concept, either outright or with conditions. People saw Council's involvement with the Climatorium as showing leadership and were excited at the opportunity and the linkages with the library and Science and Technology Precinct. Those providing conditional support generally questioned the need for Council to contribute financially to the project. One submitter questioned its location within the Riverside Precinct, given the flooding risk, and another suggested it should be located on the Burger King Site, instead of siting a new library there. Two submitters suggested it could be combined within the Science and Technology Precinct. There was also concern that the Climatorium might not achieve much if it was focussed on talking rather than action.
- 8.3 The remaining three submitters were either unsure or did not state a clear preference. They wanted to understand more about the concept and the likely costs before committing either way.
- 8.4 Council has indicated that it would continue to work with Wakatū Incorporation to explore the opportunity, which is still in an early stage of development. It is clear from the submissions that there is considerable interest in the idea, particularly if it leads to action to tackle climate change issues. There is a need for more definition in relation to what the Climatorium is, what it is trying to achieve and how it is different from other initiatives, both locally and nationally.
- 8.5 This report does not make a recommendation to change Council's current position in respect to the Climatorium. Council will have further

## Item 9: Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case

opportunities to consider the project, initially when Wakatū Incorporation shares its draft business case.

### **9. Options - Library**

- 9.1 The options presented are the five options that Council consulted on in the Long Term Plan consultation document plus an option of 'do nothing' which was put forward by some submitters.
- 9.2 Given that there were no new significant issues raised during the consultation that have not previously been considered by Council (particularly flood risk and cost), and that over half of the submitters who supported some form of refurbishment or redevelopment supported option one, officers recommended that Council constructs a new library on the corner of Halifax Street and Trafalgar Street, subject to reaching a satisfactory agreement with Wakatū Incorporation.
- 9.3 Council may want to consider indicating a second preference if the negotiations are not successful. The business case includes the assessment of options that was presented to Council in February 2021. Option Four – Redevelop existing site with a new, high-specification 3,400m<sup>2</sup> library – scored second highest in that assessment. This option delivered several of the outcomes delivered by the Council's preferred option, and does not require an additional land exchange or land purchase. For these reasons, it is likely that this option would be supported by most of the submitters who supported Option One. However, this option does not provide a gateway location to the river and central city and also limits Wakatū Incorporation's ability to develop a cohesive precinct.
- 9.4 Options Two and Five received similar levels of support from submitters and reflect concerns about cost and flood risk. Option Two – refurbishment of the existing (2,455m<sup>2</sup>) library – is the lowest cost option consulted on, but delivers few benefits above a refresh of the existing building footprint. It will not meet future needs across all of the investment objectives.
- 9.5 Option Five – build a new library somewhere else in central Nelson – could deliver most of the benefits of option One, but comes with the greatest risks around location, community expectations and cost. These risks are likely to result in a significantly extended time-line for construction.
- 9.6 Officers believe it is important that the library services and facilities are updated and positioned for the future. Option Four delivers this outcome, and with greater certainty over costs and timing than Option Five. For these reasons, officers recommend that Option Four – construct a new high specification library on the current site – should be Council's second preference.

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<b>Option One: Construct a new library on the corner of Halifax Street and Trafalgar Street (recommended option)</b>	
Advantages	<ul style="list-style-type: none"> <li>• Delivers a low-carbon, climate-resilient, modern library building</li> <li>• Consistent with previous Council decision</li> <li>• No additional cost of land purchase</li> <li>• Allows Council to deliver positive urban design outcomes including access to the Maitai River</li> <li>• Contributes to a cohesive Riverside Precinct</li> <li>• Provides adjacency to Civic House and Millers Acre as Council-owned assets</li> <li>• Avoids negative business continuity impacts</li> <li>• Contributes to the vitality of Trafalgar Street</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Land exchange negotiations may take longer than anticipated or may not be successful</li> <li>• Risk of inundation of access roads under RCP 8.5M scenario if Council does not progress flood/inundation management options within 80 years</li> </ul>
<b>Option Two: Refurbish the existing library building</b>	
Advantages	<ul style="list-style-type: none"> <li>• Lowest cost option</li> <li>• Community has indicated that it prefers the Riverside location</li> <li>• Does not require new land purchase</li> <li>• Gives medium-term flexibility on location</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Limited improvements in physical environment and ability to provide full range of library services</li> <li>• Does not contribute to a cohesive Riverside Precinct</li> <li>• Significant impact on business continuity during refurbishment</li> <li>• Relatively short increase in building life expectancy</li> <li>• Limited environmental benefits</li> <li>• Risk of building inundation/flooding</li> <li>• Does not contribute to the vitality of Trafalgar Street</li> </ul>

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<b>Option Three: Construct new, reduced-specification library on current site</b>	
Advantages	<ul style="list-style-type: none"> <li>• Lower cost option</li> <li>• Community has indicated that it prefers the Riverside location</li> <li>• Does not require new land purchase</li> <li>• Gives medium-term flexibility on location</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Some improvements in physical environment and ability to provide full range of library services</li> <li>• Significant impact on business continuity during refurbishment</li> <li>• Limited environmental benefits</li> <li>• Impact on Wakatū Incorporation ability to develop a cohesive Riverside Precinct</li> <li>• Risk of inundation of access roads under RCP 8.5M scenario if Council does not progress flood/inundation management options within 80 years</li> <li>• Compromises may not meet community expectations and will impact on ability to deliver full range of library services</li> <li>• Does not contribute to the vitality of Trafalgar Street</li> </ul>
<b>Option Four: Construct new, high-specification library on current site</b>	
Advantages	<ul style="list-style-type: none"> <li>• Does not require new land to be purchased or a land exchange to take place</li> <li>• Community has indicated that it prefers the Riverside location</li> <li>• Likely to be the quickest new-build option</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Significant impact on business continuity during construction</li> <li>• Impact on Wakatū Incorporation ability to develop a cohesive Riverside Precinct</li> <li>• Risk of inundation of access roads under RCP 8.5M scenario if Council does not progress flood/inundation management options within 80 years</li> <li>• Does not contribute to the vitality of Trafalgar Street</li> </ul>

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<b>Option Five: Construct a new library somewhere else in the city</b>	
Advantages	<ul style="list-style-type: none"> <li>• A site may be able to be acquired with less flooding and inundation risk</li> <li>• Existing site could be sold to help offset purchase cost of new site</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Site requirements are yet to be determined</li> <li>• Cost of land purchase is likely to be significant</li> <li>• Loses connection between library and Maitai River</li> <li>• Will significantly delay the construction of a new library</li> <li>• Large part of the community expects library to be built in Riverside Precinct</li> <li>• May result in less foot traffic on Trafalgar Street</li> <li>• Impacts on landowner confidence in areas subject to the same risks as the Riverside Precinct</li> <li>• Construction risks associated with other sites are unknown</li> </ul>
<b>Option Six: Do nothing, apart from routine renewals and maintenance</b>	
Advantages	<ul style="list-style-type: none"> <li>• Saves capital expenditure</li> <li>• Addresses concerns of submitters in relation to cost and need</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Majority of submitters supported some form of upgrade – either refurbishment or redevelopment</li> <li>• Quality of library services will decline</li> <li>• Range of services cannot be expanded</li> <li>• Library does not contribute to city vibrancy</li> <li>• Does not deliver wider outcomes in relation to Riverside Precinct, climate resiliency</li> <li>• May impact on patronage</li> <li>• Will impact on staff satisfaction, recruitment, and retention</li> <li>• A decision on whether to replace or develop a new library will still need to be considered within the next 10 years.</li> </ul>

## 10. Conclusion

- 10.1 Council has consulted with its community on the library redevelopment project and received a range of feedback. There has been no significant



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issue raised that Council has not previously considered. A business case has been developed that identifies Council's strategic investment objectives and the scope of the project.

### **11. Next Steps - Library**

- 11.1 A report will be brought to the Council detailing the project team, governance oversight arrangements, Council's negotiating team and its brief, and the future procurement process for design and construction.
- 11.2 A community engagement plan will be prepared to ensure the community has opportunities throughout the project to provide feedback and to understand the scope and process.
- 11.3 Council officers will arrange meetings with representatives from WICK and to explore how WICK can best contribute to the development. In addition to developing and implementing a wider community engagement programme, officers will also request further discussions with the community groups identified in the report to ascertain their aspirations and fit within a redeveloped library.
- 11.4 A Council project team will prepare a full project plan and make recommendations to Council on the structure of the design and build phases of the project. Officers will present the results of the negotiations to Council for approval.
- 11.5 Regular progress reports will be provided to the Council.

### **12. Next Steps - Climatorium**

- 12.1 A report will be brought to Council when Wakatū Incorporation has shared its draft business plan for the proposal.

**Author:**            **Andrew White, Group Manager Community Services**

### **Attachments**

Attachment 1: A2630896 - Business Case - Elma Turner Library  
Redevelopment - May2021 [↓](#)

<b>Important considerations for decision making</b>
<p><b>1. Fit with Purpose of Local Government</b></p> <p>Libraries are a core function of Council and contribute to the social, economic, environmental and cultural well-being of the Nelson community in the present and for the future</p>
<p><b>2. Consistency with Community Outcomes and Council Policy</b></p> <p>The recommendation is consistent with Council's preferred option in the Long Term Plan 2021-31 Consultation Document.</p>
<p><b>3. Risk</b></p> <p>Risks have previously been considered in detail in report R21341. A variety of differing views have been expressed through the submissions, which mean that any decision that Council makes is unlikely to be welcomed by all parts of the community. Council has been transparent with its decision making around flood hazards and with the expected costs.</p>
<p><b>4. Financial Impact</b></p> <p>Budget for the recommended option is included in the draft Long Term Plan 2021-31</p>
<p><b>5. Degree of Significance and Level of Engagement</b></p> <p>This matter is of high significance and was highlighted as a key issue within the Consultation Document. Further engagement will continue throughout any redevelopment project.</p>
<p><b>6. Climate Impact</b></p> <p>Council has indicated that its preferred option is for a new, low-carbon, five-star, Greenstar building, which will demonstrate how the climate impacts of new buildings can be minimised. The recommended option delivers this and will be designed to have a ground floor level that can be raised in order to mitigate flood/inundation risk beyond that projected in 2130 under RCP 8.5H+ climate scenario.</p>
<p><b>7. Inclusion of Māori in the Decision Making Process</b></p> <p>Iwi were consulted as part of the community engagement project, presented to Council in the previous report (R21341). The recommended option will incorporate the culture and heritage of tangata whenua iwi of Whakatū, and iwi will be engaged throughout the project.</p>

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**8. Delegations**

Council has retained all responsibilities, powers, functions and duties in relation to governance matters for the Elma Turner Library redevelopment, and Riverside Precinct.

