



AGENDA

Ordinary meeting of the

Commercial Subcommittee

**Friday 18 August 2017
Commencing at 9.00am
Council Chamber
Civic House
110 Trafalgar Street, Nelson**

Membership: Mr John Murray (Chairperson), Her Worship the Mayor Rachel Reese, Councillors Luke Acland, Ian Barker, and Mel Courtney and Mr John Peters

Guidelines for councillors attending the meeting, who are not members of the Committee, as set out in Standing Order 12.1:

- All councillors, whether or not they are members of the Committee, may attend Committee meetings
- At the discretion of the Chair, councillors who are not Committee members may speak, or ask questions about a matter.
- Only Committee members may vote on any matter before the Committee

It is good practice for both Committee members and non-Committee members to declare any interests in items on the agenda. They should withdraw from the room for discussion and voting on any of these items.

1. Apologies

- 1.1 An apology has been received from Mr John Peters

2. Confirmation of Order of Business**3. Interests**

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

4. Public Forum**5. Confirmation of Minutes**

- 5.1 27 June 2017 **8 - 14**

Document number M2715

Recommendation

That the Subcommittee

Confirms the minutes of the meeting of the Commercial Subcommittee, held on 27 June 2017, as a true and correct record.

6. Status Report - Commercial Subcommittee - 18 August 2017**15 - 16**

Document number R8204

Recommendation

That the Subcommittee

Receives the Status Report Commercial Subcommittee 18 August 2017 (R8204) and its attachment (A1777192).

7. Chairperson's Report

8. State Advances RFP response - update

Team Leader Property, Peter Hunter will provide a verbal update.

9. Forestry Advisory Group - Revised Terms of Reference

17 - 30

Document number R7620

Recommendation

That the Subcommittee

Receives the report Forestry Advisory Group - Revised Terms of Reference (R7620) and its attachments (A1799225, A1739267, and A1799321).

Recommendation to Council

That the Council

Approves the revised Terms of Reference for the Forestry Advisory Group (Attachment Two, A1739267), noting that the revised Terms of Reference differ from the Council resolution passed on 8 September 2016, which adopted the recommendations of the Forestry Review, in the following manner – The revised Terms of Reference include :

- Delegated powers of the Forestry Advisory Group to recommend to the Commercial Subcommittee (rather than decide) the approval of budgets, and any other matters relating to commercial forestry operations; and***
- Officers having an advisory role only.***

Amends the Delegations Register to include the Forestry Advisory Group as set out in Attachment Three (A1799321).

10. Haven Precinct Redevelopment - 2017/18 Work Programme

31 - 57

Document number R7999

Recommendation

That the Subcommittee

Receives the report Haven Precinct Redevelopment - 2017/18 Work Programme (R7999) and its attachment (A1807600);

Recommendation to Council

That the Council

Approves the refined 'Visions and Goals' for the Haven Precinct;

Visions:

- ***Continuous and Quality Linkages with the Haven Precinct.***
- ***Reasons to visit, spend time, encourages spaces linked to the coastal environment as a whole.***
- ***Port and Marine underpinning the character of the Precincts Seafaring focus.***
- ***Safe, engaging and attractive.***

Goals:

- ***Public Realm within waterfront space.***
- ***Realistic asset retention, reuse and divestment.***
- ***Reasons to visit, spend time, encourages spaces linked to the coastal environment as a whole.***
- ***Development type – mix of public and private commercial opportunities.***
- ***Increased economic and social activity in the area.***

Approves the expenditure of part of the \$50,000 operational budget to produce a Haven Concept - Opportunity Proposal to invited interested parties to discuss options around the Haven Precinct Development area.

PUBLIC EXCLUDED BUSINESS

11. Exclusion of the Public

Recommendation

That the Subcommittee

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

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

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Commercial Subcommittee Meeting - Public Excluded Minutes - 27 June 2017	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	The withholding of the information is necessary: <ul style="list-style-type: none">• Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities.• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
2	Public Excluded Status Report - Commercial Subcommittee - 18 August 2017	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none">• Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities• Section 7(2)(i) To enable the local authority to carry on, without prejudice or

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
			disadvantage, negotiations (including commercial and industrial negotiations)

12. Re-admittance of the public

Recommendation

That the Subcommittee

Re-admits the public to the meeting.

Minutes of a meeting of the Commercial Subcommittee

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

On Tuesday 27 June 2017, commencing at 1.00pm

Present: Mr J Murray (Chairperson), Her Worship the Mayor Reese,
Councillors L Acland and M Courtney, Mr J Peters.

