



**Nelson City Council**  
Te Kaunihera o **Whakatū**

**Notice of the Ordinary meeting of**

## **Nelson City Council**

### ***Te Kaunihera o Whakatū***

Date:	Thursday 6 July 2023
Time:	9.00a.m.
Location:	Council Chamber Floor 2A, Civic House 110 Trafalgar Street, Nelson

# **Agenda**

## ***Rārangi take***

**Chairperson**

His Worship the Mayor Nick Smith

**Deputy Mayor**

Councillor Rohan O'Neill-Stevens

**Members**

Cr Matty Anderson

Cr Matthew Bengé

Cr Trudie Brand

Cr Mel Courtney

Cr James Hodgson

Cr Kahu Paki Paki

Cr Pete Rainey

Cr Campbell Rollo

Cr Rachel Sanson

Cr Tim Skinner

Cr Aaron Stallard

**Quorum 7**

**Nigel Philpott**  
**Chief Executive**

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.

## **Karakia and Mihi Timatanga**

### **1. Apologies**

An apology has been received from Councillor P Rainey

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

### **3. Interests**

3.1 Updates to the Interests Register

3.2 Identify any conflicts of interest in the agenda

### **4. Public Forum**

4.1 Graeme O'Brien - Kainga Ora Housing Projects

Graeme O'Brien will speak about upcoming Kainga Ora housing projects.

4.2 Clean Water Coalition - Fluoridation

Dharan Longley and Zoe Byrne of The Clean Water Collective will speak about the importance of a clean and safe public water supply, especially in regards to fluoridation.

### **5. Confirmation of Minutes**

5.1 8 June 2023

**9 - 26**

Document number M20184

Recommendation

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

- 1. Confirms the minutes of the meeting of the Council, held on 8 June 2023, as a true and correct record.***

5.2 22 June 2023

27 - 38

Document number M20196

Recommendation

***That the Council***

- 1. Confirms the minutes of the meeting of the Council, held on 22 June 2023, as a true and correct record.***

**6. Mayor's Report**

39 - 84

Document number R27770

Recommendation

***That the Council***

- 1. Receives the report Mayor's Report (R27770) and its attachments (1118544611-7172, 1118544611-7173, 1118544611-7174, 1118544611-7175, 1118544611-7164); and***
- 2. Supports, as a necessary step to achieve a successful response to its continued procurement of a development partner via open tender for the City Centre Housing Development (on 69-101 Achilles Ave and 42 Rutherford St), Kāinga Ora's intention to include the possibility of the development having a portion of market housing; and***
- 3. Notes that in line with Council's decision to increase funding for Kotahitanga mō te Taiao Alliance from \$20,000 to \$40,000, Tasman District and Marlborough District Councils have each agreed to match this increase; and***
- 4. Notes the attached submission by His Worship the Mayor on the Water Services Entities Amendment Bill (1118544611-7174); and***
- 5. Request Council officers to provide a report on the financial implications and implementation of the recommendations of the Report on the review of Nelson Festivals Trust reserves (1118544611-7175); and***
- 6. Considers the proposed Remits to the Local Government New Zealand AGM 2023, as discussed:***
  - a. Remit 1: Allocation of risk and liability in the building sector – support/not support/confirm at the AGM;***

- b. Remit 2: Rates rebate - support/not support/confirm at the AGM;**
- c. Remit 3: Roading/transport maintenance funding - support/not support/confirm at the AGM;**
- d. Remit 4: Local election accessibility - support/not support/confirm at the AGM;**
- e. Remit 5: Ability for co-chairs at formal meetings – support/not support/confirm at the AGM;**
- f. Remit 6: Parking infringement penalties - support/not support/confirm at the AGM;**
- g. Remit 7: Rural and regional public transport - support/not support/confirm at the AGM;**
- h. Remit 8: Establishing resolution service - support/not support/confirm at the AGM;**
- i. Remit 9: Earthquake-prone buildings – support/not support/confirm at the AGM;**
- j. Remit 10: KiwiSaver contributions for Elected Members - support/not support/confirm at the AGM;**
- k. Remit 11: Audit NZ fees - support/not support/confirm at the AGM.**

**7. Community Investment Funding Update - Small Grants Round June 2023**

**85 - 97**

Document number R27749

Recommendation

***That the Council***

- 1. Receives the report *Community Investment Funding Update - Small Grants Round June 2023 (R27749) and its attachments (636034393-11456 and 636034393-11464); and***
- 2. Receives the minutes from the *Community Investment Fund meeting held on 7 June (unconfirmed) and notes the funding decisions taken.***

**8. Elma Turner Library Seismic Strengthening Project - Additional Budget 98 - 107**

Document number R27738

Recommendation

***That the Council***

- 1. Receives the report Elma Turner Library Seismic Strengthening Project - Additional Budget (R27738) and its attachment (196698121-47508); and***
- 2. Approves the addition of \$940,000 unbudgeted capital expenditure in the 2023/24 financial year to allow for the full reopening of the Elma Turner Library.***

**9. Long Term Plan 2024-2034 - Draft Significant Forecasting Assumptions 108 - 122**

Document number R27697

Recommendation

***That the Council***

- 1. Receives the report Long Term Plan 2024-2034 - Draft Significant Forecasting Assumptions (R27697) and its attachment (1852948764-211); and***
- 2. Approves the Draft Significant Forecasting Assumptions that will be used to inform development of the Long Term Plan 2024-2034 (1852948764-211).***

**10. August 2022 Extreme Weather Event Recovery - Quarterly Update 123 - 133**

Document number R27503

Recommendation

***That the Council***

- 1. Receives the report August 2022 Extreme Weather Event Recovery - Quarterly Update (R27503) and its attachment 1590798627-594; and***
- 2. Approves retrospectively unbudgeted estimated expenditure between 31 December 2022 and 30 June 2023 as part of the August 2022 extreme weather event recovery of \$8.2M; and***

3. ***Approves retrospectively unbudgeted estimated expenditure between May 2023 and 30 June 2023 as part of the May 2023 weather event response of \$1.42M.***

**11. Appointment of Commissioners - Nelson Airport Limited**

**134 - 137**

Document number R27769

Recommendation

***That the Council***

1. ***Receives the report Appointment of Commissioners - Nelson Airport Limited (R27769); and***
2. ***Approves the appointment of three independent Commissioners to hear and recommend on submissions received in relation to Private Plan Change 30 and the accompanying Notice of Requirement; and***
3. ***Notes that the Group Manager Environmental Management has delegated authority to select the credentialed Commissioners.***

**CONFIDENTIAL BUSINESS**

**12. 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>Council Meeting - Confidential</b>	Section 48(1)(a)	The withholding of the information is necessary:

<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>Minutes - 8 June 2023</b>	The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	<ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> <li>• Section 7(2)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</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> <li>• Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities</li> </ul>
<b>2</b>	<b>Mayor's Report - LGNZ office appointments</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)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
<b>3</b>	<b>Appointment of Independent Member - Audit, Risk and Finance Committee</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)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>

<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>4</b>	<b>Appointment of Directors to the Nelson Marina Council Controlled Organisation Board</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)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
<b>5</b>	<b>Nelson Centre of Musical Arts Two-Year Debt Repayment Suspension</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> </ul>
<b>6</b>	<b>Nelson Events Fund application - International Cricket Series</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>

## **Karakia Whakamutanga**



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**Minutes of a meeting of the**

**Nelson City Council**

***Te Kaunihera o Whakatū***

**Held in the Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson on Thursday 8 June 2023, commencing at 9.01a.m.**

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Present: His Worship the Mayor N Smith (Chairperson), Councillors M Anderson, M Benge, T Brand, M Courtney, J Hodgson, Councillor R O'Neill-Stevens (Deputy Mayor), K Paki Paki, P Rainey, C Rollo, R Sanson, T Skinner and A Stallard

In Attendance: Chief Executive (N Philpott), Group Manager Infrastructure (A Louverdis), Group Manager Environmental Management (M Bishop), Group Manager Community Services (A White), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne) and Senior Governance Adviser (H Wagener)

Apologies : Councillor M Anderson

**Karakia and Mihi Timatanga**

**1 Acknowledgement**

His Worship the Mayor Hon Dr Smith acknowledged former Councillor Derek Shaw's award in the Kings Birthday honours list for advocacy in environmental, community and sporting causes in the Nelson region. As a Nelson City councillor between 1984-2013, Mr Shaw helped develop the city's biodiversity strategy, the Nelson Biodiversity Forum, Council's programme to restore the health of the Maitai River and development of the Waimea Inlet Strategy and Action Plan.

Resolved CL/2023/111

***That the Council***

- 1. Acknowledges former Councillor Derek Shaw's award of the New Zealand Order of Merit for services to the environment, local government and athletics in the recent Kings Birthday Honours.***

His Worship the Mayor/Sanson

Carried

## 2. Apologies

Resolved CL/2023/112

***That the Council***

2. ***Receives and accepts the apologies from Councillor M Anderson for lateness.***

His Worship the Mayor/Rollo

Carried

## 3. Confirmation of Order of Business

The Chair advised that the order of business would be adjusted to progress the meeting efficiently.

## 4. Interests

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

## 5. Public Forum

### 5.1. Nelson Environment Centre

Document number R27652

Nelson Environment Centre Chief Executive Officer Anton Drazevic spoke to the work of the Nelson Environment Centre and answered questions on the Kai Rescue, the e-waste programmes and challenges at the ReUse and Recycling Centre.

### 5.2. Citizens Advice Bureau

Document number R27733

Nelson Tasman Citizen's Advice Bureau Board Chair and National Board member, Phil Smith, and Nelson Tasman Citizen's Advice Bureau member, Denise McGregor, spoke to a tabled presentation (1982984479-6078) and answered questions on the methodology and frequency of interaction and advice to individual customers.

#### **Attachments**

- 1 1982984479-6078 - Citizens Advice Bureau Nelson Tasman Inc.

## 6. Confirmation of Minutes

### 6.1 4 May 2023

Document number M20121, agenda pages 16 - 27 refer.

Resolved CL/2023/113

***That the Council***

- 1. Confirms the minutes of the meeting of the Council, held on 4 May 2023, as a true and correct record.***

His Worship the Mayor/Sanson

Carried

6.2 25 May 2023

Document number M20163, agenda pages 28 - 35 refer.

Resolved CL/2023/114

***That the Council***

- 1. Confirms the minutes of the meeting of the Council, held on 25 May 2023, as a true and correct record.***

Rainey/Brand

Carried

**7. Recommendations from Committees**

**7.1 Audit, Risk and Finance Committee - 1 June 2023**

7.1.1 Review of Council's Section 17A service delivery reviews process

Recommendation to Council CL/2023/115

***That the Council***

- 1. Approves the below changes to Council's Section 17A review process:***
  - a. Increase the value threshold that triggers a service delivery review under Section 17A of the Local Government Act 2002 from \$100,000 to \$1 million per annum; and***
  - b. The Chief Executive provides a report to Council at the start of the Triennium listing all Section 17A Reviews to be undertaken over the three years, at which time Council may indicate any reviews that should be reported back to Council; and***
  - c. Delegate the Chief Executive responsibility to sign off reviews unless they meet a threshold of either:***
    - i. proposing considerable change to the service's delivery and/or***

**ii. is assessed as being of medium or high significance against Council's Significance and Engagement Policy; and**

**d. An annual report be presented to Council on progress and outcomes of Council's Section 17A reviews.**

Sanson/Courtney

Carried

#### 7.1.2 Internal Audit Plan 2023-2024

Recommendation to Council CL/2023/116

***That the Council***

**1. Approves the Draft Annual Internal Audit Plan for the year to 30 June 2024 (1194974384-3368).**

Paki Paki/Courtney

Carried

Attendance: Councillor M Anderson joined the meeting at 9.59a.m.