## Business Case for Elma Turner Library Redevelopment

Project #2226

Activity Area:	Elma Turner Library - 4005
Developed by:	Chris Ward
Reviewed by:	Andrew White
Last update:	27 April 2021

<b>Purpose:</b>	<p>To confirm desired benefits, scope and cost of the library project.</p> <p>To deliver a library that supports:</p> <ul style="list-style-type: none"><li>• The knowledge economy</li><li>• Nelson's culture and heritage</li><li>• A connected and learning community</li><li>• Sustainability and resilience</li></ul>
Funding available:	Total \$44.6 million uninflated

## STRATEGIC CASE

PROBLEM/OPPORTUNITY STATEMENT(S)
<p>Nelson's public library service is one of the oldest in New Zealand, dating back to 1841. Since its move to the current location in 1990, Nelson has had one of the highest rates of library membership in the country. However, the current configuration of the Elma Turner Library is constraining Council's ability to deliver and keep pace with modern 'best practice' library and information services</p> <ul style="list-style-type: none"><li>• The last major refurbishment of the Elma Turner library was in 2004 (when the library was expanded and redesigned to provide an activity room, expanded children's area, new computer teaching space and a research room. Since then, there have been significant changes in library and information services (particularly because of the rapid development of technology)</li><li>• There are growing social demands placed on libraries e.g., use as a neutral space to allow children to have contact with a parent, customers who are homeless, or experiencing mental health issues.</li><li>• Contemporary features and practices of public libraries include the provision of meeting facilities, flexible-use spaces, cafés, community social lounge areas, physical and digital media resources, performance and exhibition spaces, and mixed-use areas for collaboration, innovation and experience</li><li>• Today's library services are largely customer driven, with library staff as facilitators and enablers rather than the more traditional 'keepers and distributors' of information</li><li>• The book collection is still an important core component of libraries. There is a continuing need to provide quiet reading/study areas. However, modern libraries also deliver 'noisy' activities, access to digital resources and events</li><li>• Modern libraries provide spaces and opportunities for the community to come together, to learn from each other and to inspire creativity and innovation.</li></ul> <p>The current building is too small to provide these services effectively. In addition:</p>

## Business Case for Elma Turner Library Redevelopment

Project #2226

### PROBLEM/OPPORTUNITY STATEMENT(S)

- The current floor level (RL 2.86m) means the library is susceptible to a 1% AEP flood event (present day)
- The internal configuration is poor, with a long corridor to Halifax Street and large, split staff areas reducing public space
- The building delivers poor urban design outcomes to both the road frontage and to the river, with the main entrance facing the car park
- The quality of the external public space adjoining the library is poor (although improved by the temporary pop-up park now sited adjacent)
- The library roof is nearing the end of its useful life and needs to be renewed. Interior furnishings, carpets, ceiling tiles and decoration is due for renewal

Failure to address these issues will result in a drop in library usage as younger generations do not see relevance in visiting a building that just contains books. Evidence from New Zealand (e.g. [Christchurch](#)) and overseas (e.g. [the United Kingdom](#)) shows that modern libraries attract more people, particularly in the 15-24 age group. This has flow-on social, economic and cultural benefits.

### EXISTING ARRANGEMENTS AND BACKGROUND

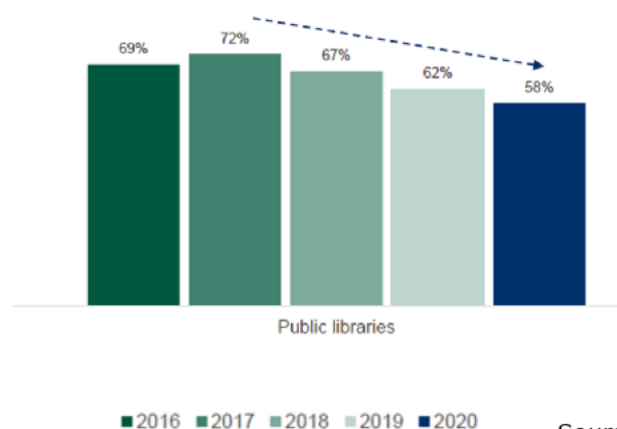
#### Customers

In 2016/2017 there were 351,068 visitors to Elma Turner Library. This equates to an average of 29,000-30,000 visitors each month. The annual total of visitors increased by 6,522 on the previous year. Numbers have dropped since then, impacted by COVID-19 and subsequently fewer tourist visits with the average for the 2020/21 year (July-March) being 20,624 per month.

At 30 June 2017, 39,887 people were registered members of Nelson Public Libraries, which equates to approximately 60% of the total population of Nelson. As of 31 March 2021, this figure is 44,110. Nationally, this is considered to be a high membership rate.

However, the trend is downwards for proportion of residents who have used/visited the library (figure 1).

#### Proportion of residents who have used/visited public libraries 2016-2020



Source: Residents' surveys

## Business Case for Elma Turner Library Redevelopment

Project #2226

EXISTING ARRANGEMENTS AND BACKGROUND					
<p><b>Community satisfaction</b></p> <p>Community satisfaction with the public library service rates consistently highly in residents' surveys:</p> <p>2016 – 98%, 2017 – 94%, 2018 – 92%, 2019 – 89%, 2020 – 93%</p> <p><b>Collection and Services</b></p> <p>The library houses a collection of approximately 115,115 items and these items are well used with the annual average turnover rate for each item (total annual circulation/total physical items) currently at 4.83.</p> <p><b>Comparison with other libraries</b> – New Zealand 2019-20 data</p> <p>Statistics are combined for all libraries across a district. Nelson figures, therefore, include Nightingale Library Memorial, Stoke Library and the Elma Turner Library. The Elma Turner Library by itself has around 2,000m<sup>2</sup> of public space.</p>					
District	Population	Active members	Issues (physical)	Events organised	Public space (m <sup>2</sup> , excluding staff areas)
Gisborne	47,517	5,169	142,803	168	2,027
Invercargill	54,204	14,620	498,608	1344	2,712
Kāpiti Coast	56,000	31,396	462,615	258	2,040
Marlborough	47,340	14,812	399,541	n/a	2,070*
Napier	62,241	16,109	446,763	405	1,825**
Nelson	52,900	27,859	577,734	473	2,470
New Plymouth	80,679	25,531	742,187	797	4,202
Palmerston North	87,300	29,590	756,061	2,410	n/a
Porirua	56,559	19,669	349,619	n/a	1,777
Rotorua	72,500	19,882	321,852	593	3,500
Tasman District	52,389	21,157	472,177	558	2,200†
<p style="text-align: right;">*3,000m<sup>2</sup> new library under construction</p> <p style="text-align: right;">**main library closed 2017 due to EQ prone, operating from temporary premises</p> <p style="text-align: right;">†Motueka library currently being built</p> <p style="text-align: right;">Source: Public Libraries of New Zealand</p> <p>Nelson libraries compare well with other libraries in terms of active members per capita, and issues per capita. As of 31 March 2021, Nelson's active membership figure is now 31,216. Larger libraries tend to have more ability to deliver events and programmes.</p>					

## Business Case for Elma Turner Library Redevelopment

Project #2226

### EXISTING ARRANGEMENTS AND BACKGROUND

#### Community demand for events space

Elma Turner Library has one bookable library activity room. It is used both for organised library activities (e.g., small times, holiday events and after school programmes), and for community bookings. Council also runs other activities in the space, e.g., Tuku 21 –Whakatū Heritage Month. In 2021 alone, users have included: Physio Group for ME sufferers, Nelson Tasman Climate Forum, Waka Kotahi, Nelson Enterprise Trust, Family Violence Group, Nelson Breathing Clinic, Community Tea and Talk, Age Concern, Nelson Institute, Waka Kuaka, IDEA Services, Z Rutherford, Essential Tremor Support Group and Nelson Seed Library.

The room is not accessible after hours. Approximately two to three new booking requests are declined each week, either because it is already booked or because they want to use it out of hours.

In 2019, due to demand for community meeting spaces, the Library Learning Centre was made available. This is regularly booked by groups holding smaller meetings.

The library has no dedicated performance space. Events, such as those supporting New Zealand Music Month, are held in the public space inside the entrance to the library. Whilst popular, this space has limited seating capacity and its use significantly impacts on other users of the library (noise and obstruction).

#### Community Engagement on the Library Redevelopment

Athfield Architects and Irving Smith Architects were contracted to engage with the Nelson community to develop an outline brief of what the community needs and wants from a redeveloped Elma Turner Library. The full report is available separately (A2411462). Key findings included:

- The project should:
  - Enable contemporary library services
  - Have an engaged and collaborative design process
  - Design a library 'of' Nelson/Top of the South
  - Consider sustainability and sea level rise
- The engagement has affirmed the following project components as important and a priority:
  - The Collection
  - A range of spaces, to cater for all (so not one group monopolises a space)
  - Great access and car parking
  - A welcoming place to host and engage visitors
  - A café
  - A well-serviced community room, available after hours
  - Adjacency to a community hub of complementary services
  - A connected Nelson archive, centred on a library heritage space
  - A 'sustainable' building, demonstrative of Nelson's approach to climate change
  - A community building that is connected to the landscape/surroundings
  - A project that maximises the opportunities of the river
- Iwi would like to see partnership in the process and to explore opportunities for archiving and display of taonga, and of artwork.

## Business Case for Elma Turner Library Redevelopment

Project #2226

### EXISTING ARRANGEMENTS AND BACKGROUND

A draft vision statement was created based on the community feedback:

*Nelson Public Libraries is a vibrant and well used library network which connects the people of Te Tau Ihu to knowledge, heritage and creativity by empowering life-long learning. A place of respite and enjoyment, our library system grows and adapts to the community it serves.*

Four focus areas identified are:

**Kotahitanga** - Responding to our place in the world

**Mātauranga** - A place that encourages and enables growth

**Miharo** - Beyond the ordinary

**Manaakitanga** - He tangata

### INVESTMENT OBJECTIVES

Four strategic investment objectives have been identified for the proposed library redevelopment project. These are:

- 1. Knowledge economy and innovation** – how libraries contribute to supporting social and economic development through the capture, utilisation and exploitation of human knowledge and expertise. *Link to focus areas: Mātauranga and Manaakitanga*
- 2. Culture and heritage** – how libraries support the community to learn and connect with our bicultural heritage in Nelson/Whakatū. *Link to focus area: Kotahitanga*
- 3. Connected and learning community** – Libraries should be places where people from different parts of our community come together to share their ideas and interests and to learn from each other. *Link to focus areas: Mātauranga, Miharo and Manaakitanga*
- 4. Sustainability and resiliency** – Modern libraries can act as a catalyst for communities to respond to climate change and other environmental issues. *Link to focus area: Kotahitanga and Miharo.*

Further detail on these follows:

#### 1. Knowledge economy and innovation

Libraries have a key role in contributing to:

- fostering collaboration to achieve improved outcomes for individuals and for the community
- making the best use of our resources, learning from best practice and bringing people together in communities of practice to solve problems and be creative
- re-imagining how we can add greater value to the information we manage using the skills of those around us
- identifying and capturing the information assets that already exist and providing access to this knowledge across different formats and sources
- ensuring that information is easily accessible and managed according to need and constantly re-imagining how to unlock information that is created both internally and externally
- helping people navigate digital resources to find information, and helping them to evaluate and distinguish between facts and opinions



## Business Case for Elma Turner Library Redevelopment

Project #2226

INVESTMENT OBJECTIVES
<p>Libraries provide free and equitable access to information, ideas and experiences. They support the development of literacy and provide opportunities for sourcing, creating, evaluating, and sharing ideas and, importantly, they foster an enjoyment of reading for people of all ages. Nelson's libraries support individuals to have the skills and confidence to be able to participate fully in society. Elma Turner Library, as Nelson's largest and busiest library, provides a broader range of resources, services and activities than Stoke Library and the Nightingale Library Memorial. These support the development of a range of literacy skills, promote reading, encourage digital literacy, and facilitate life-long learning.</p> <p>The challenge facing libraries is to be 'equipped and ready' for increasing demands for resources and equipment, and for a wider range of activities. Libraries continuously look to the future in order to be ready to adapt to changes in services, resources and media, technologies, programmes, and in how the building itself will be used. Today libraries have a role to help foster innovation and creativity. It is more efficient to do this by working with others – combining skills, experience and audiences; sharing technology; and sharing space and resources. Modern libraries should provide a supportive environment that encourages the community to come together and share their knowledge, ideas and skills with each other.</p>
Current Arrangements
<ul style="list-style-type: none"><li>• Space is arranged primarily for book display and lending, with technology and social spaces fitted around collections</li><li>• It is difficult to effectively display and promote collections within existing shelving space</li><li>• Space constraints limit the introduction of new resources, experiences and programmes</li><li>• Space is allocated for traditional 'classroom' type learning rather than as an open shared learning environment</li><li>• Back-office space is configured according to now defunct work processes. There is poor storage, poor traffic flow and also some vacant or low-use space</li><li>• 'Closed' public and staff spaces (as opposed to 'open' and multi-use spaces) are not flexible enough for a broader range of activities</li><li>• Activities in the library are limited to those programmed by library staff, with little potential to accommodate peer-to-peer learning, community organised activities, service delivery by community organisations, or to provide general-use meeting/collaborative space</li><li>• Space available for social activity and the informal sharing of ideas, or for forums, exhibitions and events is not available</li><li>• There is no dedicated space for workshop/maker-space/experiential type activity that is now considered to be a core function of libraries.</li></ul>
Business Needs
<ul style="list-style-type: none"><li>• A flexible-use environment that can accommodate rapid changes in technology and associated increased use of digital media</li><li>• Flexible-use space for exhibitions and performances and other ways of telling stories and promoting literacy, cultural activity and associated learning</li></ul>

## Business Case for Elma Turner Library Redevelopment

Project #2226

### INVESTMENT OBJECTIVES

- Space to accommodate and work with others (community groups, agencies and organisations) who are also experts in areas of knowledge, learning and information
- Improved access into and throughout the building, effective storage, and increased user comfort
- Improved opportunities for intergenerational learning and engagement
- Utilise radio frequency identification technology (RFID) to provide security and therefore resolve current restraints and arrangements associated with access in and out of the building. Potentially utilise this technology to create 'open access' areas in the library – e.g., rooms that are accessible outside of staffed hours
- Flexible library space that is 'future-fit', responsive and adaptable to change. Space that encourages innovation and creativity
- Space where the library can establish strong relationships and work in partnership with others, and provide facilities for community groups and organisations to share
- Library programmes that support economic development and entrepreneurship.