In Attendance: Councillors B Dahlberg, T Skinner, P Matheson and S Walker,
Acting Chief Executive (D Hammond), Group Manager
Infrastructure (A Louverdis), Group Manager Community
Services (C Ward) Manager Administration (P Langley) and
Team Leader Administration Advisers (R Byrne)

Apologies: Councillor I Barker

1. Apologies

Resolved COM/2017/017

That the Subcommittee

***Receives and accepts the apologies from
Councillor Barker.***

Courtney/Acland

Carried

2. Confirmation of Order of Business

The Chair advised there would be a Late Item on the Forestry Advisory
Group Terms of Reference.

3. Interests

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

4. Public Forum

There was no public forum.

5. Confirmation of Minutes

5.1 27 April 2017

Document number M2531, agenda pages 7 - 12 refer.

Resolved COM/2017/018

That the Subcommittee

Confirms the minutes of the meeting of the Commercial Subcommittee, held on 27 April 2017, as a true and correct record.

Courtney/Murray

Carried

6. Status Report - Commercial Subcommittee - 27 June 2017

Document number R7945, agenda pages 13 - 14 refer.

Resolved COM/2017/019

That the Subcommittee

Receives the Status Report Commercial Subcommittee 27 June 2017 (R7945) and its attachment (A1777192).

Peters/Courtney

Carried

7. Forestry Update report - June 2017

Document number R7813, agenda pages 15 - 29 refer.

Group Manager Infrastructure, Alec Louverdis introduced Peter Gorman, Council's forestry consultant. Mr Louverdis noted the report was an interim report to the Commercial Subcommittee as the Forestry Advisory Group Terms of Reference were not yet confirmed. Mr Louverdis and Mr Gorman answered questions on the portfolio.

Attendance: Her Worship the Mayor entered at 1.17pm.

Resolved COM/2017/020

That the Subcommittee

Receives the report Forestry Update report - June 2017 (R7813) and its attachments (A1771554; A1561381); and

Notes the progress undertaken to date on matters relating to the forestry portfolio and the Emissions Trading Scheme.

Peters/Courtney

Carried

Recommendation to Council COM/2017/021

That the Council

Confirms that block BROOK-22.02 be harvested if economically feasible.

Acland/Peters

Carried

Late Item - Term of Reference for Forestry Advisory Group.

The Chair noted that a procedural resolution was required in order for the Subcommittee to consider this matter.

Resolved COM/2017/022

That the Subcommittee

Considers the item regarding Forestry Advisory Group Terms of Reference at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable a timely decision to be made.

Her Worship the Mayor/Courtney

Carried

Attachments

- 1 A1786327 Late Item - Forestry Advisory Group Term of Reference 27Jun2017

Manager Administration, Penny Langley, explained that at the last meeting the Terms of Reference for the Forestry Advisory Group was left to lie. The Subcommittee were asked to approve the Terms of Reference and amend the Delegations Register to reflect this approval.

Group Manager Infrastructure, Alec Louverdis advised that Council had, by resolution, specifically given the Forestry Advisory Group the ability to approve budgets and any other matters in relation to forestry operation.

The Chair noted that there was some confusion on where approval of the Terms of Reference should sit and asked that the matter be deferred to the next meeting and that officers provide a comprehensive report and consult with members of the committee to address any concerns.

Resolved COM/2017/023

That the Subcommittee

Leaves the item Forestry Advisory Group Terms of Reference to lie on the table and not be further discussed at this meeting; and

Requests officers to provide a comprehensive report to address members' concerns and that this and Report R7509 be brought to the Commercial Subcommittee meeting to be held on 18 August 2017.

Peters/Courtney

Carried

8. Capital Expenditure Programme 2016-17 - Requests for change

Document number R7606, agenda pages 30 - 32 refer.

Group Manager Infrastructure, Alec Louverdis, presented the report.

Resolved COM/2017/024

That the Subcommittee

Receives the report Capital Expenditure Programme 2016-17 - Requests for change (R7606).

Courtney/Peters

Carried

Recommendation to Council COM/2017/025

That the Council

Approves, with respect to project 2570 Smart Building Improvements, that \$48,000 of current year budget be transferred to 2017-18; and

Approves, with respect to project 1198 Civic House capital programme, that \$326,000 of current year budget be transferred to 2017-18.

Courtney/Peters

Carried

Commercial Subcommittee Minutes - 27 June 2017

9. Referred report - Brook Valley Holiday Park Opening - Review

Document number R7919, agenda pages 33 - 40 refer.

Group Manager Community Services, Chris Ward presented the report.