## 8. Infrastructure Holdings Limited

Document number R27725, agenda pages 36 - 72 refer.

Group Manager Corporate Services, Nikki Harrison took the report as read, tabled an updated attachment Unanimous Shareholder Resolutions and Entitled Persons' Agreement in relation to the "Restructuring Transactions" (1511110536-699), and spoke to a PowerPoint presentation (1982984479-6089). She answered questions on the Council's capacity through the Statement of Intent, Statement of Expectations and the Annual Plan to control Infrastructure Holdings Limited's ability to increase its levels of debt.

Resolved CL/2023/117

***That the Council***

**1. Receives the report Infrastructure Holdings Limited (R2772525) and its attachments (1511110536-695, 1511110536-698 and 1511110536-699).**

*Recommendation from the Joint Shareholders Committee 22 May 2023.*

***The Council notes as follows:***

***Purpose***

- A the purpose is to seek Council's approval for:**
- a) the necessary amendments to update the form (previously approved by each of Nelson City Council (NCC) and Tasman District Council (TDC)) of each of:**
    - i. the Infrastructure Holdings Limited (IHL) Shareholders' Agreement to be in the form attached (1511110536-695) (Shareholders' Agreement);**
    - ii. the Agreement for Sale and Purchase of Shares in Port Nelson Limited (PNL) and Nelson Airport Limited (NAL) in the form attached (1511110536-698) (Agreement for Sale and Purchase of Shares) under which the shares of PNL and NAL are to be transferred from NCC and TDC to IHL;**
    - iii. Unanimous Shareholder Resolutions and Entitled Persons' Agreement in relation to the "Restructuring Transactions" (as defined in the Council's previous resolutions [CL/2022/226] (1982984479-6044) (1511110536-699); and**
  - b) an updated resolution for the purposes of section 50 of the Companies Act 1993 (Act) (1511110536-699)**

**Share values**

- B. when the Joint Shareholders Committee previously approved and recommended to each of NCC and TDC (in RJSC22-6-1) the form of a Shareholders' Agreement for IHL and an Agreement for Sale and Purchase of Shares in PNL and NAL, the values for the shares in each of PNL and NAL were recorded at book value (being, at that time, \$8,446,000 in total); and**
- C. upon the incorporation of IHL on 17 January 2023, NCC and TDC each subscribed for 42,230 ordinary shares in IHL (being 84,460 ordinary shares in total) (Initial Shares), at an issue price of \$100.00 per share (Initial Share Issue). The total subscription amount**

**for the Initial Shares was therefore \$8,446,000 (Initial Subscription Amount). This was equal to the aggregate book value of PNL and NAL, as determined at the time that RJSC22-6-1 was approved. The consideration for the Initial Shares (being the Initial Subscription Amount) remains unpaid and will be paid to IHL in accordance with the Shareholders' Agreement (that is to be approved in these resolutions); and**

**D. Deloitte has now advised that the share values for each of PNL and NAL need to be recorded at market value (being the value of net assets as at 31 March 2023) for the purposes of the transfer of those shares from NCC and TDC to IHL on 1 July 2023. Deloitte has valued the net assets of:**

**i. NAL at \$103,700,000; and**

**ii. PNL at \$275,700,000,**

**resulting in a total net asset value of \$379,400,000 for PNL and NAL combined (New Valuation); and**

**E. in order for IHL to be capitalised in an amount equal to the purchase price for the shares in PNL and NAL (being \$379,400,000), it will be necessary for NCC and TDC to each subscribe for a further 1,854,770 ordinary shares in IHL (being a further 3,709,540 ordinary shares in total) (Second Shares) at an issue price of \$100.00 per share (Second Share Issue). The total consideration for the Second Share Issue will be \$370,954,000 and will also be paid in accordance with the Shareholders' Agreement; and**

**F. the Shareholders' Agreement and the Agreement for Sale and Purchase of Shares have been updated from the form provided at 22 September 2022, to reflect the New Valuation and the Second Share Issue; and**

**G. Entitled persons' approvals will be required under the Act prior to IHL's entry into the Shareholders' Agreement and Agreement for Sale and Purchase of Shares, on the basis that (among other reasons already notified to this Council) the Second Share Issue will be undertaken in accordance with:**



***The only entitled persons of IHL will be the Shareholders; and***

- c) Nelson City Council and Tasman District Council (as the shareholders of IHL) must consent, for the purposes of section 50 of the Act and for all other purposes, to becoming the holder of the Initial Shares and the New Shares.***

***That the Council:***

- 1. Amends clauses G., H., I., and S. of Resolution CL/2022/226 of the Council meeting on 22 September 2022, to reflect the New Valuation, the Second Share Issue and the updated form of Unanimous Shareholder Resolutions and Entitled Persons' Agreement, as follows:***

***G. As part of the proposal to incorporate IHL, it is proposed that each of the Shareholders transfer all their shares in PNL and NAL to IHL (Share Sale) for \$379,400,000 in total (Purchase Price). The Purchase Price will be owed to the Shareholders in equal portions (being \$189,700,000 each). The Crown holds, and will continue to hold, one special "Kiwi Share" in NAL.***

***H. The Purchase Price allocation is:***

- a) \$103,700,000 for the shares in NAL; and***  
***b) \$275,700,000 for the shares in PNL.***

***I. Upon incorporation of IHL, Nelson City Council and Tasman District Council each subscribed for (and IHL issued) 42,230 ordinary shares in IHL (being 84,460 ordinary shares in total) (Initial Shares), at an issue price of \$100.00 per share (Initial Share Issue). The total subscription amount for the Initial Shares is therefore \$8,446,000 (Initial Subscription Amount) which will be paid for in accordance with IHL's Shareholders' Agreement. Since IHL's incorporation on 17 January 2023, Deloitte has valued the shares in PNL and NAL at a total combined value of \$379,400,000. Accordingly, in***



**order to capitalise IHL in an amount equal to the Purchase Price, Nelson City Council and Tasman District Council will each subscribe for a further 1,854,770 ordinary shares in IHL (being a further 3,709,540 ordinary shares in total) (Second Shares) at an issue price of \$100.00 per share (Second Share Issue). The consideration for the Second Share Issue will also be paid in accordance with the Shareholders' Agreement.**

**S. The Restructuring Proposals and the Financing Proposals will require the approval of the Shareholders as:**

- a) the proposals are, or may be, "major transactions" (as defined in section 129 of the Companies Act 1993);**
- b) the Initial Share Issue requires the agreement of Nelson City Council and Tasman District Council as IHL's shareholders and only entitled persons (as that term is defined in the Companies Act 1993) for all purposes (including to meet any requirement under the Companies Act 1993).**
- c) the Second Share Issue and the New Share Issue require the agreement of IHL's entitled persons (as that term is defined in the Companies Act 1993) for the purposes of section 107(2) of the Companies Act 1993, and for the purposes of clause 3.4 of IHL's constitution.**
- d) Nelson City Council and Tasman District Council (as the shareholders of IHL) must consent, for the purposes of section 50 of the Companies Act 1993 and for all other purposes, to becoming the holder of the Initial Shares, Second Shares and the New Shares; and**

**2. Consents, for the purposes of section 50 of the Companies Act 1993 and for all other purposes, to**

***being the joint owner in equal shares of the Initial Shares, Second Shares and the New Shares; and***

- 3. Approves the Shareholders' Agreement, Agreement for Sale and Purchase of Shares, and Unanimous Shareholder Resolutions and Entitled Persons' Agreement that will apply in place of the form of these documents previously approved by Council.**

His Worship the Mayor/Benge

Carried

**Attachments**

- 1 1511110536-699 Unanimous Shareholder Resolutions and Entitled Persons' Agreement in relation to the "Restructuring Transactions"
- 2 1982984479-6089 - Infrastructure Holdings Limited presentation

The meeting adjourned from 10.06a.m. until 10.12a.m.

**9. Youth Council Update**

Document number R27737

Nelson Youth Council members Ruth Buckland and Darcy Lawrey, supported by other members of the Nelson Youth Council, spoke to a tabled presentation (1982984479-6088) and answered questions on the value of the Youth Council as a representative voice for Nelson's youth, the Youth Council's goals for the current triennium and of their own personal development.

**Attachments**

- 1 1982984479-6088 - Nelson Youth Council presentation

The meeting adjourned from 10.38a.m. until 10.59a.m.

**10. City for All Ages Update (Agenda Item 11)**

Document number R27711, agenda pages 99 - 104 refer.

The Chair of the City for All Ages Implementation Group, Paul Steere, and Group Manager Strategy and Communications, Nicky McDonald, took the report as read. They answered questions on the availability and suitability of information on the aging population of the city that would assist with the Long Term Plan development and indicators such as housing and transport that could be tracked and reported to Council.

Resolved CL/2023/118

***That the Council***

- 1. Receives the report City for All Ages Update (R27711).***

O'Neill-Stevens/SansonCarried**11. Mayor's Report (Agenda Item 8)**

Document number R27734, agenda pages 73 - 76 refer.

His Worship the Mayor Hon Dr Smith took the report as read and tabled documents relating to the Nelson Hospital upgrade (1118544611-7144, 1118544611-7145, 1118544611-7146). He advised that to date no resource consent application had been received for a new hospital and due to the increasing uncertainty that the statutory deadline would be met, urgent pro-active engagement with Te Whatu Ora would be required. During discussion the recommendation was reworded to include working collaboratively with Te Whatu Ora and Government to resolve the redevelopment and that Tasman District Council Elected Members would be invited to a future briefing from Te Whatu Ora.

Attendance: Councillor Bengé left the meeting at 11.49a.m. and rejoined the meeting at 11.57a.m.

Resolved CL/2023/119

***That the Council***

- 1. Receives the report Mayor's Report (R27734); and***
- 2. Agrees that His Worship the Mayor, on behalf of Council, write to the Minister of Health and Te Whatu Ora officials seeking an urgent briefing to the full Council by Ministers and/or officials on the Nelson Hospital redevelopment project and commits Council to work collaboratively with Te Whatu Ora and Government on resolving the redevelopment; and***
- 3. Agrees that Tasman District Council Elected Members be invited to the briefing from Te Whatu Ora on the Nelson Hospital redevelopment project; and***
- 4. Acknowledges the people involved with managing the May 2023 weather event; and***
- 5. Acknowledges the engineering team for the emergency river works in the Whangamoā River following the August 2022 weather event that prevented further damage and isolation for the Kokorua community in the May 2023 heavy rainfall event.***

His Worship the Mayor/RolloCarried**Attachments**

1 1118544611-7145 Andrew Little article January 23 2021

- 2 1118544611-7144 OIA Redacted
- 3 1118544611-7146 - Letter from Rachel Boyack regarding Nelson Hospital Rebuild

**12. National Policy Statement - Urban Development  
Annual monitoring report 2021/2022 (Agenda Item  
10)**

Document number R27674, agenda pages 77 - 98 refer.