### 2. Culture and heritage

Libraries are cultural as well as community facilities and the Elma Turner Library has traditionally played an important role in collecting, preserving, recording and celebrating Nelson's heritage. The library aims to provide engaging and enriching experiences that encourage everyone to contribute to the stories associated with Nelson's heritage. Digital and print resources, storytelling, exhibitions, speakers, performances and programmes should all be able to be accommodated within the library, as these are all ways of 'telling the story' and celebrating the culture, heritage and unique identity of the community.

Libraries offer an opportunity to promote and support Te Tiriti o Waitangi, through incorporation of tangata whenua artwork into the design and use of the building. There should be opportunities to display taonga and to invite tāngata whenua to talk about them and to tell their stories. This supports 'cultural literacy' – enhancing the ability of our community to better understand Māori culture and tikanga.

Nelson is an increasingly multicultural community. The library is shared community space that allows people from different cultural backgrounds to come together and share ideas

#### Current Arrangements

- Access is limited into a dedicated 'closed' area for secure storage and use of resources
- Nelson is becoming a culturally diverse community and has a rich Māori and early settler history – currently ways of acknowledging and representing Nelson's history are constrained by space
- The constraints associated with the current space availability mean that the library is unable to adequately accommodate other groups and organisations who also have an interest in culture and heritage
- Council has invested in radio frequency identification-enabled security system that would potentially open access to these resources.
-

## Business Case for Elma Turner Library Redevelopment

Project #2226

INVESTMENT OBJECTIVES	
Business Needs	<ul style="list-style-type: none"><li>• Facilities and programmes that inspire a wide and diverse range of people and draw in new users of various cultures</li><li>• Seamlessly integrated research, learning, experiential and interactive spaces that provide meaningful access to the record of Nelson's history</li><li>• Easier access to the library's resources</li><li>• Partnership with iwi in the design of the library, and incorporation of Māori art into the structure of the library</li><li>• Places to display taonga safely and securely</li><li>• A library that attracts whānau into its spaces and that encourages storytelling</li><li>• A space that contributes towards the normalisation of the use of Te Reo in our community.</li><li>• Refugees and migrants to Nelson recognise the library as a safe and welcoming space to learn about NZ culture, its languages and to meet people and share ideas</li></ul>
<b>3. Connected and learning community</b> <p>Today, good public libraries are highly valued as 'community living rooms' or as the 'third place' in people's lives (in addition to home and work or school). They are places that are safe, trusted and easy to access, and they provide spaces for a wide range of social, recreational and learning activities. They also serve as an extended workplace for freelancers and business visitors. Nelson has a reputation for providing excellent library services, with residents making good use of their busy libraries. The Elma Turner Library, as Nelson's 'main' library, is well located and has the potential to be a key centre for a broad range of civic and community activities.</p> <p>The location of the library also contributes to the physical connectivity between the central city, the Mahitahi River, and the Haven. This connection is important for iwi, as well as for residents and visitors to the city. As the number of people living in the city grows, the availability of high-quality, connected public spaces becomes increasingly important. Wakatū Incorporation, the owners of the adjacent land in the Riverside Precinct, has shared its vision and concepts for the area with Council (see below, under plans). The way that the library is designed and located within the site has the potential to create a significant, integrated development for the precinct area. The site is a key gateway entrance to the city and has the potential to enhance visitor experience.</p>	
Current Arrangements	<ul style="list-style-type: none"><li>• Space allocations, constraints and poor flow throughout the building that means the library cannot provide several of the key features associated with modern libraries (e.g., meeting facilities, flexible use performance/forum/learning spaces, café)</li></ul>

## Business Case for Elma Turner Library Redevelopment

Project #2226

INVESTMENT OBJECTIVES
<ul style="list-style-type: none"> <li>Space is unavailable to accommodate others (e.g., community groups and organisations) in ways that would increase user convenience and improve the overall visitor experience</li> <li>Limited lounge and study areas that are more appropriate for individual activity, rather than for social engagement or group/collaborative activity</li> <li>The use of the performance space can impact negatively on other library users</li> <li>External space is not accessible and the library is not connected with the river or the city centre</li> <li>The library and its environs are not seen as attractive places to recreate or spend time in.</li> </ul>
Business Needs
<ul style="list-style-type: none"> <li>Additional amenities, now considered core requirements for new libraries, such as a mix of quiet and social spaces, interactive areas, meeting facilities (a mix of sizes, some reconfigurable), and space to share with others</li> <li>A flexible interior design that can accommodate future changes in use</li> <li>Improved connection to the city centre, street, river and on to the Haven</li> <li>Improved access to the building from the city centre</li> <li>Outdoor public spaces where people can come together and spend time in</li> <li>Performance space(s) that do not impact on other library users</li> <li>Library contributes to overall design outcomes for the Riverside Precinct.</li> </ul>
<p><b>4. Sustainability and resiliency</b></p> <p>Nelson declared a climate emergency on 13 May 2019. As part of that declaration, Council committed to "examine how Council's plans, policies and work programmes can address the climate emergency and ensure an emergency strategy is embedded into all future Council strategic plans."</p> <p>The construction and design of a library building offers a unique opportunity to engage with communities around the issues of climate change, sea level rise, flooding, and adaptation and mitigation responses. The Riverside Precinct location offers an opportunity to demonstrate how our built environment can be adapted to lower the risks that flooding and inundation events will pose to people and property. Low carbon construction materials can be sourced locally and used to minimise the embodied carbon in a building. Flexibility in design allows for adaptation to future risks.</p>
Current Arrangements
<ul style="list-style-type: none"> <li>The original design encompassed some passive ventilation features, but these have been compromised by subsequent additions</li> <li>The current floor level (RL 2.86m) means the library is susceptible to a 1% AEP flood event (present day); the possibility of the library flooding becomes more likely due to climate change and sea level rise</li> <li>There is limited ability to run outdoor environmental education programmes (e.g., on Mahitahi River biodiversity) because of the poor connectivity</li> </ul>

## Business Case for Elma Turner Library Redevelopment

Project #2226

INVESTMENT OBJECTIVES
<ul style="list-style-type: none"> <li>Electricity costs of \$60-65,000 per year for winter heating and summer cooling. The system is inefficient system with increasingly high internal temperatures in summer.</li> </ul>
Business Needs
<ul style="list-style-type: none"> <li>Floor level that is above 1% AEP flood event in 2130</li> <li>Photovoltaic cells and passive ventilation contribute to low energy costs</li> <li>Water-efficient features included to minimise water use and waste</li> <li>Low carbon construction materials minimise the embedded carbon in the building</li> <li>The library building's design and sustainability features are used to promote low carbon building techniques to the public</li> <li>Flexibility to raise floor level if required to increase life well beyond 2130</li> <li>Provision of electric charging points for visitors' cars/mobility scooters/E-Bikes</li> <li>People can access the library by bus, walking and cycling</li> </ul>
Outline Scope
<p>The scope of this proposed project includes:</p> <ul style="list-style-type: none"> <li>Delivery of modern library facility with space for books, digital resources, heritage facilities and flexible spaces that can be used to deliver a range of activities and programmes consistent with the four investment objectives: <i>knowledge economy and innovation, culture and heritage, connected and learning community and, sustainability and resiliency</i></li> <li>Increasing the area of public space available to provide more space for contemporary library activities, including: performance spaces, opportunities to bring the outdoors inside, a café, social spaces that encourage connection; learning environments that can be used for community and formal library programmes; community room(s) that can be accessed out of hours; space to present and explore our heritage</li> <li>Design incorporates components of Nelson/Whakatū cultural heritage</li> <li>Enhancing the library's connection to its external environment, by creating additional civic space and opening the library's relationship with the Mahitahi River, adjacent street frontage and to the city centre</li> <li>Design and construction to five-star Greenstar accreditation standard</li> <li>Engagement with community groups to assess their needs and compatibility within a library redevelopment (including Citizens Advice Bureau, Toy Library and Genealogy Society)</li> <li>The library location and design contribute to a coherent, well planned and resilient Riverside Precinct. The library location and design allow for (and complements, as much as is possible) the third-party development of a Climatorium on adjacent Wakatū Inc-owned land</li> <li>That the current levels of car parking are maintained and its future provision is reviewed with the community as the Riverside Precinct development takes place</li> <li>Engaging with the community (e.g., WICK) to understand how a new library can contribute to, and enable, a re-imagined service delivery programme</li> </ul>
Space calculation

## Business Case for Elma Turner Library Redevelopment

Project #2226

### INVESTMENT OBJECTIVES

The current library total space is 2,455m<sup>2</sup>; the public space is approximately 2,000m<sup>2</sup>. Athfield Architects and Irving Smith Architects calculated the total size required as 3,201m<sup>2</sup> based on the 2019 population, using the methodology in *People Places: A guide for public library buildings in New South Wales* (see calculation sheet, next page).

Using a projected population figure of 65,000 in 2048, the total size requirement was calculated as 3,906m<sup>2</sup>. However, these figures do not include the contribution that the Nightingale Library Memorial and Stoke Library make (currently approximately 400m<sup>2</sup>). Stoke's population is growing and its library is due to expand within this timeframe. The total requirement for Nelson central library therefore sits between 3,000m<sup>2</sup> and 3,500m<sup>2</sup>.

# Item 9: Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case: Attachment 1

## Business Case for Elma Turner Library Redevelopment

Project #2226

This Microsoft Excel spreadsheet will calculate the Service Based Benchmarks described in Part 1 of the publication *People Places: a guide for public library buildings in New South Wales* (3rd edition, Sydney: State Library NSW 2012). Enter the data for your own library building project on this sheet and the spreadsheet will automatically generate a total gross floor area using the service based benchmark. **Only add figures in the yellow boxes** Do not unprotect the spreadsheet.