Resolved COM/2017/026

That the Subcommittee

Receives the report Referred report - Brook Valley Holiday Park Opening - Review (R7919) and its attachment (R7266).

Her Worship the Mayor/Acland

Carried

10. Exclusion of the Public

Resolved COM/2017/027

That the Subcommittee

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

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

Courtney/Peters

Carried

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Commercial Subcommittee Meeting - Public Excluded Minutes - 27 April 2017	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities. Section 7(2)(i) To enable the local authority to carry on, without prejudice or

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
			disadvantage, negotiations (including commercial and industrial negotiations). <ul style="list-style-type: none"> Section 7(2)(j) To prevent the disclosure or use of official information for improper gain or improper advantage.
2	Campground review - additional information	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
3	Public Excluded Status Report - Commercial Subcommittee - 27 June 2017	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities

The meeting went into public excluded session at 2.10pm and resumed in public session at 2.42.

11. Re-admittance of the Public

Resolved COM/2017/028

That the Subcommittee

Re-admits the public to the meeting.

Her Worship the Mayor/Peters

Carried

There being no further business the meeting ended at 2.42pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Status Report - Commercial Subcommittee - 18 August 2017

1. Purpose of Report

- 1.1 To provide an update on the status of actions requested and pending.

2. Recommendation

That the Subcommittee

Receives the Status Report Commercial Subcommittee 18 August 2017 (R8204) and its attachment (A1777192).

Attachments

Attachment 1: A1777192 - Commercial Subcommittee Status Report - 18 August 2017 [↓](#)

Status Report - Commercial Subcommittee – 18 August 2017

MEETING DATE	SUBJECT	MOTION	RESPONSIBLE OFFICER	COMMENTS
27 June 2017	Forestry Advisory Group TOR - Item of business to lie on the table	Resolved COM/2017/023 That the Subcommittee <u>Leaves</u> the item Forestry Advisory Group Terms of Reference to lie on the table and not be further discussed at this meeting; and <u>Requests</u> officers to provide a comprehensive report to address members' concerns and that this and Report R7509 be brought to the Commercial Subcommittee meeting to be held on 18 August 2017.	Alec Louverdis	A report on the Terms of Reference is part of this agenda. Complete

Forestry Advisory Group - Revised Terms of Reference

1. Purpose of Report

- 1.1 To consider and recommend to Council revised Terms of Reference (TOR) for the Forestry Advisory Group (Group).

2. Recommendation

That the Subcommittee

Receives the report Forestry Advisory Group - Revised Terms of Reference (R7620) and its attachments (A1799225, A1739267, and A1799321).

Recommendation to Council

That the Council

Approves the revised Terms of Reference for the Forestry Advisory Group (Attachment Two, A1739267), noting that the revised Terms of Reference differ from the Council resolution passed on 8 September 2016, which adopted the recommendations of the Forestry Review, in the following manner – The revised Terms of Reference include :

- Delegated powers of the Forestry Advisory Group to recommend to the Commercial Subcommittee (rather than decide) the approval of budgets, and any other matters relating to commercial forestry operations; and***
- Officers having an advisory role only.***

Amends the Delegations Register to include the Forestry Advisory Group as set out in Attachment Three (A1799321).

3. Background

- 3.1 In 2015, Council, through the Commercial Subcommittee, undertook a review of forestry activities.
- 3.2 In August 2016, the Commercial Subcommittee received the Forestry Review, and recommended to the Governance Committee and Council the adoption of all 15 recommendations included in the review, with the sole change being a change in name of the proposed group to oversee forestry activities from the Forestry Governance Committee to the Forestry Advisory Group (Group).
- 3.3 On 8 September 2016, Council subsequently passed a resolution agreeing to all 15 recommendations set out in the Forestry Review. One of the recommendations of the Forestry Review confirmed by Council was:

"That the Council

Agrees to establish a Forestry Advisory Group reporting to the [Commercial sub-committee or its successor] with respect to forestry management, comprising 2 Councillors, 2 staff members, and an external forestry expert; with delegated authority to approve forestry and harvesting management strategy and plans, engage contractors, approve budgets and decide any other matters relating to commercial forestry operations".