Group Manager Environment and Climate, Mandy Bishop, and Senior City Development Adviser, Martin Kozinsky, took the report as read.

Resolved CL/2023/120

***That the Council***

1. ***Receives the report National Policy Statement - Urban Development Annual monitoring report 2021/2022 (R27674) and its attachment (336940202-6957); and***
2. ***Approves publishing the report National Policy Statement on Urban Development, Nelson-Tasman Joint Monitoring Report, June 2022 (336940202-6957) on the Council's website.***

Skinner/O'Neill-Stevens

Carried

**13. Exclusion of the Public**

Resolved CL/2023/121

***That the Council***

- 1. Confirms, in accordance with sections 48(5) and 48(6) of the Local Government Official Information and Meetings Act 1987, that Hana Wilkinson and Nicola Gausel, from Te Whatu Ora remain after the public has been excluded, for Item 12 of the Confidential agenda (City Club and Tasman Rugby Union - Approval for Ground Lease at Trafalgar Park Lane and Agreement to Lease Variation at Kinzett Terrace), as they have knowledge relating to this item that will assist the meeting.***
- 2. Confirms, in accordance with sections 48(5) and 48(6) of the Local Government Official Information and Meetings Act 1987, that Bruce Gilkison, from Businesses for Climate Action remain after the public has been excluded, for Item 5 of the Confidential agenda Establishing a new contestable Climate Change Mitigation Fund, as he/she has knowledge relating to this item that will assist the meeting.***
- 3. Excludes the public from the following parts of the proceedings of this meeting.***
- 4. 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:***

Skinner/Rollo

Carried

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Particular interests protected (where applicable)</b>
<b>1</b>	<b>Council Meeting - Confidential Minutes - 4 May 2023</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(i) To enable the local authority to carry on,</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)
		<p>of information for which good reason exists under section 7.</p>	<p>without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> <li>• Section 7(2)(g) To maintain legal professional privilege</li> <li>• Section 48(1)(d) That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceedings to which this paragraph applies.</li> </ul> <p>Section 48(2)</p> <p>Paragraph (d) of subsection (1) applies to -</p> <p>(a) Any proceedings before a local authority where -</p> <p>(i) A right of appeal lies to any Court or tribunal against the final decision of the local authority in those proceedings; or</p> <p>(ii) The local authority is required, by any enactment, to make a recommendation in respect of the matter</p>

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
			<p>that is the subject of those proceedings; and</p> <p>c) Any proceedings of a local authority in relation to any application or objection under the Marine Farming Act 1971.</p>
2	<p><b>Council Meeting - Confidential Minutes - 25 May 2023</b></p>	<p>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.</p>	<p>The withholding of the information is necessary:</p>
3	<p><b>Mayor's Report - Taskforce Remuneration</b></p>	<p>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</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
4	<p><b>City Club and Tasman Rugby Union - Approval for Ground Lease at Trafalgar Park Lane and Agreement to Lease Variation at Kinzett Terrace</b></p>	<p>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</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</li> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage,</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)
			negotiations (including commercial and industrial negotiations)
5	<b>Stoke Rugby Football Club - Approval for Lease Term Variations</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>
6	<b>Establishing a new contestable Climate Change Mitigation Fund</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)(a) To protect the privacy of natural persons, including that of a deceased person</li> <li>Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities</li> </ul>
7	<b>Appointment of Chair to the Board of the Nelson Marina Management Council Controlled Organisation</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)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
8	<b>Nelson Regional Development Agency - reappointment of Director</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)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>



The meeting went into confidential session at 12.30p.m and resumed in public session at 4.27p.m.

Attendance: Councillors Rainey and Brand left the meeting at 4.35p.m.

Attendance: Councillors Skinner and Anderson left the meeting at 4.41p.m.

## **Karakia Whakamutanga**

### **14. Restatements**

It was resolved while the public was excluded:

#### **1 Mayor's Report - Taskforce Remuneration**

2. Agrees that the Report (R27740) remains confidential at this time.

#### **2 City Club and Tasman Rugby Union - Approval for Ground Lease at Trafalgar Park Lane and Agreement to Lease Variation at Kinzett Terrace**

6. Agrees that Report (R27614) and its attachments (1655281707-22950 and 1655281707-22951) only be made publicly available following completion of negotiations and at that time still be subject to redaction of information that is required to be withheld under LGOIMA section 7(2)(b)(ii) – release would be likely to unreasonably prejudice the commercial position of a person who supplied or is the subject of the information.

#### **3 Stoke Rugby Football Club - Approval for Lease Term Variations**

3. Agrees that the decision and the report Stoke Rugby - Request for new lease terms at the Pūtangitangi Greenmeadows Centre (R27663) be made public following the completion of negotiations; and
4. Agrees that the attachment (1655281707-22926) remain confidential at this time.

**4 Establishing a new contestable Climate Change Mitigation Fund**

6. Agrees that the decision only be made publicly available following establishment of the contestable Climate Change Mitigation Fund; and
7. Agrees that Report (R27637) remain confidential at this time.

**5 Appointment of Chair to the Board of the Nelson Marina Management Council Controlled Organisation**

4. Agrees that the Decision, Report (R27606), Attachment (1511110536-692) and the decision remain confidential at this time; and
5. Agrees that the appointment be made public once it has been finalised.

**6 Nelson Regional Development Agency - reappointment of Director**

3. Agrees that the decision only be made publicly available on the Nelson Regional Development Agency's website ([www.nelsontasman.nz](http://www.nelsontasman.nz)) once the appointment has been announced.

There being no further business the meeting ended at 4.51p.m.

Confirmed as a correct record of proceedings by resolution on (date)

Resolved

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**Minutes of a meeting of the  
Nelson City Council  
*Te Kaunihera o Whakatū***

**Held in the Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson on Thursday 22 June 2023, commencing at 9.05a.m.**

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Present: His Worship the Mayor N Smith (Chairperson), Councillors M Anderson, M Benge, T Brand, M Courtney, J Hodgson, R O'Neill-Stevens (Deputy Mayor), K Paki Paki, P Rainey, C Rollo, R Sanson, T Skinner and A Stallard

In Attendance: Chief Executive (N Philpott), Group Manager Infrastructure (A Louverdis), Group Manager Environmental Management (M Bishop), Group Manager Community Services (A White), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne) and Assistant Governance Adviser (A Bryce-Neumann)

Apologies : Nil

### **Karakia and Mihi Timatanga**

#### **1. Apologies**

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

There was no change to the order of business.

#### **3. Interests**

There were no updates to the Interests Register. Councillor Rainey subsequently declared an interest in Item 7: Temporary exemption from payment for parking in the Inner City during winter months (clause 3 of the amended officer's recommendation), and abstained from voting on this relevant clause.

#### **4. Public Forum**

There was no public forum.

## 5. Adoption of Schedule of Fees and Charges 2023/24

Document number R27542, agenda pages 11 - 33 refer.

Group Manager Environmental Management, Mandy Bishop, and Policy Adviser, Ailish Neyland, took the report as read.

Resolved CL/2023/132

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

1. ***Receives the report Adoption of Schedule of Fees and Charges 2023/24 (R27542) and its attachment (1598046314-107); and***
2. ***Notes that staff have incorporated in the Schedule of Fees and Charges 2023/24 the decisions made at the deliberations meeting on 25 May 2023 following public consultation between 29 March and 30 April 2023; and***
3. ***Adopts the Schedule of Fees and Charges 2023/24 (1598046314-107) that require Council approval; and***
4. ***Notes that staff will notify submitters of Council's decisions on the Schedule of Fees and Charges 2023/24.***

Courtney/Rainey

Carried

## 6. Adoption of the Annual Plan 2023/24 and setting of the rates

Document number R27507, agenda pages 34 - 145 refer.

Group Manager Strategy and Communications, Nicky McDonald, Group Manager Corporate Services, Nikki Harrison and Senior Policy Adviser, Louis Dalzell, took the report as read.

Ms Harrison answered questions on how unbudgeted funds would be treated should this be required in future, noting if the funds could not be offset they would remain on the balance sheet as debt.

In response to discussion on how the cost of the August 2022 storm event recovery funding was spread across three years, His Worship the Mayor Hon Dr Smith tabled a letter from the Minister for Local Government which declined his request for funding support (1118544611-7155).

At the request of the Group Managers the recommendation was taken in parts, with administrative clauses 1 – 9 being put separately.

Resolved CL/2023/133

***That the Council***

- 1. Receives the report Adoption of the Annual Plan 2023/24 and setting of the rates (R27507) and its attachment (839498445-14676); and***
- 2. Notes that staff have incorporated in the Annual Plan 2023/24 (839498445-14676) the decisions made at the deliberations meeting on 25 May 2023, which followed public consultation between 29 March and 30 April 2023; and***
- 3. Notes, in accordance with section 80 of the Local Government Act 2002, that:***
  - a. aspects of the work programme, rates increases, and debt projections in the Annual Plan 2023/24 are significantly inconsistent with the Long Term Plan 2021-2031 and the Financial Strategy; and***
  - b. the reasons for the inconsistency with Council's Long Term Plan and Financial Strategy are largely due to costs of recovery from the August 2022 severe weather event, inflationary pressures, rising interest costs, bringing forward funding for projects to take advantage of available Government financial support, and decisions to respond to the changing needs of the Nelson community; and***
  - c. there is no intention to amend the Long Term Plan or Financial Strategy to accommodate the decisions at this time, as they will feed into the Long Term Plan 2024-2034 process that has already commenced; and***
- 4. Notes that, having had regard to the matters in section 100(2) of the Local Government Act 2002, and as approved in the Long Term Plan 2021-2031, the setting of an unbalanced budget in the Annual Plan 2023/24 remains prudent given the ongoing effects of the COVID-19 pandemic on the local economy and ratepayers and further notes that, more recently, Council budgets have been impacted by unforeseen additional costs associated with the August 2022 severe weather event and the sharp rise in inflation and interest costs; and***

5. ***Approves maintaining the commercial differential to collect 22.6% of total rates (excluding the water annual charge and water volumetric rate) for 2023/24; and***
6. ***Adopts the Annual Plan 2023/24 (839498445-14676) in accordance with section 95 of the Local Government Act 2002; and***
7. ***Delegates to the Mayor and Chief Executive to make any necessary minor editorial amendments prior to the public release of the Annual Plan 2023/24 ; and***
8. ***Notes that staff will notify submitters of Council's decisions on the Annual Plan 2023/24; and***
9. ***Notes that Council must adopt the Funding Impact Statement for the 2023/24 financial year contained within the Annual Plan 2023/24, prior to setting the rates.***

Courtney/Benge

Carried

Resolved CL/2023/134

***That the Council***

10. ***Sets the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2023 and ending on 30 June 2024.***

***The revenue approved below will be raised by the rates and charges that follow.***

***Revenue approved:***

<b><i>General Rate</i></b>	<b><i>\$50,875,552</i></b>
<b><i>Uniform Annual General Charge</i></b>	<b><i>\$6,991,104</i></b>
<b><i>Stormwater and Flood Protection Charge</i></b>	<b><i>\$10,583,927</i></b>
<b><i>Waste Water Charge</i></b>	<b><i>\$11,906,937</i></b>
<b><i>Water Annual Charge</i></b>	<b><i>\$4,335,443</i></b>
<b><i>Water Volumetric Charge</i></b>	<b><i>\$10,116,034</i></b>
<b><i>Rates and Charges (excluding GST)</i></b>	<b><i>\$94,808,997</i></b>