ETL Estimates

### 1. BASE AREA CALCULATIONS

#### 1a. ESTIMATE NUMBER OF ITEMS PER CAPITA

ENTER COLLECTION SIZE

120000

Based on worksheet S.10 of Living Learning Libraries

Current Collection

#### 1b. ESTIMATE AREA OF COLLECTION

TOTAL COLLECTION AREA

1129

#### 1c. CALCULATE AREA FOR PUBLIC COMPUTERS

ENTER POPULATION SIZE

51,000

PUBLIC COMPUTER TERMINALS

15

0

15

5

Current Population

TOTAL PUBLIC COMPUTER AREA

75

#### 1d. SUMMARISE BASE AREA

COLLECTION AREA PLUS PUBLIC COMPUTER AREA

1204

The collection and technology areas combined provide the base area of 100% from which functional and services space can be calculated

1204

### 2. CALCULATING FUNCTIONAL AND SERVICE AREAS

#### 2a. READING, SEATING AND STUDY AREAS

SEATING BASED ON POPULATION

200

40%

40%

20%

46%

552

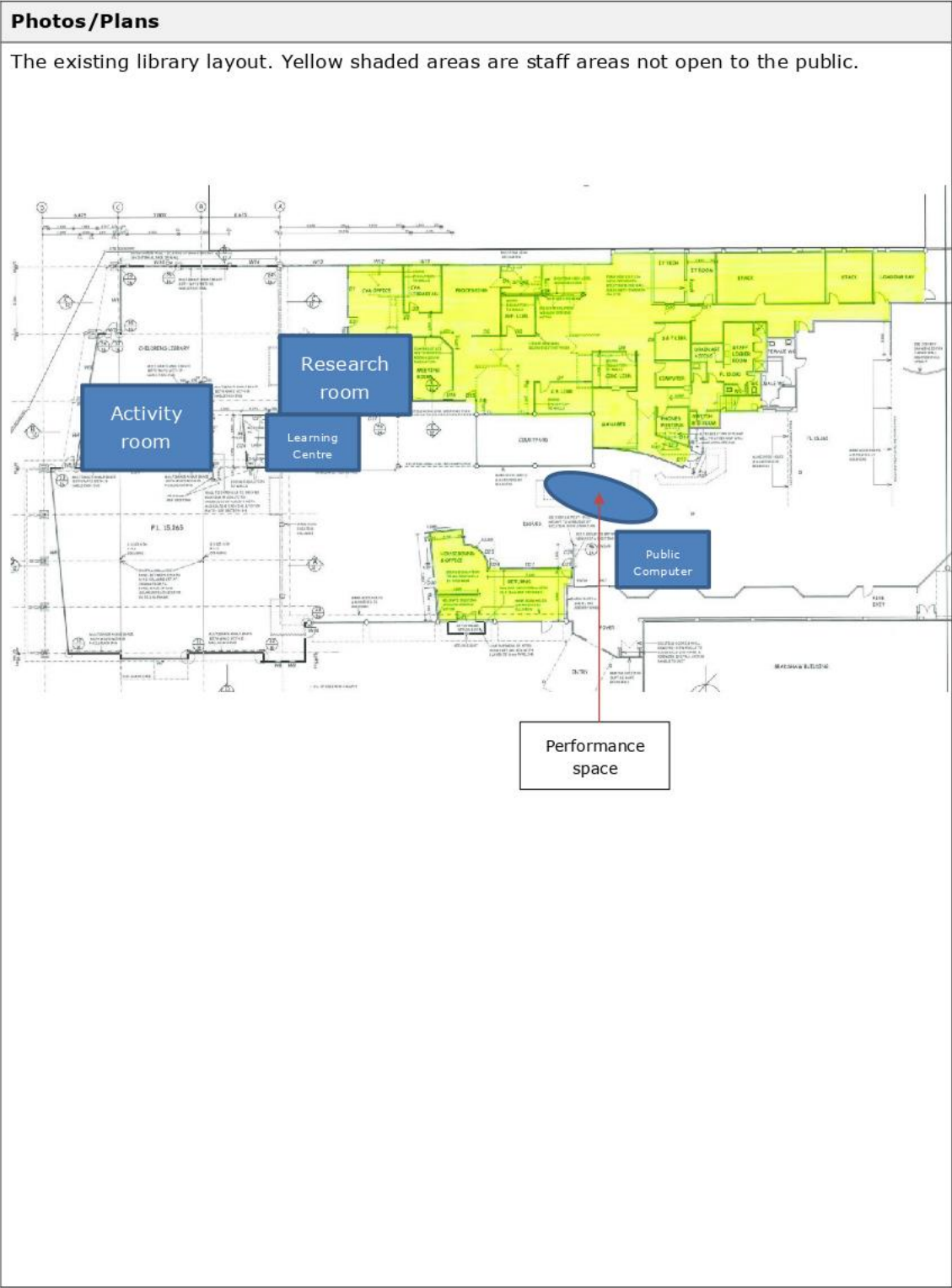
552

#### 2. CALCULATING FUNCTIONAL AND SERVICE AREAS CONTINUED

			Enter your %	
OTHER FUNCTIONAL AREAS				
2b. CUSTOMER SERVICE				
SERVICE DESK, RETURNS & SELF CHECK	10% recommended	10%		120
BROWSING, DISPLAY and INFORMATION	5-10% recommended	6%		72
NEWSPAPER / MAGAZINE AREA	5% recommended	5%		60
2c. CHILDREN / YOUTH AREAS				
CHILDREN'S STORY TELLING	5-10% recommended	8%		96
TOY LIBRARY	10-15% recommended	0%		0
YOUNG ADULT AREA	5-10% recommended	3%		36
GAMES AREA / DIGITAL MEDIA SPACE	5-10% recommended	2%		24
2d. SPECIALIST				
SPECIALIST GENRE COLLECTION	5-10% recommended	2%		24
SPECIALIST ROOM LOCAL & FAMILY HISTORY	10-15% recommended	10%		120
STORAGE FOR ARCHIVAL / CONSERVATION	5% recommended	0%		0
IT TRAINING ROOM	5-10% recommended	3%		36
2e. STAFF				
STAFF WORK, LUNCH, LOCKERS	20% recommended	20%		241
WORK AREA STORAGE	5% recommended	4%		48
MOBILE LIBRARY SERVICES AREA	5% recommended	2%		24
CENTRAL AND REGIONAL WORK AREA	5% recommended	2%		24
2f. AMENITIES AND ANCILLARY				
FOYER, LOBBY, CORRIDORS, ETC	15% recommended	0%		0
VERTICAL CIRCULATION (LIFTS/ LIFT LOBBY / STAIRS)	5% recommended	4%		48
TOILETS, RESTROOMS, CLEANERS	5% recommended	5%		60
PLANT EQUIPMENT, MAINTENANCE	5-10% recommended	0%		0
SERVER ROOM	5% recommended	0%		0
PHOTOCOPIERS, DIGITAL EQUIPMENT	5% recommended	5%		60
LOADING DOCK, GARBAGE & GENERAL STORE	5-10% recommended	3%		36
STACK AREA	5-10% recommended	5%		60
2g. ADDITIONAL SERVICES				
CAFÉ	5% recommended	10%		120
COMMUNITY SERVICES	20-25% recommended	1%		12
EXHIBITION SPACE	5% recommended	0%		0
COMMUNITY KITCHEN	5% recommended	0%		0
OTHER AREAS NOT IDENTIFIED				
2h. MEETING SPACES				
MEETING ROOM SPACE & STORAGE	80	1.5	10%	120
or				
MULTIPURPOSE, TRAINING, AV ROOM			20-25% recommended	0
TOTAL % 156%				
TOTAL FUNCTIONAL AND SERVICES AREA 1997				
TOTAL GROSS FLOOR AREA 3201				

**Business Case for Elma Turner Library Redevelopment**

Project #2226





## Business Case for Elma Turner Library Redevelopment

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### Photos/Plans



Wakatū Incorporation has developed the following possible concepts:




**Business Case for Elma Turner Library Redevelopment**

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Turanga, Christchurch



Incorporation of Māori art (L); spaces to relax (R)



The imagination station



Stairs double as seating



## Business Case for Elma Turner Library Redevelopment

Project #2226

Te Takere, Horowhenua



Taonga display area



Tea dance in the library

## Business Case for Elma Turner Library Redevelopment

Project #2226

Waitohi Johnsonville library



## Business Case for Elma Turner Library Redevelopment

Project #2226

### DESIRED BENEFITS

Desired Outcomes	%	Benefits - Investment Objectives
<b>Improved community connections.</b> People connect to and learn from each other. People have a sense of civic pride when in the library and adjacent outdoor areas, connecting to and learning from each other, and celebrating Nelson's diverse culture and heritage, together.	30%	<i>Knowledge economy and innovation</i> <ul style="list-style-type: none"> <li>Increased access to and use of technology and digital media</li> <li>More space able to accommodate more people, with increased attendance and participation</li> <li>Library becomes a centre for collaboration and networking that supports social and economic outcomes</li> </ul>
		<i>Culture and heritage</i> <ul style="list-style-type: none"> <li>Increased contribution by the community to Nelson's recorded history</li> <li>Evidence of intergenerational and cross-cultural activity</li> </ul>
		<i>Connected and learning community</i> <ul style="list-style-type: none"> <li>Increased engagement and active participation in community activities</li> <li>Facility well used by a diverse range of groups</li> <li>Library precinct connects to river and central city</li> </ul>
		<i>Sustainability and resilience</i> <ul style="list-style-type: none"> <li>Building's design and construction used as an exemplar for climate change mitigation and adaptation</li> <li>Library is well serviced by walking, cycling and public transport</li> </ul>
<b>Improved and future flexible community facility</b> The programmes and activities offered make use of the flexibility of the space available. New programmes are developed in line with community needs. Community capacity to deliver peer-to-peer knowledge sharing is enabled. The library and its surrounding area are well	40%	<i>Knowledge economy and innovation</i> <ul style="list-style-type: none"> <li>Adaptable and reconfigurable spaces</li> <li>Improved customer experiences</li> <li>Access to technology as it develops</li> <li>Access to open plan multi-use spaces</li> </ul>
		<i>Culture and heritage</i> <ul style="list-style-type: none"> <li>Increased participation in activities</li> <li>Increased use of resources</li> </ul>
		<i>Connected and learning community</i> <ul style="list-style-type: none"> <li>Facilities well used by groups as well as individuals</li> <li>Peer-to-peer learning opportunities are provided</li> <li>Outside spaces are well used and relate to library activities</li> </ul>

## Business Case for Elma Turner Library Redevelopment

Project #2226

### DESIRED BENEFITS

Desired Outcomes	%	Benefits - Investment Objectives
used civic spaces, attracting visitors and residents to visit and spend time in the city centre.		<p>Sustainability and resilience</p> <ul style="list-style-type: none"> <li>Building's design and construction used as an exemplar of green design and construction</li> <li>Library is well serviced by walking, cycling and public transport</li> </ul>
<p><b>Improved literacy and education of citizens</b></p> <p>People have access to knowledge and information, digitally, in paper form and through a range of activities and programmes. Our community is empowered to take action based on knowledge and learning, to contribute to society. Delivery of employment skills training contributes to regional economic development outcomes.</p>	30%	<p><i>Knowledge economy and innovation</i></p> <ul style="list-style-type: none"> <li>Increased use of, and access to, physical and digital and technological resources</li> <li>Increased attendance at literacy related programmes</li> <li>Access to expertise and resources</li> <li>Measurable results from collaborative start-up opportunities</li> <li>Programmes provide skills to help people become 'work-ready'</li> <li>Schools use the library as an extension of their classrooms</li> <li>Civic literacy and Cultural literacy resources enable people to participate effectively</li> </ul>
		<p><i>Culture and heritage</i></p> <ul style="list-style-type: none"> <li>Improved resource and expertise sharing</li> <li>Library building design reflects Pakeha and Māori culture and heritage</li> <li>Increased promotion of Nelson's achievements</li> </ul>
		<p><i>Connected and learning community</i></p> <ul style="list-style-type: none"> <li>Diverse range of services in one location</li> <li>Opportunities/initiatives that help jobseekers into work and that grow a skilled workforce</li> </ul>
		<p><i>Sustainability and resilience</i></p> <ul style="list-style-type: none"> <li>Citizens are informed about climate change and empowered to act</li> <li>Nelson's environmental and natural capital is celebrated and enhanced</li> </ul>



## Business Case for Elma Turner Library Redevelopment

Project #2226

### DESIRED BENEFITS

Desired Outcomes	%	Benefits - Investment Objectives
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### STRATEGIC FIT

Strategy/Policy/Service Level Definition	Contribution/Degree or strength of alignment
<b>Library Strategic Objectives:</b> <ol style="list-style-type: none"> <li>1. Knowledge economy and innovation</li> <li>2. Culture and heritage</li> <li>3. Connected and learning Community</li> <li>4. Sustainability and resilience</li> </ol>	Refer benefits.
<b>Level of Service</b>	Development is expected to lead to increased customer satisfaction and improved service delivery. New measures are needed that align with Strategic Objectives.
<b>Legislative requirements</b>	
Declaration of Climate Emergency (Council Policy)	Development is low carbon, five-star Greenstar that demonstrates a resilient, adaptive approach to building within a floodplain.
Local Government Act (LGA) 2002	Development contributes to social, cultural, economic and environmental wellbeing of residents. Membership of libraries is free.
Building Act, Nelson Resource Management Plan	Buildings in flood hazard and inundation zone must have floor levels that are raised to mitigate 1% AEP in 100 years.