- 3.4 A report was brought to the 27 April 2017 Commercial Subcommittee to recommend to Council the establishment of the Forestry Advisory Group and its draft Terms of Reference (draft ToR). The Subcommittee approved establishment of the Group (which was subsequently confirmed by Council), but raised several issues with the draft ToR. The draft ToR were left to lie on the table.
- 3.5 The draft ToR were brought to the 27 June 2017 Commercial Subcommittee meeting - included as Attachment One (A1799225).
- 3.6 The Subcommittee requested a full report to the next meeting of the Commercial Subcommittee, addressing the issues raised at the 27 April 2017 Commercial Subcommittee regarding the draft ToR.
- 3.7 In broad terms, the issues raised at the 27 April 2017 Commercial Subcommittee meeting were:

3.7.1 Delegations:

The draft ToR for the Group stated that the Group would report to the Commercial Subcommittee. However, the draft ToR also confirmed decision-making powers for the Group, which was greater than the powers of the Commercial Subcommittee (which

currently has no powers to decide, and may only recommend matters to Council);

3.7.2 Membership:

The proposed membership of the Group included two councillors, two Council officers and an external consultant. A question was raised as to whether it was appropriate for Council officers to be members of a group with decision-making powers;

3.7.3 Administrative Matters:

Questions were raised regarding the proposed quorum for the Group, record keeping of Group decisions, and review of the Group's activities.

- 3.8 Each of these issues is discussed in turn below. Revised Terms of reference (revised ToR) are also included as Attachment 2 (A1739267).

4. Discussion

Delegations

- 4.1 One of the main concerns raised by the Commercial Subcommittee on the 27 April 2017 was that the draft ToR for the Group had greater powers to decide than the Commercial Subcommittee to which it reported.
- 4.2 It is unusual for a subordinate decision-making body to have greater powers to decide than the Committee or Subcommittee to which it reports. However, there is nothing in the Local Government Act 2002 to preclude Council from providing a subordinate decision-making body greater powers in specified cases than the Committee or Subcommittee to which they report.
- 4.3 For example, Council has previously adopted this model through the granting of decision-making powers to the Community Investment Funding Panel, which reports to the Community Services Committee. The Community Investment Funding Panel has full powers to decide the allocation of Community Investment Funding, whereas the Community Services Committee does not have any powers to decide in relation to this matter.
- 4.4 The powers to decide included in the draft ToR as presented to the Commercial Subcommittee on 27 April 2017 and 27 June 2017 reflect Council's intent that the Group have broad decision-making powers. The powers to decide also reflected the outcomes of the Forestry Review, which included:
- 4.4.1 Formation of the Group to provide governance oversight of all operational matters, to ensure the appropriate management of the forestry portfolio; and

- 4.4.2 Recognition that forestry matters are complex and require forward planning. Inclusion of powers to decide for the Group allowed for the streamlining of planning and operational matters.
- 4.5 The Commercial Subcommittee has the right to consider and recommend revised ToR to the Council for approval.
- 4.6 It is open to the Commercial Subcommittee to recommend to Council revised ToR with no decision-making powers. However, this would mean that every recommendation of the Group would result in a recommendation to the Commercial Subcommittee, and a subsequent recommendation to Council. This could lead to delays in decision-making of six to nine weeks, and could have unintended consequences for matters requiring a quick response.
- 4.7 The revised ToR (included as Attachment 2) seek to strike a balance between matters for which technical knowledge and responsive decision making are imperative, and those for which a delay while the Commercial Subcommittee and Council consider matters may be warranted. The revised ToR include powers to decide for:
 - 4.7.1 Forestry and harvesting management plans as prepared by the Forestry contractor and endorsed by the independent forestry external expert; and
 - 4.7.2 Engagement of consultants required to undertake all works necessary to guide recommendations to the Commercial Subcommittee and Council.
- 4.8 All remaining matters, including the power to approve forestry-related budgets and to decide on any matters relating to continuing commercial forestry operations, have been altered to be powers to recommend to the Commercial Subcommittee (and on to Council). An example of where the Group would make a recommendation to the Commercial Subcommittee (and on to Council) would be whether to join the Forestry Accreditation Scheme.
- 4.9 Officers consider that:
 - 4.9.1 This mix of powers to decide and powers to recommend will streamline operational decision making and will address the Commercial Subcommittee's concerns about the Group making decisions relating to commercial matters; and
 - 4.9.2 Including a forestry expert as part of the Group's membership, coupled with having an established, experienced forestry contractor in place, means that powers to decide on matters relating to forestry and harvesting management plans will be made with appropriate technical knowledge.