**Goods and Services Tax (at the current rate)**  
**\$14,221,350**

**Total Rates and Charges**                    **\$109,030,347**

**The rates and charges below are GST inclusive.**

**(1) General Rate**

**A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:**

- **a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential – single unit" category.**
- **a rate of 0.37263 cents in the dollar of land value on every rating unit in the "residential empty section" category.**
- **a rate of 0.40989 cents in the dollar of land value on every rating unit in the "single residential unit forming part of a parent valuation, the remainder of which is non-rateable" category. This represents a plus 10% differential on land value.**
- **a rate of 0.40989 cents in the dollar of land value on every rating unit in the "multi residential" category. This represents a plus 10% differential on land value.**
- **a rate of 1.25407 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 236.5465% differential on land value.**
- **a rate of 1.03368 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 25% residential and 75% commercial" category. This represents a plus 177.4% differential on land value.**
- **a rate of 0.81345 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 50% residential and 50%**

**commercial" category. This represents a plus 118.3% differential on land value.**

- **a rate of 0.59285 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 75% residential and 25% commercial" category. This represents a plus 59.1% differential on land value.**
- **a rate of 1.79059 cents in the dollar of land value on every rating unit in the "commercial inner city" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 380.527% differential on land value.**
- **a rate of 1.43612 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 25% residential and 75% commercial" category. This represents a plus 285.4% differential on land value.**
- **a rate of 1.08174 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 50% residential and 50% commercial" category. This represents a plus 190.3% differential on land value.**
- **a rate of 0.72700 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 75% residential and 25% commercial" category. This represents a plus 95.1% differential on land value.**
- **a rate of 1.51564 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 100% commercial and industrial (occupied and empty)" category. This represents a plus 306.74% differential on land value.**
- **a rate of 1.23005 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 25% residential and 75% commercial" category. This represents a plus 230.1% differential on land value.**
- **a rate of 0.94424 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 50% residential and**



**50% commercial" category. This represents a plus 153.4% differential on land value.**

- **a rate of 0.65844 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 75% residential and 25% commercial" category. This represents a plus 76.7% differential on land value.**
- **a rate of 0.24221 cents in the dollar of land value on every rating unit in the "rural" category. This represents a minus 35% differential on land value.**
- **a rate of 0.33537 cents in the dollar of land value on every rating unit in the "small holding" category. This represents a minus 10% differential on land value.**

## **(2) Uniform Annual General Charge**

**A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$320.00 per separately used or inhabited part of a rating unit.**

## **(3) Stormwater and Flood Protection Charge**

**A targeted rate under section 16 of the Local Government (Rating) Act 2002 of \$557.35 per rating unit, this rate is payable by all ratepayers excluding rural rating units, rating units east of the Gentle Annie saddle, Saxton's Island and Council's stormwater network.**

## **(4) Waste Water Charge**

**A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:**

- **\$619.31 per separately used or inhabited part of a residential, multi residential, rural and small holding rating units that is connected either directly or through a private drain to a public waste water drain.**
- **For commercial rating units, a waste water charge of \$154.83 per separately used or inhabited part of a rating unit that is connected either directly or through a private drain to a public waste water drain.**



<b>Instalment 2</b>	<b>25 October 2023</b>	<b>20 November 2023</b>	<b>24 November 2023</b>
<b>Instalment 3</b>	<b>25 January 2024</b>	<b>20 February 2024</b>	<b>26 February 2024</b>
<b>Instalment 4</b>	<b>26 April 2024</b>	<b>20 May 2024</b>	<b>24 May 2024</b>

**Rates instalments not paid on or by the Due Date for Payment above will incur penalties as detailed in the section "Penalty on Rates".**

**Due Dates for Payment of Water Volumetric Rates**

**Water volumetric rates shall be payable on the following dates:**

<b>Billing Month</b>	<b>Due Date for Payment</b>
<b>July 2023</b>	<b>21 August 2023</b>
<b>August 2023</b>	<b>20 September 2023</b>
<b>September 2023</b>	<b>20 October 2023</b>
<b>October 2023</b>	<b>20 November 2023</b>
<b>November 2023</b>	<b>20 December 2023</b>
<b>December 2023</b>	<b>22 January 2024</b>
<b>January 2024</b>	<b>20 February 2024</b>
<b>February 2024</b>	<b>20 March 2024</b>
<b>March 2024</b>	<b>22 April 2024</b>
<b>April 2024</b>	<b>20 May 2024</b>
<b>May 2024</b>	<b>20 June 2024</b>
<b>June 2024</b>	<b>22 July 2024</b>

**Penalty on Rates**

**Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the council authorises the following penalties on unpaid rates (excluding volumetric water rate accounts) and delegates authority to the Group Manager Corporate Services to apply them:**

- a charge of 10% of the amount of each rate instalment remaining unpaid after the due date stated above, to be added on the penalty date as shown in the above table and also shown on each rate instalment notice.**
- a charge of 10% will be added on 10 July 2023 to any balance from a previous rating**

**year (including penalties previously charged) remaining outstanding on 1 July 2023.**

- **a further additional charge of 10% will be added on 11 January 2024 to any balance from a previous rating year (including penalties previously charged) to which a penalty has been added according to the bullet point above, remaining outstanding on 10 January 2024.**

#### **Penalty Remission**

**In accordance with section 85 of the Local Government (Rating) Act 2002 and Council's Rates Remission Policy, the Council will approve the remission of a penalty where the criteria of the policy has been met.**

#### **Payment of Rates**

**Rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Thursday and Friday and 9.00am to 5.00pm Wednesday.**

**Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then to current year rates due.**

O'Neill-Stevens/Hodgson

Carried

#### **Attachments**

1 1118544611-7155 Ministerial response to Mayor Nick Smith

## **7. Temporary exemption from payment for parking in the Inner City during winter months**

Document number R27760, agenda pages 146 - 150 refer.

Group Manager Infrastructure, Alec Louverdis, Senior Adviser - Mayor and Councillors Office, Stephen Rainbow and Manager Uniquely Nelson, Simon Duffy, took the report as read, noting the proposal was one part of a broader package of city centre support.

Mr Duffy advised there were compounding pressures on businesses, noting nine central city businesses would be closing within three to four months. He answered questions on components for energising the

central business district, including a domestic and nationwide campaign with the airport.

During discussion additional support for activating the city centre was discussed and Councillor O'Neill-Stevens proposed an amended officer's recommendation to include a winter activation fund. Councillor Rainey further proposed investigation of a city centre retail strategy to inform the Long Term Plan.

Mr Rainbow confirmed the proposal was a temporary measure to support activation of the city centre.

The meeting adjourned from 10.23a.m. until 10.34a.m.

His Worship the Mayor Hon Dr Smith moved the amended officer's recommendation, seconded by Councillor O'Neill-Stevens.

Councillor Rainey declared a conflict of interest on clause 3 of the motion and requested it be taken in parts to allow him to abstain from voting on that clause.

The motion was taken in parts and Councillor Rainey abstained from voting on clause 3 – to establish a City Centre Winter Activation Fund.

Resolved CL/2023/135

***That the Council***

- 1. Receives the report Temporary exemption from payment for parking in the Inner City during winter months (R27760); and***
- 2. Notes the economic challenges facing city centre businesses and the community; and***
- 3. Establishes a City Centre Winter Activation Fund of \$20,000 from existing city development operating budgets for 2023/24 to:***
  - a) Support events and projects that attract residents to the city centre over the winter months;***
  - b) That events and projects supported by the fund are delivered by local community members or organisations; and***
- 4. Delegates disbursement of the City Centre Winter Activation Fund to staff in consultation with Uniquely Nelson and Chair of the City Centre Business Forum; and***
- 5. Approves that city centre parking be exempted from payment from 3.00p.m. to 5.00p.m. between 1 July***

***and 31 October 2023 as a temporary measure to support city centre businesses; and***

- 6. *Requests that consideration be given by the City Centre Business Forum and through the Long Term Plan to the development of a City Centre Retail Strategy.***

His Worship the Mayor/O'Neill-Stevens

Carried

### **Karakia Whakamutanga**

There being no further business the meeting ended at 11.20a.m.

Confirmed as a correct record of proceedings by resolution on (date)

Resolved

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## Mayor's Report

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### 1. Purpose of Report

- 1.1 To provide an update on an Expressions of Interest process undertaken by Kāinga Ora.
- 1.2 To provide responses from Tasman District and Marlborough District Councils on a request to increase funding for the Kotahitanga mō te Taiao Alliance.
- 1.3 To provide a submission on the Water Services Entities Amendment Bill.
- 1.4 To provide a report back on the review of the Nelson Festivals Trust reserves.
- 1.5 To provide the Future for Local Government report He piki tūranga he piki kotuku.
- 1.6 To provide the proposed Remits to the Local Government New Zealand AGM 2023 (Attachment 1118544611-7164) for consideration and discussion.

### 2. Recommendation

***That the Council***

1. ***Receives the report Mayor's Report (R27770) and its attachments (1118544611-7172, 1118544611-7173, 1118544611-7174, 1118544611-7175, 1118544611-7164); and***
2. ***Supports, as a necessary step to achieve a successful response to its continued procurement of a development partner via open tender for the City Centre Housing Development (on 69-101 Achilles Ave and 42 Rutherford St), Kāinga Ora's intention to include the possibility of the development having a portion of market housing; and***

Item 6: Mayor's Report

3. ***Notes that in line with Council's decision to increase funding for Kotahitanga mō te Taiao Alliance from \$20,000 to \$40,000, Tasman District and Marlborough District Councils have each agreed to match this increase; and***
4. ***Notes the attached submission by His Worship the Mayor on the Water Services Entities Amendment Bill (1118544611-7174); and***
5. ***Request Council officers to provide a report on the financial implications and implementation of the recommendations of the Report on the review of Nelson Festivals Trust reserves (1118544611-7175); and***
6. ***Considers the proposed Remits to the Local Government New Zealand AGM 2023, as discussed:***
  - a. ***Remit 1: Allocation of risk and liability in the building sector – support/not support/confirm at the AGM;***
  - b. ***Remit 2: Rates rebate - support/not support/confirm at the AGM;***
  - c. ***Remit 3: Roading/transport maintenance funding - support/not support/confirm at the AGM;***
  - d. ***Remit 4: Local election accessibility - support/not support/confirm at the AGM;***
  - e. ***Remit 5: Ability for co-chairs at formal meetings – support/not support/confirm at the AGM;***
  - f. ***Remit 6: Parking infringement penalties - support/not support/confirm at the AGM;***
  - g. ***Remit 7: Rural and regional public transport - support/not support/confirm at the AGM;***
  - h. ***Remit 8: Establishing resolution service - support/not support/confirm at the AGM;***
  - i. ***Remit 9: Earthquake-prone buildings – support/not support/confirm at the AGM;***
  - j. ***Remit 10: KiwiSaver contributions for Elected Members - support/not support/confirm at the AGM;***
  - k. ***Remit 11: Audit NZ fees - support/not support/confirm at the AGM.***



## **Discussion**

### **Kāinga Ora City Centre Housing Development**

- 2.1 Kāinga Ora is planning a city centre housing development on 69 to 101 Achilles Ave and 42 Rutherford Street. The two sites have the potential for the development of 175 homes in buildings of five to eight levels.
- 2.2 The sites at 69-101 Achilles Ave and 42 Rutherford St are a mix of commercial property and car parking. The larger of the two properties, 69-101 Achilles Ave, is almost 4500 square metres and is made up of two buildings with a rateable value of \$3.6 million. The second property at 42 Rutherford Street is 961 square metres and has a rateable value of \$1.681 million. The council has agreed to sell these two sites to Kāinga Ora for the purpose of social and affordable housing. Kāinga Ora is now looking for development partners.
- 2.3 Kāinga Ora has undertaken an Expressions of Interest process to test the market for partners willing to work with it on the development. It is clear from that process that it will be difficult to achieve a financially feasible outcome without being open to the possibility of market housing being included in the mix.