### Stakeholder Summary

Stakeholder	Interest and level of involvement with BC development	Agree w Benefits
Councillors	Overall vision for the facility and services provided.	
Wakatū Incorporation	Development must be consistent with Wakatū Incorporation plans for wider precinct.	
Library Staff	Buildings must be fit for purpose and for workflows.	
Other Council staff	Use of space to engage with stakeholders on wide range of Council projects, activities and services.	

## Business Case for Elma Turner Library Redevelopment

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### Stakeholder Summary

Stakeholder	Interest and level of involvement with BC development	Agree w Benefits
Community	Use of spaces for an extended range of community-related activities.	
Community groups	Adding a community hub would allow space for multi-use by community groups. The Toy Library, Citizens Advice Bureau and the Genealogy Society are interested in having space/activities.	
Youth Council	Interested in all aspects, particularly outcomes for young people. Youth Nelson also keen to be involved.	
Education sector	Link with preschools, schools, NMIT.	
Heritage sector	Opportunity for use of flexible spaces.	
Tourists	Wi-fi, research, community information, local contacts and the library as a visitor attraction.	
Provincial Museum	Cross over with heritage and ancestry services needs coordination.	
City development	Must contribute to city development outcomes.	
Iwi	Opportunities to tell local stories and incorporate Māori design features and art.	
Science and environment	Links with Project Mahitahi and opportunity to develop community science projects.	
IT	Requirements and capabilities of Library IT systems are compatible with development	
WICK	Have suggested a broader 'ideas factory' concept. Engagement to identify what can be accomplished and role library could play as a social and economic hub for the city.	
Accessibility organisations	Keen to see accessibility for all in new build.	

### Related projects/Strategies/activities

Project (ID) or Operational Activity	Implications
Elma Turner ceiling tiles replacement	Replacement will not take place if the new building is approved.



## Business Case for Elma Turner Library Redevelopment

Project #2226

### Related projects/Strategies/activities

Project (ID) or Operational Activity	Implications
Mediterranean Warehouse deconstruction	No impact but taken from same budget.
Roof renewal – current building	Renewal of roof is overdue. This renewal will not take place if the new building is approved.
General library renewals	Renewals will be scaled back if a refurbishment/redevelopment takes place.

### Other Key Assumptions and Risks

Flood modelling data for 2130 based on RCP 8.5H+ is used to calculate minimum floor levels.
Community engagement on Maitai flood management will commence in 2021/22 and management options will be implemented.
Stoke Library will be expanded before 2040 to serve increased population in Stoke.
No significant changes to Nightingale Library Memorial services.

### STRATEGIC CASE ASSESSMENT

Assessment
There are strong drivers for change in the range and way library services are delivered. The identified investment objectives cannot be met in the existing library building. Five options have been identified. Costs, benefits and risks for each are discussed in the next section.

### Recommendation

That Council approves Business Case Option One: New, high-specification build on corner of Trafalgar Street and Halifax Street		
Approved by	Date	Reference
Council	TBC	InfoCouncil ID TBC

### Key Reference Material

Document	Objective reference
2021-24 property and facilities AMP	A2589178
Vision Statement – Nelson Public Libraries – 25 January 2017	A1704820

## Business Case for Elma Turner Library Redevelopment

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### Key Reference Material

<i>Document</i>	<i>Objective reference</i>
Council Workshop presentation – 19 January 2021	A2558883
Council workshop presentation – Maitai Flood Model – 11 February 2021	A2570937
Council report – Elma Turner Redevelopment Options 18 February 2021	R21341
Athfield Architects and Irvine Smith Architects - Elma Turner Library Community Engagement Report	A2411462
Asbestos Management Survey – ETL – 27 November 2018	A2246422
ETL – Green Building Accreditation	A2232909
Council report – workplace improvements and related projects – 25 June 2022	R16984
Wakatū Inc Presentation to Library Workshop – 21 January 2021	A2630999
Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31 and Business Case	R24785
Nelson Public Libraries Strategic Plan 2008 – 2018	A43243

## Business Case for Elma Turner Library Redevelopment

Project #2226

### SHORT LISTED OPTIONS

<b>BUSINESS OPTION 1 – NEGOTIATE LAND EXCHANGE DEAL WITH WAKATŪ INCORPORATION AND CONSTRUCT A HIGH-SPECIFICATION LIBRARY ON THE CORNER OF HALIFAX STREET AND TRAFALGAR STREET (3,250m<sup>2</sup>)</b>	
Construct new library on gateway site to central city and Riverside Precinct. Enhance public realm with hard and soft landscaping to link to Maitahi River. Design and construction to five-star GreenStar, low carbon standards. Ground floor levels raised to mitigate 1% AEP flood/inundation event in 2130 (RCP 8.5H+ scenario) with ability to be raised further to provide additional use beyond 2130. Minimum size 3,250m <sup>2</sup> .	
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• Delivers a low-carbon, climate-resilient, modern library building</li> <li>• Consistent with previous Council decision</li> <li>• No additional cost of land purchase</li> <li>• Allows Council to deliver positive urban design outcomes including access to the Maitai River</li> <li>• Contributes to a cohesive Riverside Precinct</li> <li>• Provides adjacency to Civic House and Millers Acre as Council-owned assets</li> <li>• Avoids negative business continuity impacts.</li> </ul>
<b>Dis-benefits</b>	These are outcomes that are perceived as negative by affected parties; they are actual consequences of doing the project. If the item has some uncertainty, it is a risk (add below).
<b>Financial Estimates</b>	<b>\$44.6 million -see table below</b>
<b>Timeframe</b>	<p>Formal negotiations – August -October 2021</p> <p>NCC project team assembled – July-August 2021</p> <p>Report back on negotiations by December 2021</p> <p>Procurement – external project team – January-April 2022</p> <p>Community engagement and concept design – April 2022-October 2022</p> <p>Detailed design – October 2022-February 2023</p> <p>Building consent lodged March 2023</p>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Some additional timing delays may occur to complete land exchange negotiations</li> <li>• Risk of inundation of access roads under RCP 8.5M scenario if Council does not progress Maitai flood/inundation management options within 80 years</li> <li>• Structure of project management team not yet confirmed</li> <li>• The complexity and scale of the project will mean that additional risks (and mitigations) will be identified as the project progresses</li> </ul>

## Business Case for Elma Turner Library Redevelopment

Project #2226

<b>BUSINESS OPTION 2 – REFURBISH THE EXISTING LIBRARY BUILDING (2,455m<sup>2</sup>)</b>	
Retain existing footprint and foundations. Replace roof, reformat internal walls and corridor from Halifax Street, and reduce staff space. Create additional meeting room.	
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• Lowest cost option</li> <li>• Community has indicated that it prefers the Riverside location</li> <li>• Does not require new land purchase</li> <li>• Gives medium-term flexibility on location</li> </ul>
<b>Dis-benefits</b>	<ul style="list-style-type: none"> <li>• Limited improvements in physical environment and ability to provide full range of library services</li> <li>• Does not contribute to a cohesive Riverside Precinct</li> <li>• Significant impact on business continuity during refurbishment</li> <li>• Relatively short increase in building life expectancy</li> <li>• Limited environmental benefits</li> <li>• Building likely to be subject to inundation/flooding under present day 1% AEP event</li> </ul>
<b>Financial Estimates</b>	<b>\$20.4 million – see table below</b>
<b>Timeframe</b>	<p>NCC project team assembled – July-August 2021</p> <p>Procurement – external project team – September 2021-January 2022</p> <p>Community engagement and concept design – February 2022-June 2022</p> <p>Detailed design – June 2022-September 2022</p> <p>Building consent lodged September 2022</p>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Size restricts the range of services and facilities able to be delivered</li> <li>• Downward trend in patronage may not be reversed without wider, modern offering</li> <li>• Risk of building flooding increases due to climate change</li> <li>• Construction delays have additional cost implications associated with temporary library provision</li> </ul>

## Business Case for Elma Turner Library Redevelopment

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<b>BUSINESS OPTION 3 – CONSTRUCT NEW, REDUCED-SPECIFICATION LIBRARY ON CURRENT SITE (3,162m<sup>2</sup>)</b>	
Replace existing building with a standard concrete-based construction. Ground floor levels raised to mitigate 1% AEP flood/inundation event in 2130 (RCP 8.5H+ scenario). Minimal external hard/soft landscaping.	
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• Lower cost option</li> <li>• Community has indicated that it prefers the Riverside location</li> <li>• Does not require new land purchase</li> <li>• Gives medium-term flexibility on location</li> <li>• Provides space for some additional services</li> </ul>
<b>Dis-benefits</b>	<ul style="list-style-type: none"> <li>• Some improvements in physical environment and ability to provide full range of library services</li> <li>• Significant impact on business continuity during refurbishment</li> <li>• Limited environmental benefits</li> <li>• Impact on Wakatū Incorporation ability to develop a cohesive Riverside Precinct</li> <li>• Low contribution to urban design outcomes</li> </ul>
<b>Financial Estimates</b>	<b>\$32 million – see table below</b>
<b>Timeframe</b>	<p>NCC project team assembled – July-August 2021</p> <p>Procurement – external project team – September 2021-January 2022</p> <p>Community engagement and concept design – February-August 2022</p> <p>Detailed design – September 2022-January 2023</p> <p>Building consent lodged February 2023</p>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Risk of inundation of access roads under RCP 8.5M scenario if Council does not progress flood/inundation management options within 80 years</li> <li>• Construction delays have additional cost implications associated with temporary library provision</li> </ul>

## Business Case for Elma Turner Library Redevelopment

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<b>BUSINESS OPTION 4 – CONSTRUCT NEW, HIGH-SPECIFICATION LIBRARY ON CURRENT SITE (3,400m<sup>2</sup>)</b>	
Enhance public realm with hard and soft landscaping to link to Maitahi River. Design and construction to five-star Greenstar, low carbon standards. Ground floor levels raised to mitigate 1% AEP flood/inundation event in 2130 (RCP 8.5H+ scenario) with ability to be raised further to provide additional use beyond 2130. Minimum size 3,400m <sup>2</sup> .	
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Does not require new land to be purchased or a land exchange to take place</li> <li>Community has indicated that it prefers the Riverside location</li> </ul>
<b>Dis-benefits</b>	<ul style="list-style-type: none"> <li>Significant impact on business continuity during construction</li> <li>Impact on Wakatū Incorporation ability to develop a cohesive Riverside Precinct</li> </ul>
<b>Financial Estimates</b>	<b>\$43 million – see table below</b>
<b>Timeframe</b>	<p>NCC project team assembled – July-August 2021</p> <p>Procurement – external project team – September 2021-January 2022</p> <p>Community engagement and concept design – February-August 2022</p> <p>Detailed design – September 2022-January 2023</p> <p>Building consent lodged February 2023</p>
<b>Risks</b>	<ul style="list-style-type: none"> <li>Risk of inundation of access roads under RCP 8.5M scenario if Council does not progress Maitai flood/inundation management options within 80 years</li> <li>The complexity and scale of the project will mean that additional risks (and mitigations) will be identified as the project progresses</li> <li>Construction delays have additional cost implications associated with temporary library provision</li> </ul>