Membership

- 4.10 A question was raised at the 27 April 2017 Commercial Subcommittee meeting regarding the proposed membership of the Group, and in particular, the inclusion of Council officers on a subordinate decision-making body with decision-making powers.
- 4.11 There is nothing in the Local Government Act 2002 to prevent Council officers being members of a subordinate decision-making body with decision-making powers. The Local Government Act prevents the appointment of Council officers to Council committees, but expressly does not extend this restriction further to subcommittees or other subordinate decision-making bodies.
- 4.12 At the meeting of 27 April 2017, it was suggested that her Worship the Mayor be added to the Group, to increase governance oversight. On 4 May 2016, Council resolved to establish the Group, and confirmed the membership of the Group. The Group's membership comprises of two elected members (Her Worship the Mayor and Councillor Acland), the Chair of the Commercial Subcommittee, two Council officers (one being the Group Manager Infrastructure) and an independent forestry expert.
- 4.13 Officers do not recommend any changes to the Group membership, as this was already confirmed by Council on 4 May 2017. However, it is noted that the main role of the officers, as well as the independent forestry expert, is to provide advice to the Group.

Administrative Matters

- 4.14 Other issues raised as concern at the 27 April 2016 meeting included:
- Whether meetings of the Group would be formally minuted, whether agendas would be issued and whether standing orders would apply - The revised ToR (attachment 2) clarifies that formal agendas, including written reports from officers, will be prepared in advance of all meetings. All meetings will be formally minuted, and standing orders will apply. Meetings will be publicly notified, however there will be no public forum;
 - Having a review date after three years from date of adoption - Officers suggest an appropriate time for review is at the end of the triennium and have incorporated this into the attached revised ToR;
 - Quorum for the Group – the draft Tor originally suggested a quorum of three, including the Chair of the Commercial Subcommittee and an elected member. However, it is also appropriate, for meetings to be meaningful, that both an officer and the independent forestry expert should be in attendance to offer advice. A quorum of four is appropriate and has been included in the attached revised ToR.

5. Options

- 5.1 The Subcommittee has several options to recommend to Council. Either:

- Approve the revised TOR for the Group; or
- Suggest changes to the revised TOR for the Group; or
- Not approve the revised TOR.

5.2 Officers recommend that the Subcommittee approve the attached revised TOR for recommendation to Council.

Option 1 (Preferred): Approve the revised ToR or amend the revised ToR	
Advantages	<ul style="list-style-type: none"> • Opportunity for effective oversight in relation to the forestry activity.
Risks and Disadvantages	<ul style="list-style-type: none"> • Additional Council resources required. • Amending the revised TOR will not align with the Forestry Review recommendations
Option 2: Do not approve the revised ToR	
Advantages	<ul style="list-style-type: none"> • Resourcing involved in operating the group would not be required.
Risks and Disadvantages	<ul style="list-style-type: none"> • The forestry activity continues without the benefit of the Group's involvement. • Does not align with the Forestry Review recommendations.

5.3 An alternative course of action could be for Council to extend the Commercial Subcommittee's delegations to include powers to decide for specific matters relating to commercial forestry, including approval of forestry related budgets and to decide on any matters relating to continuing commercial forestry operations. However, this would be a decision for Council to make.

Alec Louverdis
Group Manager Infrastructure

Attachments

Attachment 1: A1799225 - Forestry Advisory Group draft Terms of Reference considered by Commercial Subcommittee 27 April 2017 [↓](#)

Attachment 2: A1739267 - Forestry Advisory Group revised Terms of Reference [↓](#)

Attachment 3: A1799321 - Draft Delegations Register amendment to include Forestry Advisory Group [↓](#)

Important considerations for decision making	
1. Fit with Purpose of Local Government	This decision will support the effective and efficient management of Council's production forest to maximise returns to the ratepayers.
2. Consistency with Community Outcomes and Council Policy	<p>The recommendation aligns with the following Community Outcomes:</p> <ul style="list-style-type: none"> - Our Council provides leadership and fosters partnerships, a regional perspective and community engagement; and - Our region is supported by an innovative and sustainable economy
3. Risk	The establishment of the Group will reduce risk to Council.
4. Financial impact	The establishment of the Group will result in a small administrative cost which can be met through existing resourcing.
5. Degree of significance and level of engagement	This matter is of low significance.
6. Inclusion of Māori in the decision making process	Māori have not specifically been consulted on this report.
7. Delegations	The Commercial Subcommittee is responsible for making recommendations to Council in relation to the forestry activity.

Forestry Advisory Group

Draft Terms of Reference

1. Purpose

The formation of the Forestry Advisory Group (Group) was agreed as part of the Forestry Review approved by the Commercial Sub-committee on the 4 August 2016, Governance Committee on the 25 August 2016 and Council on the 8 September 2016.

The Terms of Reference were agreed by the Commercial sub-committee on the xxxx 2017 and by Council on the xxxx 2017.

The purpose of the Group is to maintain oversight and to make decisions relating to the forestry activity.