### **Kotahitanga mō te Taiao Alliance Funding**

- 2.4 Letters have been received from Tasman District Council (see Attachment 1 1118544611-7173) and Marlborough District Council (see Attachment 2 1118544611-7172) outlining their decisions to increase funding for Kotahitanga mō te Taiao Alliance from \$20,000 to \$40,000. These increases are in line with a Nelson City Council decision to increase the funding to the Alliance and a request from His Worship the Mayor to the Tasman and Marlborough councils for equivalent increases.

### **Submission on the Water Services Entities Amendment Bill**

- 2.5 A submission on the Water Services Entities Amendment Bill was made by His Worship the Mayor (see Attachment 3 1118544611-7174). The timetable for submissions was so short that there was no time for input from staff or Councillors. Noting, however, that further input can be made during an oral submission.

### **Review of Nelson Festivals Trust Reserves**

- 2.6 At its meeting on 25 May 2023, Council resolved:

Resolved CL/2023/001

6. *Delegates to the Deputy Mayor, Councillor Courtney and Councillor Brand with the support of Group Manager Community Services, and in consultation with the Nelson Festivals Trust, a review of the circumstances that led to*

## Item 6: Mayor's Report

*the growth in its reserves for the 2020-2022 period of Covid-19 impacts and whether it is appropriate for a portion of these resources to be offset for funding this year's festival, with the findings of this work to be reported back to Council.*

- 2.7 The delegated Councillors have now completed the review and their report with recommendations is attached (Attachment 4 1118544611-7175).

### **Future for Local Government Report**

- 2.8 The panel for the Review into the Future for Local Government, which officially ended on 30 June 2023, released its final report He piki tūranga he piki kotuku on 20 June 2023, containing its findings and a package of recommendations. The final report is available here: [He piki tūranga, he piki kōtuku – The future for local government](#) .

### **Proposed Remits for LGNZ 2023 AGM**

- 2.9 There are 11 proposed Remits for consideration at the Local Government New Zealand (LGNZ) 2023 AGM, to be held on Wednesday, 26 July 2023 (see Attachment 5 1118544611-7164).
- 2.10 Guidance is sought from Elected Members on whether they support or oppose these proposed remits to help inform the delegation of six Elected Members attending the LGNZ 2023 Conference.

### **Mayoral Discretionary Fund**

- 2.11 A total of \$2000 was paid out of the Mayoral Discretionary Fund to the Brass Band Association of New Zealand to assist with flights for three members of the Nelson City Brass Band who are also members of the National Band of New Zealand. The three Nelson members are touring Australia in late August-early September as part of the National Band and the funding is to help with the cost of their flights for this tour. The Nelson City Brass Band provides support for many civic and public events, and this is a way to acknowledge that contribution.

**Author: Hon Dr Nick Smith, Mayor**

### **Attachments**

- Attachment 1: 1118544611-7173 Letter from Tasman District Council on Kotahitanga mō te Taiao Alliance Funding [↓](#)
- Attachment 2: 1118544611-7172 Letter from Marlborough District Council on Kotahitanga mō te Taiao Alliance Funding [↓](#)
- Attachment 3: 1118544611-7174 Submission from His Worship the Mayor on the Water Services Entities Amendment Bill [↓](#)

## Item 6: Mayor's Report

Attachment 4: 1118544611-7175 Report on the review of Nelson Festivals Trust reserves [↓](#)

Attachment 5: 1118544611-7164 Proposed Remits for the Local Government New Zealand 2023 Annual General Meeting [↓](#)































































































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## **Community Investment Funding Update - Small Grants Round June 2023**

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

To receive the minutes from the 7 June 2023 Community Investment Funding Panel meeting, in accordance with the Panel's Terms of Reference.

### **2. Recommendation**

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

- 1. Receives the report Community Investment Funding Update - Small Grants Round June 2023 (R27749) and its attachments (636034393-11456 and 636034393-11464); and***
- 2. Receives the minutes from the Community Investment Fund meeting held on 7 June (unconfirmed) and notes the funding decisions taken.***

### **3. Background**

**3.1 Community Investment Fund (CIF) terms of reference:** On 4 May 2023, Council approved the Community Investment Fund (CIF) priorities to 'improve the wellbeing in Nelson 'communities of greatest need' focusing on reducing social isolation, reducing housing vulnerability, improving access to work and learning opportunities, and reducing the impact of poverty'; and approved amended membership, recruitment processes, funding allocations and Terms of Reference for the CIF Panel (the Panel).

#### **3.2 CIF Panel membership**

**3.2.1** The Panel comprises the Group Manager Community Services as chair, and between four and six community members appointed by the (then) Community and Recreation Committee. Four

## Item 7: Community Investment Funding Update - Small Grants Round June 2023

community members: Arawhita Wiringi, Bhoj Raj Subba, Elva Vivienne (Viv) Lock and Rachel Gordon, were appointed in 2021 for three-year terms. Arawhita Wiringi's appointment was endorsed by Iwi managers to bring an Iwi Māori perspective to the Panel.

- 3.2.2 The Panel is currently operating within its terms of reference with four community members. The Panel has the authority to co-opt further community members without voting rights, to provide specialist support or perspectives.
- 3.2.3 The Panel co-opted two community members for the June workshops and decision meeting, being Rob Blake and Ellie Young.
- 3.2.4 Recruitment for additional Panel members will take place during 2023 and will be presented to Council via a future report for decision.

### 3.3 Budget and Allocation process 2022-2023

- 3.3.1 **CIF Budget:** The total budget for the CIF in 2022/2023 is \$346,730.50. This comprises two elements:

Annual budget allocation (LTP2021-31):	\$345,400.00
Nelson Market income (5% of the profit):	<u>\$1,330.50</u>
Total CIF funding:	\$346,730.50
Less Year 2 Strategic grants already allocated	\$241,000.00
Less December 2022 small grants allocation	<u>\$45,800.00</u>
Funds available for June 2023 Small grants allocation	\$59,930.50

- 3.3.2 **Strategic grant allocation:** Up to 70% of the CIF budget may be allocated as strategic grants for up to three years. Three-year Strategic Grants were approved in 2021, with the second year's instalment paid in July 2022. Council has approved an increase of 7.2% for CPI adjustment for the third instalment due to be paid in July 2023 via the Annual Plan.
- 3.3.3 **Small grant allocation:** The balance is allocated as small grants up to a maximum of \$10,000. Most grants are between \$2,000 and \$5,000, over two rounds annually, being December 2022 and June 2023 (this round).

### 3.4 Funding Priorities for the Community Investment Fund

- 3.4.1 The priorities and funding criteria are set out in the CIF Panel Terms of Reference:

## Item 7: Community Investment Funding Update - Small Grants Round June 2023

*Funding allocations will be guided by the priorities set out in the current Community Partnerships Activity Management Plan, i.e.*

*To prioritise funding towards improving wellbeing in communities of greatest need, focusing on reducing social isolation, reducing housing vulnerability, improving access to work and learning opportunities and reducing the impact of poverty; and*

*To respond to changing and emerging needs in the community.*

3.4.2 The Panel applied the following principles when considering the applications:

- **Prioritising Communities of Greatest Need:** Priority should be given to organisations that will make a tangible difference to improving community wellbeing by reducing social isolation, reducing housing vulnerability, reducing the impact of poverty, and improving access to work and learning in Nelson.
- **Funding for success:** It is better to adequately fund a small number of projects and decline others, than underfund multiple projects that cannot succeed.
- **Small Grant Funding Levels:** This fund is promoted as providing small grants with a maximum of \$10,000 and an expectation that most grants will be between \$2,000 and \$5,000. Where a grant is requested as a contribution towards a larger project, the Panel should consider whether a grant will provide a meaningful contribution to the success of the project.
- **Alternative Funding Options:** This involves considering whether the organisation has access to alternative funding from other sources.

### 4. June 2023 Funding round - Applications and decisions

- 4.1 38 applications were received, requesting a total of \$233,310.57 (around four times oversubscribed compared to available funding). Staff advised the Panel regarding eligibility, alignment with the funding priorities, and potential alternative or complementary funding sources.
- 4.2 The Panel considered each application on its merits, and either approved, partially funded or declined the application. Reasons for declining or partially funding applications were:

## Item 7: Community Investment Funding Update - Small Grants Round June 2023

- 4.2.1 Incomplete alignment with Council's strategic priorities and the grant funding criteria.
- 4.2.2 Does not achieve sufficient community benefit to Nelson residents when considered against alternative applications.
- 4.2.3 Does not sufficiently demonstrate the applicant's ability to deliver the project, service or activity when considered against other applications.
- 4.2.4 Insufficient funding available to fully fund all suitable applications.
- 4.2.5 Alternative funding has been identified for the application.

### **Funding Allocation**

- 4.3 The Panel approved grants totalling \$59,930.50 to fifteen organisations.
- 4.4 Staff have contacted applicants to inform them of the Panel's decision.

### **Next Steps**

- 4.5 Successful applicants will be offered grant agreements.

**Author:** Mark Preston-Thomas, Manager Community Partnerships

**Authoriser:** Andrew White, Group Manager Community Services

### **Attachments**

- Attachment 1: NDOCS-636034393-11456 Community Investment Fund Unconfirmed Minutes June [↓](#)
- Attachment 2: NDOCS-636034393-11464Community Investment Fund Allocaton Table Small Grants June 2023 [↓](#)























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REPORT R27738

## Elma Turner Library Seismic Strengthening Project - Additional Budget

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### 1. Purpose of Report

- 1.1 To approve additional unbudgeted expenditure of \$940,000 to allow for the full reopening of the Elma Turner Library (ETL).