## Business Case for Elma Turner Library Redevelopment

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<b>BUSINESS OPTION 5 – CONSTRUCT A NEW LIBRARY SOMEWHERE ELSE IN THE CITY</b>	
<p>A site is purchased that is not subject to flooding/inundation.</p> <p>Enhance public realm with hard and soft landscaping to link to Maitahi River. Design and construction to five-star Greenstar, low carbon standards. Ground floor levels raised to mitigate 1% AEP flood/inundation event in 2130 (RCP 8.5H+ scenario) with ability to be raised further to provide additional use beyond 2130. Minimum size 3,400m<sup>2</sup>.</p>	
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• A site may be able to be acquired with less flooding and inundation risk</li> <li>• Existing site could be sold to help offset purchase cost of new site</li> </ul>
<b>Dis-benefits</b>	<ul style="list-style-type: none"> <li>• Cost of land purchase is likely to be significant</li> <li>• Loses connection between library and Maitai River</li> <li>• Will significantly delay the construction of a new library</li> <li>• Large part of the community expects library to be built in Riverside Precinct</li> <li>• Impacts on landowner confidence in areas subject to the same risks as the Riverside Precinct</li> </ul>
<b>Financial Estimates</b>	\$TBC
<b>Timeframe</b>	<p>Determine scope for new site characteristics and identify potential sites – July 2021–December 2022</p> <p>LTP amendment consultation to confirm location and budget February – May 2023</p> <p>Negotiation/purchase – June 2023–December 2023</p> <p>NCC project team assembled – January - February 2024</p> <p>Procurement – external project team – March - June 2024</p> <p>Community engagement and concept design – July 2024–December 2024</p> <p>Detailed design – January–May 2025</p> <p>Building consent lodged July 2025</p>
<b>Risks</b>	<ul style="list-style-type: none"> <li>• Site requirements are yet to be determined</li> <li>• Consultation fatigue within library staff and community</li> <li>• Suitable site may not be identified within indicated timeframes</li> <li>• May result in less foot traffic on Trafalgar Street</li> <li>• Construction risks associated with other sites are unknown</li> <li>• Dedicated library parking may not be available</li> <li>• The complexity and scale of the project will mean that additional risks (and mitigations) will be identified as the project progresses</li> </ul>

## **Business Case for Elma Turner Library Redevelopment**

Project #2226

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### **OTHER ALTERNATIVES CONSIDERED**

Options	Reason not short listed
Do nothing	In effect, this option is just deferring the decision on the above options. Library roof needs to be replaced and patronage will continue to drop if facilities are not significantly improved



Item 9: Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31  
and Business Case: Attachment 1

## Business Case for Elma Turner Library Redevelopment

Project #2226

Table: High-level, rough-estimate costs for refurbishment of existing library building and for construction of a new, reduced-specification library on the current site

	Refurbish existing building		New, reduced-specification build on existing site	
Item	Rough cost estimate	Contingency included	Rough cost estimate	Contingency included
Consultants – engagement and business case	\$100,000	-	\$100,000	-
Deconstruction of 23 Halifax Street	\$772,000	-	\$772,000	-
Deconstruction of existing library	n/a	-	\$1,450,000	40%
NCC consultancy team – engineer's rep/QS	n/a	n/a	n/a	n/a
Consultancy team/design fees	\$2,000,000	30%	\$4,200,000	30%
Geotechnical	\$300,000	50%	\$300,000	50%
Resource consent	\$78,000	30%	\$78,000	30%
Local authority fees and consents	\$234,000	30%	\$234,000	30%
Relocation and lease	n/a		\$1,213,000	20%
Relocation only	\$180,000	20%	n/a	
Base build cost	\$11,025,000	50% on piles 30% on rest	\$18,344,000	50% on piles 30% on rest
Preliminary and generals	\$1,950,000	30%	\$1,950,000	30%
Archive facility	n/a	n/a	n/a	n/a
Acoustics	\$260,000	30%	n/a	n/a
Lift	n/a	n/a	n/a	n/a
Generator	\$62,000	30%	\$62,000	30%
Transformer	\$78,000	30%	\$78,000	30%
Soft landscaping	\$65,000	30%	\$65,000	30%
Hard landscaping	\$332,000	30%	\$332,000	30%
Gabion wall to Maitai	n/a	n/a	n/a	n/a
Fit-out	\$2,810,000	30%	\$2,877,000	30%
Transaction costs	\$180,000	20%	\$180,000	20%
Legal fees	n/a	n/a	n/a	n/a
Art wall/art work	n/a	n/a	n/a	n/a
Photovoltaics	n/a	n/a	n/a	n/a
<b>Total</b>	<b>\$20,426,000</b>		<b>\$32,235,000</b>	

Item 9: Elma Turner Library - Deliberations on Submissions to the Long Term Plan 2021-31  
and Business Case: Attachment 1

## Business Case for Elma Turner Library Redevelopment

Project #2226

Table: High-level, rough-estimate costs for construction of high-specification new library in the Riverside Precinct

	New, high-specification build on existing site		New, high-specification build on corner site	
Item	Rough cost estimate	Contingency included	Rough cost estimate	Contingency included
Consultants – engagement and business case	\$100,000	-	\$100,000	-
Deconstruction of 23 Halifax Street	\$772,000	-	\$772,000	-
Deconstruction of existing library	\$1,450,000	40%	N/A	-
NCC consultancy team – engineer's rep/QS	N/A	N/A	\$525,000	30%
Consultancy team/design fees	\$4,200,000	30%	\$5,043,000	30%
Geotechnical	\$300,000	50%	\$300,000	50%
Resource consent	\$78,000	30%	\$78,000	30%
Local authority fees and consents	\$234,000	30%	\$234,000	30%
Relocation and lease	\$1,650,000	20%	N/A	
Relocation only	N/A		\$180,000	20%
Five star, green Star library, low-carbon construction	\$25,621,000	30% on rest	\$26,706,000	30% on rest
Preliminary and generals	\$1,950,000	30%	\$1,915,000	30%
Archive facility	\$390,000	30%	\$390,000	30%
Acoustics	\$260,000	30%	\$260,000	30%
Lift	\$390,000	30%	\$390,000	30%
Generator	\$62,000	30%	\$62,000	30%
Transformer	\$78,000	30%	\$78,000	30%
Soft landscaping	\$65,000	30%	\$65,000	30%
Hard landscaping	\$1,180,000	30%	\$1,789,000	30%
Gabion wall to Maitai	N/A	N/A	\$1,304,000	40%
Fit-out	\$3,900,000	30%	\$3,300,000	30%
Transaction costs	\$180,000	20%	\$300,000	30%
Legal fees	N/A	N/A	\$100,000	N/A
Art wall/art work	\$400,000	N/A	\$400,000	N/A
Photovoltaics	\$70,000	40%	\$70,000	40%
<b>Total</b>	<b>\$43,330,000</b>		<b>\$44,361,000</b>	

## Business Case for Elma Turner Library Redevelopment

Project #2226

### SUMMARY TABLE – SEE ALSO ATTACHMENT A2479330 – OPTIONS ASSESSMENT

	Comparison to baseline (current state/status quo)		
Attribute	Option 1 Negotiate land exchange deal with Wakatū Incorporation and construct a high-specification library on the corner of Halifax Street and Trafalgar Street	Option 2 Refurbish the existing library building	Option 3 Construct new, reduced-specification library on current site
Expected Scale of Benefits Improvement	High	Low	Low-medium
Financial Summary	Net CAPEX: \$44.3 million	Net CAPEX: \$20.4 million	Net CAPEX: \$ 32.2 million
Assessed Risk and Dis-Benefit	See table – next page	See table – next page	See table – next page
Assessed Rank	<b>1</b>	<b>5</b>	<b>4</b>
Rationale	Option 1 delivers against all outcomes and investment objectives. Risks relating to the project are relatively well understood. Option 4 delivers many of the benefits, but has significant impact on business continuity and does not provide a gateway to the River or Central City. Option 5 could deliver against most investment objectives but uncertainty is high in relation to finding and purchasing a site with adequate car parking.		

## Business Case for Elma Turner Library Redevelopment

Project #2226

	Comparison to baseline (current state/status quo)		
Attribute	Option 4 Construct new, high-specification library on current site	Option 5 Construct a new library somewhere else in the city	
Expected Scale of Benefits Improvement	Medium-High	Medium-High	
Financial Summary	Net CAPEX: \$43.3 million	Net CAPEX: \$TBC	
Assessed Risk and Dis-Benefit	See table – next page	See table – next page	
Assessed Rank	<b>2</b>	<b>3</b>	
Rationale			