2. Membership

The Group comprises the Chair of the Commercial Sub-committee (Mr John Murray), Councillor Acland, two Council officers of which one will be the Group Manager Infrastructure and an independent external forestry expert (currently Mr Peter Gorman).

The Group will meet every 3 months (or more or less frequently if required). The chair will be the Chair of the Commercial Sub-committee.

3. Quorum

A quorum for any meeting will be 3, including both the Chair of the Commercial Sub-committee and Councillor Acland.

4. Areas of Responsibility

The Group's areas of responsibilities are to maintain oversight of all matters relating to the commercial forestry operational portfolio including environmental issues.

All media releases will come from the Chair who will liaise with Council's Communications team as required.

A1739267

5. Powers to decide

This Group has powers to:

1. In accordance with Council's Annual Plan and Long Term Plan:
 - a. Approve forestry and harvesting management strategy and plans;
 - b. Approve the engagement of contractors/consultants and forestry tenders;
 - c. Approve forestry related budgets;
 - d. Decide on any matters relating to continuing commercial forestry operations.

6. Powers to recommend

Powers to recommend will include any actions relating to the oversight of all matters relating to the commercial forestry portfolio, falling outside the powers to decide. All minutes will be reported to the Commercial Sub-committee.

7. Role of staff

Officers and the Independent forestry expert will provide technical and financial expertise and an update of project risks.

All meetings and decisions will be minuted.

8. Conflicts of Interest

Conflicts of interest shall be declared at the start of meetings.

9. Reporting

The provisions of the Local Government Official Information and Meetings Act 1987 (Part 7) applies to meetings of the Forestry Advisory Group.

10. Review Period

The Advisory Group will be reviewed every 5 years.

A1739267

Forestry Advisory Group

Revised Terms of Reference

1. Purpose

The formation of the Forestry Advisory Group (Group) was agreed as part of the Forestry Review approved by the Commercial Subcommittee on the 4 August 2016, Governance Committee on the 25 August 2016 and Council on the 8 September 2016.

The Committee membership was approved by the Commercial Subcommittee on the 27 April 2017 and Council on 4 May 2017.

The purpose of the Group is to:

- a. Maintain oversight (ie ensure that works are being undertaken in line with sound management practices) on all matters relating to the forestry portfolio operations;
- b. Focus on effective management of forestry in conjunction with governance oversight;
- c. To recommend decisions relating to the forestry activity to the Commercial Subcommittee who will make recommendations to Council.

The Terms of Reference were agreed by the Commercial sub-committee on the xxxx 2017 and by Council on the xxxx 2017.

2. Membership

The Group comprises Her Worship the Mayor, the Chair of the Commercial Subcommittee (Mr John Murray), Councillor Acland, supported by two Council officers of which one is the Group Manager Infrastructure, and an independent external forestry expert (currently Mr Peter Gorman).

Membership is summarised below:

Chair	Commercial Subcommittee Chair (currently John Murray)	Decision maker
Elected members	Her Worship the Mayor and Councillor Luke Acland	Decision maker

A1739267

Officers	Group Manager Infrastructure and one other (currently vacant)	To provide advice
Independent forestry expert	Currently Peter Gorman	To provide advice

Officers and the independent forestry expert will only provide advice to the Group and not be part of any decision making.

The Group will meet every 3 months (or more or less frequently if required).

The appointment of members to the Group is not covered by Council's Selection, Appointment and Remuneration Policy for External Appointees.

3. Quorum

The quorum for any meeting will be 4, being the Chair of the Commercial Subcommittee, one elected member, one Council officer and the independent forestry expert.

4. Areas of Responsibility

The Group's areas of responsibilities are to maintain oversight of all matters relating to the commercial forestry operational portfolio including environmental issues.

All media releases will come from the Chair who will liaise with Council's Communications team as required.

Commercial forestry is defined as Council's productive *pinus radiata* forests (around 500 Ha) spread across four main blocks in the Brook, Maitai, Marsden and Roding catchments.

5. Powers to decide

Powers to decide in order to ensure operational continuity to include:

- Forestry and harvesting management plans (including replanting) as prepared by the Forestry contractor and endorsed by the independent forestry external expert;
- Engagement of consultants required to undertake all works necessary to guide recommendations to the Commercial Subcommittee and Council.

A1739267

6. Powers to recommend

Powers to recommend **to the Commercial Subcommittee (and onto Council)** will include **all** actions relating to the oversight of all other matters relating to the commercial forestry portfolio, falling outside the powers to decide, in accordance with Council's Annual Plan and Long Term Plan as follows:

- a. Approve forestry related budgets;
- b. Decide on any matters relating to continuing commercial forestry operations.