### 2. Recommendation

***That the Council***

1. ***Receives the report Elma Turner Library Seismic Strengthening Project - Additional Budget (R27738) and its attachment (196698121-47508); and***
2. ***Approves the addition of \$940,000 unbudgeted capital expenditure in the 2023/24 financial year to allow for the full reopening of the Elma Turner Library.***

### 3. Background

- 3.1 Council received a report on the Elma Turner Library (ETL) Seismic Strengthening Additional Capital Funding Request at the 24 November 2022 meeting, where it was resolved that Council:

Resolved CL/2022/265

2. *Approves that structural strengthening of the Elma Turner Library be completed to 34% New Building Standard (Importance Level 2) with construction to commence once the building consent has been issued; and*
3. *Approves that ceiling bracing of the Elma Turner Library be completed to 67% New Building Standard (Importance Level 2) for phases 1 and 2a; and*
4. *Approves that ceiling bracing of the Elma Turner Library will be completed to 67% New Building Standard (Importance*

## Item 8: Elma Turner Library Seismic Strengthening Project - Additional Budget

*Level 2) for phases 2b and 2c with construction to start in early 2023 once building consent has been issued; and*

5. *Notes that work on the Elma Turner Library will be carried out in phases to allow for an extended pop-up library as soon as possible; and*

6. *Approves the allocation of unbudgeted capital funding of \$1.4M in 2022/23 for the Elma Turner Library seismic strengthening of structure, ceilings, and partitions.*

### **4. Discussion**

- 4.1 Work on the ETL as resolved above was tracking well against project timeline and budget, with the extended pop-up library (Phase 1) and Phase 2A being completed and construction starting on Phase 2B as programmed (figure 1, appendix 1).
- 4.2 On 30 April 2023, when the ceiling tiles and insulation were removed to prepare for Phase 2B at the south side next to Halifax Street, Council's contractors found a split in one of the trusses supporting the roof. All work in the Phase 2B area was immediately stopped, and props were installed to support the truss (figure 2 and 3, appendix 1).
- 4.3 Further investigations revealed buckling and splits in four trusses. The damaged trusses have affected the roofline resulting in sagging of the roof, preventing rain from running off efficiently and causing water to pool in some areas. The cause of this pooling of water on the roof was until this time unexplained.
- 4.4 The ETL is made up of several areas of connected structures, built at different times over the years (figure 4, appendix 1). The damage found is in the oldest part of the public area and is limited to the part of the building constructed in the 1985 extension while the building was used as a car sales yard. This is the last of the areas for which seismic strengthening construction was planned, and contractors have not found any additional areas of concern in the areas that have been completed.
- 4.5 The damage was likely caused by a combination of structural changes to the building, for example the addition of skylights in the roof and the change to heavy weight ceiling tiles in the 1989 conversion to the ETL, and what are called 'loading events' where extra load is placed on the roof from earthquakes, high winds and heavy rain.
- 4.6 While it is impossible to know with certainty when the damage occurred, the lack of dust or discoloration on the truss splits point towards the damage being more recent. It is important to note however, that insulation surrounded these trusses so they have been in a protected environment.
- 4.7 In 1995, six split and buckled trusses were identified and repaired. At the time it was considered that the cause of the problem had been addressed, however, the newly discovered damage includes some of the

## Item 8: Elma Turner Library Seismic Strengthening Project - Additional Budget

trusses that were repaired in 1995. While these events date back over 30 years it is important for Council to understand what occurred. Beca has been commissioned to review the initial conversion of the space in 1989 and the repairs made in 1995 so any building, management and regulation lessons can be learnt.

- 4.8 A concept design was provided to the Elma Turner Library Reopening Taskforce at its 19 May 2023 meeting and costing has since been completed to provide for the further strengthening work and for roof repairs and drainage to eliminate any ponding and roof leaks in that part of the library. The concept design is to extend the life of the building for a five to ten-year timeframe, which meets the original brief for the timeframe for the seismic strengthening work approved by Council.
- 4.9 To repair and strengthen the damaged area, new structural beams will be added to the split trusses, along with a series of posts within the library space to reduce the span of the trusses (figure 5, appendix 1). The posts will enable the sagging trusses to be lifted back into a position close to originally designed, allowing water to flow from the roof properly again.
- 4.10 A stormwater piping system will be installed in the roof cavity to divert rainwater away from the roof eliminating any ponding, and the roof in this area will have purlins repaired and an area reclad (figure 6, appendix 1).
- 4.11 Work has continued on Phase 2C, but this has proceeded more slowly as a result of the incomplete Phase 2B.

### **Timeline**

- 4.12 Work on Phase 2C will allow for a larger partial reopening, including the main entrance and another large section of library floorspace on 26 July 2023.
- 4.13 The full reopening will be delayed until the further strengthening work is completed which is expected to take an estimated seven months with the full library to reopen in February 2024.

### **Financials**

- 4.14 The following table shows the total value for construction in March 2023 and in May 2023 with the additional construction value for the further strengthening work and improvements to the roof and drainage included in the May 2023 costs.

Item 8: Elma Turner Library Seismic Strengthening Project - Additional Budget

	As at March 2023	As at May 2023
	Pre-Truss Damage Discovery	Including Truss Damage
Stage 1 - Pop Up Library	189,214	189,214
Stage 2 - Rest of Library	1,400,000	1,400,000
Stage 3 - Truss Damage Repairs	-	885,734
Stage 4 - Roof renewal and drainage	-	233,841
<b>Total Stage 3 and 4 Costing</b>	-	<b>\$1,119,575</b>
<b>Total Value for Construction (all stages)</b>	<b>\$1,589,214</b>	<b>\$2,708,788</b>
LTP Budget (carried forward to 22/23)	\$200,000	\$200,000
Approved Expenditure Nov 2022	\$1,400,000	\$1,400,000
Savings from ETL Capex Budgets allocated to project (21/22 and 22/23) includes furniture & fittings	\$167,952	\$167,952
<b>Total budget for Construction</b>	<b>\$1,767,952</b>	<b>\$1,767,952</b>
<b>BUDGET SURPLUS / (DEFICIT)</b>	<b>\$178,738</b>	<b>(\$940,836)</b>

- 4.15 There have been appropriate contingency allocations in the cost for the additional works for this stage of project planning.
- 4.16 The above table shows that the total cost of the additional repairs is \$1.12 million.
- 4.17 As the strengthening programme was progressing well to the \$1.6m budget, an internal reallocation of ETL capital budget was not likely to be required for the project. However, reallocating these savings to this project means that less additional funding is required to complete the additional works.
- 4.18 This brings the deficit in budget for the project to fully reopen the ETL to \$940,836 therefore the figure requested as an unbudgeted capital expenditure is \$940,000.
- 4.19 If the decision is made not to approve the additional unbudgeted capital expenditure, there will be an area of approximately 30% of the public area of the library which is not able to be reoccupied. This will impact on the delivery of library services to the community. Access to the main public toilets will remain compromised, with the covered access that is being constructed to provide entry for the July reopening needing to remain. This decision may compromise the Building Consent conditions and would need to be modified should the funding be declined. A Certificate of Public Use (CPU) has been granted for the 26 July further reopening on a temporary basis, this CPU may be retracted if the full remediation works are not undertaken.

Item 8: Elma Turner Library Seismic Strengthening Project - Additional Budget

4.20 Addressing these identified structural safety issues alongside the original project scope of meeting the earthquake standard requirements of 67% New Building Standard (NBS) for the ceilings, and 34% NBS for the structure will extend the life of the building by 5 to 10 years, allowing for plans for a long term replacement facility to be developed.

**5. Options**

5.1 The following two options are presented, with option 1 being the preferred option.

<b>Option 1: Approve the additional unbudgeted capital expenditure of \$940,000 to allow for the full reopening of the Elma Turner Library (preferred option)</b>	
Advantages	<ul style="list-style-type: none"> <li>• Return to 100% of the library being used which was the expected outcome of the original project.</li> <li>• The repair and strengthening work will update and address building code compliance.</li> <li>• The structure is strengthened such that it balances the risk with the cost (investment is still only to remove from the high-risk category of Earthquake Prone Building and the building safety risk elements for the medium term).</li> <li>• Provides for library services in the medium term to enable further considerations for library development in the Long Term Plan 2024-34.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Additional unbudgeted funding.</li> <li>• Reputational risk from increase in project cost.</li> </ul>
<b>Option 2: Do not approve the additional unbudgeted capital expenditure of \$940,000 to allow for the full reopening of the Elma Turner Library</b>	
Advantages	<ul style="list-style-type: none"> <li>• Minimal requirement for additional funding.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• 30% of the public space would remain unusable.</li> <li>• Access to the main toilets for public would be restricted with a tunnel through the seismic and building load high risk area.</li> <li>• Limits the ability of the library to deliver the services expected by the community.</li> <li>• Building Consent conditions would be compromised, currently under a CPU.</li> </ul>

Item 8: Elma Turner Library Seismic Strengthening Project - Additional Budget

	<ul style="list-style-type: none"><li>• Significant Life Safety risk remains if that part of the building is used in any way.</li><li>• Earthquake prone building notice would be issued with 12.5 to 25 years to fix (assume likely 12.5 years due to Halifax Street being a priority traffic route).</li><li>• Reputational risk from lack of provision of library services in the medium term while consideration of future delivery is undertaken and perception of disused part of building in a prime location.</li></ul>
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**6. Next Steps**

- 6.1 If Council approves the recommendations and the unbudgeted capital expenditure funding required to complete the additional work, the programme will be progressed with urgency.

**Author: Rebecca Van Orden, Manager Property Services**

**Authoriser: Nikki Harrison, Group Manager Corporate Services**

**Attachments**

Attachment 1: 196698121-47508 Appendix for Elma Turner Library Seismic [↓](#)

<p><b>Important considerations for decision making</b></p>
<p><b>Fit with Purpose of Local Government</b></p> <p>The provision of library services is a core function of local government which supports the cultural and social wellbeing of the community.</p>
<p><b>Consistency with Community Outcomes and Council Policy</b></p> <p>This report fits with the following Community Outcomes:</p> <p><b>Our communities have opportunities to celebrate and explore their heritage, identity and creativity</b></p> <p>We are proud of and celebrate our history and heritage and how that contributes to our identity. We have a strong sense of community, enhanced by the wide range of arts, cultural and sporting opportunities on offer.</p> <p><b>Our communities have access to a range of social, educational and recreational facilities and activities</b></p> <p>Nelson has developed high quality sports and recreation facilities for all ages. There are educational and leisure opportunities for the whole community to enjoy. We protect, enhance and celebrate Nelson’s human heritage and historic sites.</p>
<p><b>Risk</b></p> <p>Council faces reputational risk from long term closure of the City’s largest library facility.</p>
<p><b>Financial impact</b></p> <p>The shortfall for the recommended works is unbudgeted and will require a decision from Council to fund. The shortfall will be funded through borrowings at an approximate interest cost of \$37,600 per annum.</p>
<p><b>Degree of significance and level of engagement</b></p> <p>This matter is of low significance and no engagement has been undertaken. The extended pop-up library is providing a library service to the community but not to the extent that the community is accustomed to or expects. No engagement will be required, however the public and stakeholders will be kept informed about the progress of this project through the Council’s communication channels, including Our Nelson, social media and regular media releases.</p>
<p><b>Climate Impact</b></p> <p>There is no direct climate impact from the matters in this report.</p>
<p><b>Inclusion of Māori in the decision making process</b></p> <p>No engagement with Māori has been undertaken in preparing this report.</p>
<p><b>Delegations</b></p> <p>This is a matter for full Council.</p>











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## **Long Term Plan 2024-2034 - Draft Significant Forecasting Assumptions**

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

- 1.1 To approve the Draft Significant Forecasting Assumptions that will be used to inform the development of the Long Term Plan 2024-2034.

### **2. Summary**

Council needs to identify the significant forecasting assumptions that will underpin the development of the Long Term Plan 2024-2034. Guidance on these assumptions is required now to use in developing activity management plans.

### **3. Recommendation**

***That the Council***

- 1. Receives the report Long Term Plan 2024-2034 - Draft Significant Forecasting Assumptions (R27697) and its attachment (1852948764-211); and***
- 2. Approves the Draft Significant Forecasting Assumptions that will be used to inform development of the Long Term Plan 2024-2034 (1852948764-211).***

### **4. Background**

- 4.1 Council is required to identify the significant forecasting assumptions it will use as it develops its Long Term Plan and which will inform decisions about budgets, assets, services and risk management. The assumptions demonstrate that Council is taking a long term view based on the best information available at the time.
- 4.2 Assumptions are important for showing that Council is preparing for future changes to Nelson – for example, climate change impacts or demographic changes. They also demonstrate awareness of associated risks, the potential for these risks to impact on Council, and the ways in which these risks may be mitigated and addressed.