## Business Case for Elma Turner Library Redevelopment

Project #2226

Elma Turner Library - Options Assessment					
Option	Refurbish existing 2,455m <sup>2</sup> building	Redevelop existing site with new, reduced-specification 3,162m <sup>2</sup> library	Redevelop existing site with new, high-specification 3,400m <sup>2</sup> library	Build new, high-specification 3,250m <sup>2</sup> library in the Riverside Precinct on the corner of Halifax and Trafalgar Streets	Build new library somewhere else in central Nelson
<b>Fit for purpose</b>	<b>How fit for purpose would each location be, does it meet community expectations, what is the impact of the option on library services' business continuity?</b>				
comments	A refurbishment could improve the internal layout and create more space for community. However, the space would still be too small to deliver all requirements, and a refurbishment will only add 20-30 years to the library's life.	This new build would provide a single-storey modern library space. Current parking is retained. Link to the Maitai River and a possible Climatorium is maintained. Significant impact on business continuity. Would not provide as much additional space as other build options and may not meet community expectations for size or form.	A new build will be designed to meet the requirements of a modern, flexible library. Current parking is retained. Link to the Maitai River and a possible Climatorium is maintained. Significant impact on business continuity.	A new build will be designed to meet the requirements of a modern, flexible library. Current parking is retained. Link to the Maitai River and a possible Climatorium is maintained and enhanced significantly. Negligible impact on business continuity.	A new build will be designed to meet the requirements of a modern, flexible library. Negligible impact on business continuity. Link to the Maitai River, any future Climatorium and proximity to Civic House will be lost. Link to outdoor environment would depend on location and neighbouring land use.
rating	Low	Low-medium	Medium-High	High	Medium
Overall score - fit for purpose	3.0	2.0	4.0	5.0	3.0
<b>Sustainability/climate resilience</b>	<b>How well does the option match the intent of the Council's climate emergency?</b>				
comments - location	The Riverside Precinct is in the flood plain of the Maitai River, and is likely to be more prone to inundation from 2100 onwards. Council has a limited range of options to mitigate this risk and to demonstrate sustainable building design on land subject to natural hazard.	The Riverside Precinct is in the flood plain of the Maitai River, and is likely to be more prone to inundation from 2100 onwards. Council has a range of options to mitigate this risk and to demonstrate sustainable building design on land subject to natural hazard.	The Riverside Precinct is in the flood plain of the Maitai River, and is likely to be more prone to inundation from 2100 onwards. Council has a range of options to mitigate this risk and to demonstrate sustainable building design on land subject to natural hazard.	The Riverside Precinct is in the flood plain of the Maitai River, and is likely to be more prone to inundation from 2100 onwards. Council has a range of options to mitigate this risk and to demonstrate sustainable building design on land subject to natural hazard.	A new build elsewhere in the city would likely be less prone to flooding and inundation.
rating - location	Medium	Medium-High	Medium-High	Medium-High	High
score - location	3	4	4	4	5
comments - adaptation	Some improvements can be made to increase building resiliency, but these would only be short-term solutions.	The library will be designed to improve its resilience for future flood events. The floor level of a new building will accommodate 1 in 100 year events in 2130.	The library will be designed to improve its resilience for future flood events. The floor level of a new building will accommodate 1 in 100 year events in 2130, and have the ability to be raised further in the future, if required.	The library will be designed to improve its resilience for future flood events. The floor level of a new building will accommodate 1 in 100 year events in 2130, and have the ability to be raised further in the future, if required.	Designs for a different location would address any residual climate risks.
rating - adaptation	Low-Medium	Medium	Medium-High	Medium-High	High
score - adaptation	2	3	4	4	5
comments - mitigation	Re-using the existing building extends the life of embodied carbon. However, the extension to the life of the building is limited.	The design will incorporate sustainable building materials but exclude acoustic damping, photovoltaic and other Green Star features.	The design specification for the new library will be five star, Green Star, and include low carbon footprint, use of sustainable materials, be energy efficient and incorporate solar power.	The design specification for the new library will be five star, Green Star, and include low carbon footprint, use of sustainable materials, be energy efficient and incorporate solar power.	The design specification for the new library will be five star, Green Star, and include low carbon footprint, use of sustainable materials, be energy efficient and incorporate solar power.
rating - mitigation	Medium	Medium	Medium-High	Medium-High	Medium-High
score - mitigation	3	3	4	4	4
Overall score - sustainability	2.7	3.3	4.0	4.0	4.7
<b>Consistency with City Centre Programme Plan</b>	<b>How well does the option align with the City Centre Programme Plan, the six key moves and the proposed Spatial Plan?</b>				
comments	The current location splits the Wakatū-owned land in two and may not lead to the best long-term development opportunity for the Precinct. It would contribute to bringing more people in to the Riverside Precinct area and is consistent with several key moves. Refurbishment maintains current footprint and external walls which do not provide good urban design outcomes.	The current location splits the Wakatū-owned land in two and may not lead to the best long-term development opportunity for the Precinct. It would contribute to bringing more people in to the Riverside Precinct area and is consistent with several key moves. Smaller footprint would provide future opportunities for surrounding spaces.	The current location splits the Wakatū-owned land in two and may not lead to the best long-term development opportunity for the Precinct. It would contribute to bringing more people in to the Riverside Precinct area and is consistent with several key moves.	This location allows Council to control and improve access to the Riverside Precinct and Maitai Walkway, consolidates Council ownership around the Trafalgar Street/Halifax Street intersection and allows Wakatū most flexibility to develop a cohesive Riverside Precinct. It would contribute to bringing more people into the Riverside Precinct area and, if the Climatorium is developed, is consistent with all of the key moves.	Building in a different location in the central city or adjacent may contribute to multiple long-term outcomes for the city, if the right location can be found. Council may lose the ability to control development of Riverside Precinct if it sold the current library land.
rating	Medium	Medium-High	Medium-High	High	Medium-High
Overall score - City Centre Programme Plan	3.0	4.0	4.0	5.0	4.0
<b>Cost</b>	<b>What are the capital costs, operating cost and transitional cost implications of each option?</b>				
comments - capital	Refurbishment has a lower capital cost than a new build. Some premium for installing sustainability features. Rough cost estimate \$20.4 million.	Construction of a new building in this location has been costed at \$32.2 million. This includes contingency for known risks.	Construction of a new building in this location has been costed at \$43.3 million. This includes contingency for known risks, and a premium for delivering a highly sustainable, iconic building.	Construction of a new building in this location has been costed at \$44.4 million. This includes contingency for known risks, and a premium for delivering a highly sustainable, iconic building.	Construction of a new building elsewhere is subject to additional unknown risk and there will be a premium for delivering a highly sustainable building. The cost of design features relating to location is currently unknown.
rating - capital	Medium	Medium-High	High	High	High
score - capital	3	2	1	1	1
comments - operating	Operating costs for a refurbished building will be higher than for a comparable new build.	This building would not be as efficient as one built to higher environmental standards. Operational costs likely to increase.	A new build will be built to high environmental standards. This comes at increased capital cost but will reduce energy and other operating costs. These savings may be offset from increases due to the increased size of the library.	A new build will be built to high environmental standards. This comes at increased capital cost but will reduce energy and other operating costs. These savings may be offset from increases due to the increased size of the library.	A new build will be built to high environmental standards. This is likely to come at increased capital cost but will reduce energy and other operating costs. These savings may be offset from increases due to the increased size of the library.
rating - operating	Medium	Medium	Low-Medium	Low-Medium	Low-Medium
score - operating	3	3	4	4	4
comments - transitional	Alternative premises would need to be leased in order to continue to deliver a library service within the central city during redevelopment on the current location. The entire collection would need to be moved twice.	Alternative premises would need to be leased in order to continue to deliver a library service within the central city during deconstruction and rebuild on the current location. The entire collection would need to be moved twice.	Alternative premises would need to be leased in order to continue to deliver a library service within the central city during deconstruction and rebuild on the current location. The entire collection would need to be moved twice.	A lease arrangement with Wakatū incorporation would need to be secured as part of the land exchange deal. The collection would only have to be moved once.	The current library site would need to be retained until a new building was completed on a new location. This incurs holding costs. The collection would only have to be moved once.
rating - transitional	Medium-High	Medium-High	Medium-High	Low-Medium	Medium
score - transitional	2	2	2	4	3
Overall score - Cost	2.7	2.3	2.3	3.0	2.7
<b>Risk</b>	<b>How likely is it that the project will not proceed as planned, or that the desired outcomes are not fully delivered?</b>				
comments	There is no land purchase required, and work can commence as soon as Council decides to progress the project. It has a good understanding of costs. Community may think that Council has previously undertaken to build a new library, rather than refurbish the old one. Environmental risks are present and this option gives limited ability to adapt to those risks.	There is no land purchase required, and work can commence as soon as Council decides to progress the project. It has a good understanding of costs and risks associated with the development.	There is no land purchase required, and work can commence as soon as Council decides to progress the project. It has a good understanding of costs and risks associated with the development. Reputational risk is low.	Wakatū incorporation has given indicative support for this option, although some residual risk remains in relation to the land exchange detail. Council has a good understanding of costs and risks, and the project should be able to progress reasonably quickly.	There is risk associated with finding a suitable location, associated community consultation, and negotiation with neighbouring landowners prior to design phase. There is a high degree of uncertainty over the construction costs and timelines. There is reputational risk from the community wanting to see the library constructed on its current site. Could have negative impacts on developer confidence and city development if Council signals a policy of retreat from areas prone to flooding/inundation in the central city.
rating	Medium	Medium	Low-Medium	Low-Medium	Medium
Overall score - Risk	3.0	3.0	4.0	4.0	3.0
Overall score	2.5	2.9	3.7	4.2	3.5

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**REPORT R24786**

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**Proposed new Company Model for Nelson Airport and Port Nelson**

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**1. Purpose of Report**

- 1.1 To provide a summary and outline the key issues and themes raised by submitters to the proposed new company model for Nelson Airport and Port Nelson as a basis for deliberation.
- 1.2 If, following deliberation on submissions, Council decides to proceed with one of the holding company options, this report also instructs staff and the Airport and Port companies to proceed with Option Three, a new company established as a funding vehicle.

**2. Summary**

- 2.1 At its meeting of 17 December 2020 Council instructed staff to prepare a joint proposal with staff of Tasman District Council for the restructuring of Port Nelson Limited (PNL) and Nelson Airport Limited (NAL) for inclusion in both council's Long Term Plan Consultation Documents.
- 2.2 Four options were included in the proposal, with both councils supporting option one, the establishment of a new company to hold the investments in and oversee the operations of Nelson Airport and Port Nelson.
- 2.3 Consultation opened 22 March and closed 21 April 2021. Seventy five submissions were received on the Holding Company proposal. Council has heard submissions and must now consider matters raised by submitters before deciding whether to proceed with one of the proposed options.

**3. Recommendation**

***That the Council***

- 1. Receives the report Proposed new Company Model for Nelson Airport and Port Nelson (R24786); and***
- 2. Notes that a special consultative procedure has been carried out by Council, in accordance with section 83 of the Local Government Act 2002, covering the proposal to***

***establish a new Council Controlled Trading Organisation;  
and***

- 3. Agrees that Option Three, a new company, established as a funding vehicle only, is the most appropriate way of providing financial benefits for the Nelson Airport, Port Nelson and shareholders; and***
- 4. Notes that shareholder agreement is required in order to proceed with any option other than the status quo; and***
- 5. Subject to Tasman District Council passing similar resolutions:***
  - i) Authorises the Mayor to vote the Council's shareholding in the Nelson Airport Limited and Port Nelson Limited to give effect to clauses 3 and 4 of this resolution (CL2021/xx); and***
  - ii) Instructs the Chief Executive, in conjunction with Tasman District Council, to advise council staff and the boards of Nelson Airport Limited and Port Nelson Limited to develop a detailed plan for the establishment of the Funding Company; and***
  - iii) Notes that subsequent amendments to Council's Long Term Plan 2021-2031 and supporting policies will be required as part of the establishment of the Funding Company; and***
- 6. Notes that updates on the establishment of the Funding Company will be reported back to Council.***

#### **4. Background**

- 4.1 The proposal for restructuring the two councils' shareholding in the Airport and Port companies was discussed at Council's meeting of 17 December 2020.
- 4.2 The text for consultation was approved by Council for inclusion in the Long Term Plan Consultation Document on 18 March 2021. Four options were included in the proposal:
  - 4.2.1 Option One:  
To establish a new company for holding the investments in, and overseeing operations of, Nelson Airport and Port Nelson – with Council and Tasman District Council as equal shareholders (Nelson and Tasman Council's and the Port Company Board's preferred option)

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4.2.2 Option Two:  
Status quo

4.2.3 Option Three:  
A new company established as a funding vehicle only  
(Airport Company Board's preferred option)

4.2.4 Option Four:  
A new company established as a funding vehicle and shared  
services arrangement.

## 5. Discussion

### Submissions

- 5.1 Public consultation using a special consultative procedure was undertaken from 22 March 2021 to 21 April 2021. Seventy five submissions were received on the proposal and elected members received a copy of submissions prior to the hearings held 4-6 May 2021.
- 5.2 The table below summaries the number of submitters in favour of each option: Note: In analysing the views of each submitter, those that opposed the proposal, but did not state support for one of the other options are counted as being in favour of the status quo (Option Two).

Option	Number
Option One      New Holding Company	14
Option Two      Status quo	38
Option Three    New company as funding vehicle only	9
Option Four    New company as funding vehicle and shared services arrangement	0
Preference not specified	14
<b>Total</b>	<b>75</b>

### ***Substantive analysis of submissions***

#### Support for Option One

- 5.3 The main reasons set out by those who support establishing the holding company (Option One) included:
- 5.3.1 Reduction in costs. This was the main reason stated by submitters who supported Option One, many noted that merging the Airport and Port under a single operating model would create



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efficiencies, reduce costs, and provide better returns to the two councils.

- 5.3.2 Increased resilience to supply chain disruptions.
  - 5.3.3 Promotion of the region as a trade hub.
  - 5.3.4 That it would enabling the best management to be used for the new company (Submitter 28316 proposed that the new board include representatives from both existing boards to assist with decision-making).
  - 5.3.5 A few submitters supported the proposal only if it included all transport under the operation i.e. buses, air and sea e.g. 28238.
  - 5.3.6 The Nelson Tasman Chamber of Commerce (28541) supported Option One, but stressed the importance of the proposed change not impacting negatively on exporters or the tourism sector. The Chamber also requested that the future board include representation from both the Port and Airport, so that both businesses are understood and considered in decision-making.
  - 5.3.7 Port Nelson Limited (20818) supported Option One and summarised the anticipated benefits as including "*financial, non-financial, sustainable and timely – particularly given the current pressures on the community*". The company also presented in support of their submission at the hearings.
- 5.4 Several submitters supported Option One but did not specify reasons.

### Opposition to Option One

- 5.5 The main reasons set out by those who oppose establishing the holding company included:
- 5.5.1 *Lack of information:* A few submitters considered that there was insufficient information made available to support the proposal and requested copies of the Deloitte's report.
  - 5.5.2 A summary of the Deloitte's report was provided on Council's website during the consultation process.
  - 5.5.3 *Increased debt:* Some submitters (include 27553 and 28208) were concerned that the holding company might be used to increase the companies' and/or the two council's debt.
  - 5.5.4 The holding company proposal does not increase Council or the companies' debt. However, as noted in the Consultation Document, the new company would be able to access funding at lower interest rates through the Local Government Funding Agency (LGFA). The existing debt held by the Port and Airport would be refinanced through the LGFA.