7. Role of staff

Officers and the independent forestry expert will provide technical and financial expertise and an update of project risks.

All meetings and decisions will be minuted and reported to the Commercial Subcommittee.

8. Conflicts of Interest

Conflicts of interest shall be declared at the start of meetings.

9. Reporting and Administration

The provisions of the Local Government Official Information and Meetings Act 1987 (Part 7) applies to meetings of the Forestry Advisory Group.

This means that:

- Meetings will be publicly notified (however there will be no public forum);
- Formal agendas will be prepared, and minutes of meetings taken; and
- Standing order will apply to all meetings.

10. Review Period

The Advisory Group will be reviewed **at the end of each triennium.**

A1739267

DRAFT Delegations Register Amendment

1.0 Commercial Subcommittee

1.1 This is a subcommittee of Council

1.1.1 Areas of Responsibility

- Strategic governance, advice and direction to ensure the maximisation of Council's property portfolio (i.e. property not held to support core functions) and forestry (note - matters relating to commercial forestry operational portfolio are delegated to the Forestry Advisory Group).
- Ensuring that operational strategies and the capital works programme within the property portfolio support the return on investment targets
- Identifying and mitigating financial and operational risk for the property portfolio
- Developing, implementing and monitoring Council Policy in relation to the property portfolio
- Budget establishment, forecasting and proactive management of tenants

1.1.2 Powers to Decide

- None

1.1.3 Powers to Recommend to Council

- Any matters within the areas of responsibility or such other matters referred to it by the Council

2.0 Forestry Advisory Group

2.1 This is a subordinate decision making body that reports to the Commercial Subcommittee

2.1.1 Areas of Responsibility:

- All matters relating to the commercial forestry operational portfolio including environmental issues.

2.1.2 Powers to Decide:

- In accordance with Council's Annual Plan and Long Term Plan:
 - Approval of forestry and harvesting management strategy and plans;
 - Approval of the engagement of contractors/consultants and forestry tenders.

2.1.3 Powers to Recommend to Commercial Subcommittee:

- Any actions relating to the oversight of all matters relating to the commercial forestry portfolio, falling outside the powers to decide, including:
 - Approval of forestry related budgets; and
 - Any other matters relating to continuing commercial forestry operations.

Haven Precinct Redevelopment - 2017/18 Work Programme

1. Purpose of Report

- 1.1 To confirm investigation work and production of a Haven Concept – Opportunity Proposal can be undertaken in the 2017/18 financial year utilising part of the operational budget of \$50,000 provided in the adopted Annual Plan.

2. Recommendation

That the Subcommittee

Receives the report Haven Precinct Redevelopment - 2017/18 Work Programme (R7999) and its attachment (A1807600);

Recommendation to Council

That the Council

Approves the refined 'Visions and Goals' for the Haven Precinct;

Visions:

- ***Continuous and Quality Linkages with the Haven Precinct.***
- ***Reasons to visit, spend time, encourages spaces linked to the coastal environment as a whole.***
- ***Port and Marine underpinning the character of the Precincts Seafaring focus.***
- ***Safe, engaging and attractive.***

Goals:

- ***Public Realm within waterfront space.***

- ***Realistic asset retention, reuse and divestment.***
- ***Reasons to visit, spend time, encourages spaces linked to the coastal environment as a whole.***
- ***Development type – mix of public and private commercial opportunities.***
- ***Increased economic and social activity in the area.***

Approves the expenditure of part of the \$50,000 operational budget to produce a Haven Concept - Opportunity Proposal to invited interested parties to discuss options around the Haven Precinct Development area.

3. Outcome of 27 June workshop

- 3.1 The 27 June 2017 workshop provided a level of direction and support for the Haven Precinct project continuing.
- 3.2 There was support for ensuring the Haven is recognised for its place as a ***destination by the sea with a hospitality focus*** and ***finding and celebrating its point of difference*** and meeting the Council's **Visions and Goals** for the Haven Precinct.
- 3.3 During the 27 June 2017 workshop the general consensus reached was a need to undertake further investigative work. This would include investigating market interest and potential developer partnering options. The aim of this being to promote potential development opportunities within the Haven precinct project.
- 3.4 There was also consensus reached on the following specific areas;
- The Maitai shared path continued to include access into the Haven Precinct.
 - Demolition of the ex-Four Seasons Building.
 - Commence work on the investigations for the other strategic assets within the Haven Precinct.
- 3.5 The workshop discussions included prioritisation around key assets in the 2017/18 financial year, these are outlined below;
- Plant and Food Building (300 Wakefield Quay); High Priority - Investigate the Plant and Food buildings condition and the foreshore

area to ascertain any potential constraints on the future use of the building and the potential for development of the site and extending over the foreshore.