## Item 9: Long Term Plan 2024-2034 - Draft Significant Forecasting Assumptions

- 4.3 Council discussed the draft assumptions at a workshop on 6 April 2023, with a particular focus on population growth and climate change, which were noted as the two critical groups of assumptions in the Taituarā guidance for developing Long Term Plans for the 2024-2034 period.

### 5. Discussion

- 5.1 The draft assumptions groupings and what they cover are outlined below.
- 5.1.1 **Demographics.** Understanding population growth and the expected impacts of an ageing population.
- 5.1.2 **Climate change and natural disasters.** Sea level rise projections, emissions reduction, nature and frequency of natural disasters.
- 5.1.3 **Legislative and regulatory changes.** Significant central government reforms.
- 5.1.4 **Economic environment.** Economic forecasts and anticipated future inflation and interest rates over the 10 year period.
- 5.1.5 **Financials.** Loan arrangements, insurance costs, return on investment and central government funding.
- 5.1.6 **Operational.** Delivery of Council's capital programme and life cycle of significant assets.
- 5.1.7 **Relationship with iwi.** Work and capability building to strengthen partnerships with iwi.
- 5.2 Staff have aligned assumptions with Tasman District Council's draft assumptions where appropriate and have considered the Audit New Zealand guidance from the 2021-2031 Long Term Plan process.

### Options

<b>Option 1: Approve the Draft Significant Forecasting Assumptions for the Long Term Plan 2024-2034</b>	
Advantages	<ul style="list-style-type: none"><li>• Informs planning activities for the Long Term Plan 2024-2034 in a timely way.</li><li>• Fulfils statutory requirements.</li></ul>
Risks and Disadvantages	<ul style="list-style-type: none"><li>• None obvious.</li></ul>
<b>Option 2: Do not approve the Draft Significant Forecasting Assumptions</b>	
Advantages	<ul style="list-style-type: none"><li>• Further information can be gathered, and changes made to the assumptions.</li></ul>

## Item 9: Long Term Plan 2024-2034 - Draft Significant Forecasting Assumptions

Risks and Disadvantages	<ul style="list-style-type: none"><li>• Risk of inconsistencies between activities within the Long Term Plan.</li></ul>
<b>Option 3: Make amendments to the Draft Significant Forecasting Assumptions</b>	
Advantages	<ul style="list-style-type: none"><li>• Further information and amendments can be incorporated.</li></ul>
Risks and Disadvantages	<ul style="list-style-type: none"><li>• May require further analysis and delay approval of the draft assumptions.</li></ul>

### 6. Next Steps

- 6.1 If the draft assumptions are approved, the document will be circulated to staff developing activity management plans.
- 6.2 The final draft assumptions will come back to Council for approval when all the data in the sections on growth in rating units, inflation/price changes and interest rates is available. The assumptions will form part of the supporting information for the Long Term Plan 2024-2034 Consultation Document.

**Author:** Ailish Neyland, Policy Adviser

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

### Attachments

Attachment 1: 1852948764-211 - Draft Significant Forecasting Assumptions 2024-2034 [↓](#)

<p><b>Important considerations for decision making</b></p>
<p><b>Fit with Purpose of Local Government</b></p> <p>If the recommendation is approved, it will provide a consistent set of forecasting assumptions for use in the development of Council’s Long Term Plan 2024-2034 to inform the planning and budgeting. The assumptions provide Council with the information needed to make decisions which affect the social, economic, environmental and cultural wellbeing of the Nelson community.</p>
<p><b>Consistency with Community Outcomes and Council Policy</b></p> <p>Adopting the Draft Significant Forecasting Assumptions for the Long Term Plan 2024-2034 supports the community outcome:</p> <ul style="list-style-type: none"> <li>• Our Council provides leadership and fosters partnerships, a regional perspective and community engagement.</li> </ul>
<p><b>Risk</b></p> <p>The assumptions contain the best data available at the time and provide estimates for a range of factors. Risks and uncertainty associated with each of the estimates and methods to mitigate, if applicable, are noted in the attachment.</p>
<p><b>Financial impact</b></p> <p>There are no direct financial costs associated with the decision to approve the draft assumptions.</p>
<p><b>Degree of significance and level of engagement</b></p> <p>This matter is of medium significance because assumptions underpin the decisions that will have an impact on the services and activities Council provides, and therefore on Council’s finances, debt, and rates. The community will have an opportunity to provide feedback on the assumptions as supporting information released alongside the Long Term Plan 2024-2034 Consultation Document.</p>
<p><b>Climate Impact</b></p> <p>Projected impacts of climate change are included in the assumptions.</p>
<p><b>Inclusion of Māori in the decision making process</b></p> <p>No engagement with Māori has been undertaken in preparing this report.</p>
<p><b>Delegations</b></p> <p>This is a matter for Council.</p>



























## August 2022 Extreme Weather Event Recovery - Quarterly Update

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### 1. Purpose of Report

- 1.1 To provide Council with an update on the August 2022 extreme weather event recovery and the May 2023 weather event.
- 1.2 To retrospectively approve estimated costs between December 2022 and June 2023 with respect to the August 2022 recovery and estimated costs following the May 2023 weather event.

### 2. Summary

- 2.1 The Project Recovery Team continues to meet, with the Navigator team still operating.
- 2.2 The Taskforce has met four times - December 2022, February 2023, March 2023 and June 2023.
- 2.3 Excellent progress continues to be made on all recovery matters.
- 2.4 All geotechnical assessments have been completed in relation to slips on Council land and have been reported separately to Council in terms of decision making.

### 3. Recommendation

***That the Council***

1. ***Receives the report August 2022 Extreme Weather Event Recovery - Quarterly Update (R27503) and its attachment 1590798627-594; and***
2. ***Approves retrospectively unbudgeted estimated expenditure between 31 December 2022 and 30 June 2023 as part of the August 2022 extreme weather event recovery of \$8.2M; and***

**3. *Approves retrospectively unbudgeted estimated expenditure between May 2023 and 30 June 2023 as part of the May 2023 weather event response of \$1.42M.***

**4. Background**

**August 2022 extreme weather event**

- 4.1 The background is covered in the 9 March 2023 Council report and is not replicated here. Refer to link [Council 09 March 2023](#)
- 4.2 At time of writing, there are 13 red and 70 yellow stickered properties. The yellow placards are made up of 13 Yellow 2 (entry to the building only permitted during daylight hours) and 57 Yellow 1 (entry to parts of the building or property restricted).

**May 2023 weather event**

- 4.3 The region experienced a second significant weather event in May this year that resulted in the evacuation of three homes in Clouston Terrace and work/damage to infrastructure as detailed below. Whilst Civil Defence was activated on 5 May 2023, no State of Emergency was declared.

- Stormwater – cleaning intakes, standby diggers at key intakes identified following the August event and gravel removal;
- Wastewater - Four sewer rising main breaches (Atawhai and Airport) and clean-up of multiple sewer overflows; and
- Water – Repairs to access road to the Tantragee water treatment plant, repairs to Maitai raw water pipeline syphon abutments, repairs to Maitai riverbanks to protect water pipeline, repairs to Maitai South Branch intake screens and protecting the Roding raw water pipeline and potable water return pipeline.

- 4.4 The cost to deal with this event is estimated at \$1.42M (final costs will only be known late July/early August), with a breakdown per activity as shown below. Retrospective approval for this is sought as part of this report.

<b>Activity</b>	<b>Amount</b>
Roading	\$ 225,000
Water	\$ 480,000
Wastewater	\$ 215,000
Stormwater	\$ 450,000
Parks	\$ 50,000

## Item 10: August 2022 Extreme Weather Event Recovery - Quarterly Update

- 4.5 As a result of the timing of this report and final figures for the financial year not been available, the \$1.42M is an estimated cost only and retrospective approval may be required in the next quarterly report for any washup to 30 June 2023 considering 2023/24 budgets approved through the Annual Plan.
- 4.6 This expenditure was incurred in 2022/23 and will be funded via debt as unbudgeted expenditure. The debt will be transferred to the Emergency Fund and repayments to the Emergency Fund will need to be reconsidered for the Long-Term Plan 2024-34. These costs could not be absorbed within existing budgets as the event occurred late in the 2022/23 financial year and on top of the August 2022 event.

### 5. Discussion

- 5.1 A reporting dashboard is appended as Attachment 1 detailing progress on various key matters for both weather events.

#### August 2022 Costs Update

- 5.2 Further to Council approving unbudgeted expenditure of \$6.1M to the end of 30 September 2022, and a further \$7.2M to the end of December 2022, additional estimated expenses of \$8.2M on the recovery since December 2022 is expected, bringing the total estimated cost for the August 2022 event to 30 June 2023 to \$21.5M (compared to forecast of \$20M).
- 5.3 Council resolved in November 2022 as below and in line with that resolution, this report seeks approval for the estimated additional spend up to the end of June 2023.

Resolved CL/2022/252

6. *Approves that expenses incurred to the end of June 2023 be brought to the Council via Quarterly reports for retrospective approval.*

- 5.4 As a result of the timing of this report and final figures for the financial year not been available, the estimated \$8.2M cost may require retrospective approval in the next quarterly report for any washup to 30 June 2023 considering 2023/24 budgets approved through the Annual Plan.

#### Funding application

- 5.5 An application was made to the Nga Haerenga NZ Cycle Trails Fund for the access bridge at the recently repaired Maitai Raw water pipeline and \$216,758 was received.
- 5.6 The Top of the South Community Foundation has donated \$10,000 by way of supermarket vouchers to help people affected by the floods and the navigators are working with the Foundation in this matter.

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**Mayor Relief Fund (MRF)**

- 5.7 Nothing further to report on the MRF as all funds have been expended (this will not be reported on in future update reports).

**Legal**

- 5.8 Potential legal claims have and will continue to be reported to the Audit, Risk and Finance committee.

**Insurances**

- 5.9 The breakdown per activity and potential cost recovery is detailed in the previous report and is not duplicated here.
- 5.10 The income sources and scale of recovery is shown in the table below.

Activity	Estimated claim	Comments	Amount Received
Waka Kotahi	\$13.1M	Existing FAR rate increased from 51% to 71% for response.  Request has been made to Waka Kotahi for a higher FAR. Awaiting response.	\$2.4M
NEMA	\$6M	For wastewater, stormwater, flood protection and water (no parks & transport)	\$157,000
Council insurance	\$3.5M	For parks, wastewater, stormwater and water (no flood protection & transport)	\$146,000
DiA Lottery Discretionary Fund	\$150,000	Support for navigators	\$150,000
Nga Haerenga the NZ Cycle Trails Fund	\$354,784	Clip on bridge – Dun Mountain Coppermine Trail	\$216,758

- 5.11 Council have lodged claims with both its private insurer and the National Emergency Management Agency (NEMA) with respect to damage to its assets and infrastructure. NEMA visited Nelson on 19 June 2023 to discuss the claim with officers.