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- 5.5.5 *Increased risk:* Nine submitters objected to the proposal as it would increase the risk to ratepayers. This included that borrowing by the Holding Company from the Local Government Funding Agency would be secured against the rating income of the two councils, and therefore make the councils accountable for this debt. Two submitters objected to the Holding Company as they were concerned that it would be used to fund the Waimea Dam.
- 5.5.6 Under the current structure, given that both the Port and Airport are key regional strategic assets, Council would not let either entity fail to meet its debt obligations and this is reflected in the Standard & Poor's annual credit rating assessment which has the current and projected debt of the Port and Airport included as a contingent liability of the Councils.
- 5.5.7 Council would govern the level of borrowing in the Holding Company through the Statement of Intent and Annual Reporting process, in the same way it does currently for the Port and Airport. Key performance measures would include appropriate debt/equity limits and other financial measures. Council will be required by the LGFA to hold a level of uncalled capital (shares which have been issued but only partly paid) to cover Councils share of any outstanding borrowings. The uncalled capital will be recorded as a contingent liability in the Annual Report. The LGFA will also impose tailored borrowing rules or covenants on the Holding Company primarily around minimum levels of capital.
- 5.5.8 Nelson and Tasman Councils may be required to pay the uncalled capital if the Holding Company fails to meet its financial obligations in relation to the borrowings and all other avenues of recovery have been pursued. Staff consider the financial risk to Council of either Option 1 or Option 3 is no greater than the current structure of the companies.
- 5.5.9 Some submitters suggested that the debt of the Holding Company would be "off balance sheet" and therefore the councils' debt would be understated.
- 5.5.10 The Port and Airport's debt is currently "off balance sheet" for the Council although, as stated above, it forms part of the Standard & Poor's credit rating of the Council due to the fact that Council is unlikely to allow the Port or Airport fail to meet its debt obligations.
- 5.5.11 *Increased bureaucracy and/or decreased efficiency/ lack of transparency:* Some submitters stated that the holding company would increase bureaucracy or add to management layers and administration. Other submitters considered that the two companies were efficient under the current structure (for example 28250).

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- 5.5.12 Submitter 28706 requested that accountability by the two companies be strengthened. This submission included nine matters that it wished to see enacted before any change in structure proceed, including improving services and increasing the companies' contribution to the community.
- 5.5.13 Synergies arising from the proposed structure are expected to result in efficiencies and reduce bureaucracy, including through development of common methodologies for procurement, and shared services.
- 5.5.14 *Different objectives/businesses:* Eleven submitters opposed the proposal on the basis that the companies undertake different activities. Comments included, that PNL is responsible for goods, but NAL's business is about people and that airport safety considerations are very different to those of maritime safety. Submitter 28566 stated that "*aviation has unique factors that would make a one company system unworkable*".
- 5.5.15 Although there are differences between some of the activities of the two companies, there are also many activities they have in common including cargo movement, property management, management and financing of assets, employment, and procurement. These similarities provide opportunities for savings and efficiencies.
- 5.6 Some submitters opposed Option One but did not specify reasons (these submissions have been classified as supporting Option Two – Status Quo. Two submitters (27468 and 27553) were of the view that both companies are performing well, therefore there is no need to change the model.
- Support for Option Two – status quo
- 5.7 Thirty-eight submitters support this option. The main reasons set out by those who supported the status quo included:
- 5.8 *Council/ratepayers exposure to additional liabilities:* Some submitters submitted that all options apart from the status quo expose ratepayers to the liabilities of the two companies.
- 5.9 Staff response to this issue is covered in paragraphs 5.5.5 – 5.5.10.
- 5.10 *Climate change:* Eighteen submitters raised climate change concerns including, that the two companies are located on the coast, and carbon intensive sectors. These submitters generally supported Option Two as a means of not increasing the council's risk to the effects of climate change.
- 5.11 The risks to the two councils associated with climate change and ownership of the two companies need to be managed for all options.

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### Support for Option Three – New company as a funding vehicle only

5.12 Nine submitters supported this option (including Nelson Airport Limited). The main reasons set out by those who supported establishing the new company as a funding vehicle only included:

5.12.1 *That Option Three was the lowest risk option:* One submitter (27103) stated that mergers of local authority organisations do not realise the operational savings or efficiencies that are originally predicted. Another submitter (28144) considered that it was important for the companies to have separate identities but, supported sharing of resources.

5.12.2 Submitter 28504 supported Option Three as they considered that the two companies had different everyday operations and therefore neither organisation would benefit from the merger.

5.12.3 Nelson Airport Limited (28802) supported Option Three, as it does not believe that the expected benefits would be realised under Option One. It is also concerned that the restructure would *"risk distracting the focus and resources needed to maintain Nelson Airport at the forefront of regional airports"*. NAL's submission outlines an alternative view on the proposed savings and its view that more of the savings would flow through to key customers through lower landing charges.

### Support of Option Four

5.13 No submitters indicated that this was their preferred option.

## **6. Options**

6.1 The advantages and disadvantages of each option were included in the December report and the four options included in the consultation document are updated below.

<b>Option One: Operational holding company</b>	
Advantages	<ul style="list-style-type: none"><li>• Funding benefits for PNL, noting that NAL is able to access LGFA funds in its own right if agreed by the shareholders</li><li>• Direct operational synergies</li><li>• Indirect operational synergies</li><li>• Taxation efficiencies</li><li>• Reduced shareholder administration costs</li><li>• Potential for Shareholders to retire debt</li><li>• Commercial and operational commonalities</li></ul>

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	<ul style="list-style-type: none"> <li>• Common strategic goal - a critical strategic play for PNL and NAL is for property development that supports cargo across the wharf and airport precinct</li> <li>• The attraction of higher-level talent and expertise due to scale.</li> <li>• Flexibility to introduce other commercial activity to the Group</li> <li>• Net Present Value of \$18.9 million (\$1.3 million average benefit per annum)</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Potential for the identified efficiencies and synergies to flow to carriers through reduced landing charges</li> <li>• Loss of focus risk arises from the inability of a single Board, and executive to lead and manage the two businesses to the same degree/effectiveness as two Boards and Executives</li> <li>• CAA Accreditation</li> <li>• Pre-emptive rights under the MoT kiwi-share</li> <li>• NAL leased land</li> <li>• Realisation of direct operational synergies</li> </ul>
<b>Option Two: Status quo</b>	
Advantages	<ul style="list-style-type: none"> <li>• Does not require further work by the companies or shareholders</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Opportunity to realise funding, operational synergies, taxation, administration benefits is lost</li> <li>• Potential for shareholders to retire debt</li> <li>• No flexibility to introduce other commercial activity to the group</li> <li>• This would see the considerable investment in time and costs incurred to date being lost</li> </ul>
<b>Option Three: Holding company as a funding vehicle</b>	
Advantages	<ul style="list-style-type: none"> <li>• Funding benefits for PNL, noting NAL is able to access LGFA funds in its own right if agreed by the shareholders</li> <li>• Taxation efficiencies</li> <li>• Potential for shareholders to retire debt</li> </ul>

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	<ul style="list-style-type: none"> <li>• Further funding savings possible on \$40 million credit line</li> <li>• Lower risk option which provides funding efficiencies</li> <li>• Governance, CEO and management team structure dedicated to each organisation</li> <li>• Leaves open additional benefits to NAL arising from contracted use of additional skills.</li> <li>• Flexibility to introduce other commercial activity to the Group</li> <li>• Net Present Value of \$7.7 million (\$0.6 million average benefit per annum)</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Potential for the identified efficiencies and synergies to flow to the carrier through reduced landing charges</li> <li>• CAA Accreditation</li> <li>• Pre-emptive rights under the MoT kiwi-share</li> <li>• NAL leased land</li> </ul>
<b>Option Four: Holding company as a funding vehicle with shared services</b>	
Advantages	<ul style="list-style-type: none"> <li>• Funding benefits for PNL, noting NAL is able to access LGFA funds in its own right if agreed by the shareholders</li> <li>• Taxation efficiencies</li> <li>• Potential for shareholders to retire debt</li> <li>• Further funding savings possible on \$40 million credit line</li> <li>• Low-risk option still able to achieve the funding efficiencies</li> <li>• Governance, CEO and management team structure dedicated to each organisation</li> <li>• Leaves open additional benefits to NAL arising from contracted use of additional skills</li> <li>• Flexibility to introduce other commercial activity to the Group</li> <li>• Net Present Value of \$10.3 million (\$0.7 million average benefit per annum)</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Potential for the identified efficiencies and synergies to flow to carriers through reduced landing charges</li> </ul>

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	<ul style="list-style-type: none"><li>• CAA Accreditation</li><li>• Pre-emptive rights under the MoT kiwi-share</li><li>• NAL leased land</li></ul>
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### **7. Discussion on options**

- 7.1 As outlined in Section Six, Option One (a new company for holding the investments in, and overseeing operations of, Nelson Airport and Port Nelson) requires the greatest level of organisational change by the two companies. These organisational changes are accompanied with the risk that the projected savings from synergies might not be achieved for example if there is a loss of organisational knowledge or cultural issues.
- 7.2 However, a number of other councils are proceeding with using Holding Company structures to access funding for port companies from the LGFA including Lyttleton Port through Christchurch City Holdings. This may provide those companies with a competitive advantage.
- 7.3 After reviewing the points raised by submitters including, that the risks were higher under Option One, and that the projected savings for Option One may not be realised, staff are recommending that Council proceed with Option Three.
- 7.4 Option Three provides between two thirds to a half of the financial benefits associated with Option One but with a lower level of risk. The projected interest savings under Option Three will provide real benefits to the two companies and shareholders and still allow for shared services between the two companies.

### **8. Conclusion**

- 8.1 Staff recommend that Council proceeds with Option Three on the basis that it provides a more acceptable level of risk and benefits, and that Tasman District Council is likely to recommend this option as well.

### **9. Next Steps**

- 9.1 Tasman District Council's Long Term Plan deliberations meeting is scheduled between 17-21 May 2021. If both councils support the same option, then staff would work with the two companies to implement the councils' resolutions noting that a transition period is likely to be 12 months.
- 9.2 Shareholder agreement is required in order to proceed with any option other than the status quo. Therefore, this report includes a resolution to authorise the Mayor to vote the Council's shareholding in the Nelson Airport Limited and Port Nelson Limited to give effect to the resolution.
- 9.3 All submitters will receive a response to their submissions as part of the Long Term Plan response process.

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- 9.4 A Statement of Intent will be required for the new funding company.
- 9.5 Subsequent amendments would include changes to Council's Treasury Management Policy to allow the Holding Company to access LGFA funding and reflect the councils' investment in the Holding Company.
- 9.6 If the councils decide to not proceed with one of the options, or do not agree on the same option, then the status quo would continue.

**Author: Nikki Harrison, Group Manager Corporate Services**

**Attachments**

Nil



<b>Important considerations for decision making</b>	
<b>1. Fit with Purpose of Local Government</b>	A decision to implement Option Three, a new company established as a funding vehicle only, would support the economic wellbeing of communities by achieving cost savings by the two companies through lower borrowing costs. These savings increase returns to the companies' shareholders.
<b>2. Consistency with Community Outcomes and Council Policy</b>	This decision supports the Community Outcome that our region is supported by an innovative and sustainable economy.
<b>3. Risk</b>	The risks associated Option Three are covered in the discussion section of this report.
<b>4. Financial impact</b>	The Consultation Document outlined the financial impact of each option. Option Three information included that borrowing through the LGFA would reduce borrowing costs by the two companies by an estimated \$900,000 per year.
<b>5. Degree of significance and level of engagement</b>	<p>The CCOs are classified as "strategic assets" in Council's Significance and Engagement Policy, and the transfer of more than 20% of a strategic asset is classified as higher significance. The high significance has been reflected in the consultation and engagement with the community through the Long Term Plan Consultation Document.</p> <p>Nelson Airport Limited and Port Nelson Limited are directly affected by the proposal and made written submissions, as well as speaking to at the hearing.</p> <p>Amendments to the Long Term Plan would also require a special consultative procedure.</p>
<b>6. Climate Impact</b>	There are no climate impacts arising from the establishment of a funding holding company.
<b>7. Inclusion of Māori in the decision making process</b>	No engagement with Māori has been undertaken in preparing this report.
<b>8. Delegations</b>	This is a matter for full Council.