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- 5.12 Officers are working closely with its loss adjustors and whilst it is expected that it could take a year to process the claims, officers are discussing a process to secure interim progress payments. A reminder that most of the damage to land is not covered by insurance.

### **6. Navigators**

- 6.1 Three Navigators remain in place and their services were extended to assisting Tasman District Council in the April Tornado event.
- 6.2 EQC have held two community meetings in February 2023. These coincided with the EQC reports and settlement process.
- 6.3 A Tāhunanui community meeting was held in June attended by His Worship Mayor Nick Smith, Recovery Taskforce members, officers, EQC and insurers.
- 6.4 The Navigators, once again, proved their worth during the May 2023 weather event reaching out and calming already frayed nerves.
- 6.5 Eleven months on from the August 2022 weather event more people are receiving offer letters from EQC and insurance companies. For households with slip damage, the process is slower due to the complex nature of land movement and the requirement for geotechnical assessments and designs.
- 6.6 Offer letters are still coming through, and navigators are working with New Zealand Claims Resolution Service (NZCRS) to guide people through the consent process. In April, three case managers from the Christchurch NZCRS, and two representatives from IAG came to Nelson to collaborate with the Navigators doing site visits and holding meetings at the hub with residents. Forty households were engaged with over the three days they were in Nelson, and they will return as more offer letters are received.
- 6.7 The Navigators are still seeing people frustrated at the length of time it is taking for their claims to be settled. There has been a significant psycho-social impact on householders with many reporting heightened stress and anxiety, disrupted sleep, and financial concerns.
- 6.8 At the time of writing, a community meeting is being planned for residents north of Gentle Annie (Hira, Cable Bay, Lud Valley, Teal Valley) and another separate meeting for Kokorua Road residents, for late July/August.

### **7. Slips**

- 7.1 A separate report dealing with Council to private property landslips was tabled at the 4 May 2023 Council meeting where Council resolved to proceed with remediation work at an estimated cost of \$17.2M spread out over three financial years – 22/23 (\$200,000); 23/24 (\$8 Million) and 24/25 (\$9 Million).

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- 7.2 That work has commenced, and officers remain committed to resolve these outstanding issues as a priority.

### **8. General**

- 8.1 Key highlights to the end of June 2023 include:

- 8.1.1 Reinstatement of access next to the recently repaired Maitai raw water pipeline for walkers and cyclists;
- 8.1.2 Removal of around 35,000m<sup>3</sup> of gravel from streams/rivers and an additional 3,000m<sup>3</sup> from the May 2023 event;
- 8.1.3 Mapping of all Council rural streams and rivers;
- 8.1.4 98% of all tracks now open;
- 8.1.5 Completion of work at the Glenduan stockpile site;
- 8.1.6 Installation of Moana catch fence restoring two-way access;
- 8.1.7 Re-alignment of approximately 130m section of sewer main near Riverside swimming pool to build resilience in the network; and
- 8.1.8 Opening up of the Maitai Walkway (101 Cleveland Terrace).

- 8.2 The focus of work this financial year includes:

- 8.2.1 Continue removing gravel from streams/rivers;
- 8.2.2 Re-opening roads that are currently restricted to one-way (Cable Bay, Brook Street and Maitai Valley Road);
- 8.2.3 Installing a permanent bridge at the golf course;
- 8.2.4 Reconstruction of Devenish Place;
- 8.2.5 Stormwater intake upgrades to Devenish Place & Cleveland Terrace; and
- 8.2.6 Attending to the priority urban river/stream locations.

### **9. Options**

- 9.1 In the matter of additional costs incurred to date, these are as a direct result of attending to the recovery of the weather events, and having already been spent, require retrospective Council approval.

### **10. Conclusion**

- 10.1 Recovery continues to remain a priority and is well underway.



Item 10: August 2022 Extreme Weather Event Recovery - Quarterly Update

**Author: Alec Louverdis, Group Manager Infrastructure**

**Authoriser: Alec Louverdis, Group Manager Infrastructure**

### **Attachments**

Attachment 1: 1590798627-594 Dashboard - 22 June 2023 - with May  
Weather Event Data\_1 [↓](#)

<b>Important considerations for decision making</b>
<b>Fit with Purpose of Local Government</b> The response and recovery works following the August 2022 extreme weather event and the May 2023 weather event fits the purpose of local Government by supporting the social, economic and environmental well-being of residents impacted by the event.
<b>Consistency with Community Outcomes and Council Policy</b> The works in this report cover all the following Community Outcomes - "Our infrastructure is efficient, cost effective and meets current and future needs"; and "Our communities are healthy, safe, inclusive and resilient"; and "Our region is supported by an innovative and sustainable economy".
<b>Risk</b> The response and recovery effort following the August 2022 extreme weather event has reduced the risk to life and property but does pose ongoing reputational risk and risk of legal claim relating to complex issues involving Council property.
<b>Financial impact</b> This report deals with costs incurred in responding to the August 2022 extreme weather event and the May 2023 weather event. Retrospective approval is required for estimated costs since December 2022 to end of June 2023 for the August event and estimated costs for the May 2023 event.
<b>Degree of significance and level of engagement</b> The matters in this report are of medium significance as while the costs are significant there is an existing Council resolution approving the approach in this report. Ongoing recovery costs have been consulted on and included in the 2023/24 Annual Plan.
<b>Climate Impact</b> The recovery will consider the appropriateness of reinstating our assets to a standard to deal with future events expected as a result of climate change.
<b>Inclusion of Māori in the decision making process</b> No engagement with Māori has been undertaken in preparing this report.
<b>Delegations</b> Matters in this report are for Council to consider.







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REPORT R27769

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## Appointment of Commissioners - Nelson Airport Limited

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### 1. Purpose of Report

- 1.1 To consider appointing Commissioners for the purpose of hearing submissions on Nelson Airport Limited's Private Plan Change 30 and accompanying Notice of Requirement (NOR), and to make recommendations back to the Council.

### 2. Summary

- 2.1 Notification of Nelson Airport Limited's proposal to extend the runway and associated changes to Nelson Resource Management Plan provisions and designation has occurred. The submission period closes 10 July 2023 and consideration needs to be given to hear those submitters wishing to be heard. Council is a major shareholder in Nelson Airport Limited. To avoid a perception of conflict of interest, staff recommend independent commissioners be appointed.

### 3. Recommendation

***That the Council***

1. ***Receives the report Appointment of Commissioners - Nelson Airport Limited (R27769); and***
2. ***Approves the appointment of three independent Commissioners to hear and recommend on submissions received in relation to Private Plan Change 30 and the accompanying Notice of Requirement; and***
3. ***Notes that the Group Manager Environmental Management has delegated authority to select the credentialed Commissioners.***

### 4. Background

- 4.1 Under Section 34A(1) of the Resource Management Act (RMA), Council can delegate its functions, powers, and duties to a Hearings Panel to

## Item 11: Appointment of Commissioners - Nelson Airport Limited

'hear and decide' or 'hear and recommend' on plan changes and other RMA proceedings.

- 4.2 The Council can decide whether the Commissioners for the Hearings Panel are independent or elected members who hold the appropriate accreditation, or a combination. The Chairperson should be someone who has the "chair endorsed" accreditation.
- 4.3 There are no limitations on the number of Commissioners that are appointed to hear a Plan Change. It is preferable to have an uneven number of Commissioners in case there are differences of opinion which can lead to a hung decision (the chair does not have a casting vote under Standing Orders).
- 4.4 For the NOR process Council may recommend to the Requiring Authority (Nelson Airport Limited) that it confirm the requirement, modify the requirement, impose conditions or withdraw the requirement and give reasons for its recommendation. The Requiring Authority decides whether to accept or reject the recommendation in whole or in part. (Sections 170 and 171 of the Resource Management Act).

### **5. Discussion**

- 5.1 Council is a major shareholder in Nelson Airport Limited. To avoid a perception of conflict of interest, staff recommend independent commissioners be appointed. Staff also recommend having three commissioners to ensure a decision can be made at least on a majority opinion.
- 5.2 If the function of the Commissioners is to 'hear and decide', the hearings panel makes the decision on the plan change on behalf of Council. It does not come back to full Council until the decision to make the plan change operative (this function cannot be delegated).
- 5.3 If the function is to 'hear and recommend', the hearings panel will make a well formulated recommendation and Council makes the final decision on the plan change. It is noted that Council, in making its decision, generally cannot deviate from the Hearings Panel's recommendation as it did not hear all the evidence itself. It could refer any matters in contention to another hearing panel in respect of the proceedings, but this would be most unusual and could expose the Council to Judicial Review.

### **6. Options**

The staff recommendation is to delegate under section 34A(1) of the RMA to the hearing panel the functions, powers and duties to hear and recommend outcomes on the plan change and NOR (option 1). Note that all decisions made by Council will be appealable to the Environment Court.

Item 11: Appointment of Commissioners - Nelson Airport Limited

<b>Option 1: Delegate powers and duties to independent Commissioners to hear and recommend outcomes (preferred option)</b>	
Advantages	<ul style="list-style-type: none"> <li>• Submitters will be heard by independent RMA experts with no potential conflict of interest</li> <li>• Council can demonstrate leadership in a regional perspective by retaining the final decision to accept or not accept the recommendations of the Commissioners and release its decision publicly</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• If Councillors or the Council were to make a submission on the proposal, a higher degree of conflict of interest for the final decision could expose Council to risk of Judicial Review</li> </ul>
<b>Option 2: Delegate powers and duties to independent Commissioners to hear and decide the plan change outcomes</b>	
Advantages	<ul style="list-style-type: none"> <li>• Completely independent, conflict free decision making</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Council is not demonstrating an appropriate level of leadership for this regional matter</li> </ul>

## 7. Next Steps

- 7.1 Staff appoint three suitably qualified and experienced independent Commissioners to hear and recommend outcomes on the private plan change and NOR.

**Author: Mandy Bishop, Group Manager Environmental Management**

**Authoriser: Nigel Philpott, Chief Executive**

### Attachments

Nil



## **Important considerations for decision making**

### **Fit with Purpose of Local Government**

The decision supports the planning process requirements (under the Resource Management Act 1991) associated with Nelson Airport Limited's plans for future growth to provide for our region.

### **Consistency with Community Outcomes and Council Policy**

Appointing Commissioners to hear the Private Plan Change 30 and Notice of Requirement submitters and to make recommendations is consistent with community outcomes particularly:

- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement
- Our region is supported by an innovative and sustainable economy

### **Risk**

Given Council is a 50% shareholder of Nelson Airport Limited there is some risk in its involvement in the decision making of this Private Plan Change. The risk is sufficiently mitigated by the recommendation to appoint independent Commissioners and by Council not making a submission on the proposal.

### **Financial impact**

Nelson Airport Limited meet the costs of the Private Plan Change and Notice of Requirement Processes. No additional funding is sought as a consequence of this decision.

### **Degree of significance and level of engagement**

This matter is of low significance because the recommendation to appoint independent Commissioners means the final decision by Council to accept or not accept the recommendations of the Commissioners is wholly based on independent expert advice. The delegation of these powers is provided for under legislation.

### **Climate Impact**

The decision to appoint Commissioners has no impact on climate change.

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

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

### **Delegations**

Officers have delegated authority to appoint independent Commissioner(s) when an application is one which the Council is, or perceived to be, an interested party (RMA6). This matter has been brought to Council for a decision to confirm how it can be appropriately involved in the Private Plan Change and Notice of Requirement processes.