- Anchor Building (258 -262 Wakefield Quay); High Priority – Investigate market interest in the lease options for the building as is or if upgraded to gauge best value proposition.
- Ex-Four Seasons (250 Haven Road); High Priority – Prepare for the demolition of this building to provide space for increasing the car parking provision in the Precinct.
- Ex-Reliance Building (236 Haven Road); Medium Priority – investigate market interest and lease options for the building as is or with a smaller footprint and a higher new building standard rating in regard to earthquake performance.

Visions and Goals

- 3.6 The Visions and Goals were reviewed to check these are still supported as a result these have been refined below;

'VISIONS' Refined	'GOALS' Refined
Continuous and Quality Linkages with midway destinations the Haven Precinct	Public Realm within waterfront space
Reasons to visit, spend time, encourages spaces linked to the coastal environment as a whole	Realistic aspirations on asset retention, and reuse of assets and <u>divestment</u>
Port and Marine underpinning the character of the Precincts Seafaring focus	Development type – mix of public and private commercial opportunities
Safe, engaging and attractive <u>gateway</u>	Increased economic <u>and social</u> activity in the area

Information review and preparation of a Haven Concept - Opportunity Proposal

- 3.7 Discussions during the workshop indicated the desire to explore market and developer partnering interest for the Haven Precinct development project. One method of achieving this would be to produce a Haven Concept - Opportunity proposal for release to these markets. An example of a similar proposal has been attached to this report for reference (refer Attachment 1).

- 3.8 The opportunity proposal would provide information around the Haven Precinct, including the key sites and findings to date and include draft concepts from prior works undertaken last year.
- 3.9 Council would procure the services of a suitably experienced company to collate and produce this document.
- 3.10 Permission to engage with stakeholders and the public would be sought from Council prior to the release of the opportunity proposal to the market.
- 3.11 Council will use the opportunity proposal to test, elicit and verify interest from the national developer market on the precinct as a whole, or in part. The opportunity proposal is intended to open the door to interested parties to make contact and discuss opportunities.
- 3.12 Cost Allowance – up to \$50,000 of the operational budget in 2017/18.

Indicative Timeline

- 3.13 The table provides the indicative timeline for the work;

Indicative timeline	Action
18/08/2017	Investigations around Plant and Food Building commence to update and inform the opportunity proposal
21/09/2017	Council endorsement to produce opportunity proposal received
30/10/2017	Complete the procurement of the consultant to undertake the preparation of the opportunity proposal
30/11/2017	Engagement undertaken with stakeholders and public prior to release
4/12/2017	Release opportunity proposal to the market
02/02/2017	Commence discussions with interested parties

Capital expenditure

- 3.14 The 2017/18 adopted Annual Plan has approved \$550,000 of capital expenditure to support potential initiation work packages.
- 3.15 With the development market interest determined, a whole of site or partial site approach can be explored and work packages can be planned.

4. Options

4.1 The table below sets out the options for consideration;

Option 1: To accept the expenditure to produce the Haven Concept - Opportunity Proposal	
Advantages	<ul style="list-style-type: none"> • Reconfirms the Council's continuing commitment to the development project • Builds national interest in the area • Seeks information around commercial interest and opportunities in the development space • Determines interest from the developer market in the Haven Precinct before any works are undertaken • Cost implication for the Information Brochure is not significant and will enable better strategic planning
Risks and Disadvantages	<ul style="list-style-type: none"> • The public may perceive this as more investigation instead of physical work
Option 2: To reject the production of the Haven Concept – Opportunity Proposal and instruct officers to explore physical work packages to key assets	
Advantages	<ul style="list-style-type: none"> • Gets initial physical works commencing on site • Builds local interest in the area
Risks and Disadvantages	<ul style="list-style-type: none"> • Will incur significant cost • May set an expectation that other works will follow while at this stage these works are undecided • May turn off developer interest and close down potential opportunities

5. Conclusion

5.1 The Haven Concept - Opportunity Proposal will provide a means to gain essential feedback from the developer market and potentially open up other options for the Haven Precinct development. Any further options can be added to the information obtained last year and will provide a better perspective of how the Precinct can be developed.

Martin Brown
Manager Building

Attachments

Attachment 1: A1807600 Coromandel Harbour Facilities Development Project
Example Document 03August2017 [↓](#)

Important considerations for decision making	
1. Fit with Purpose of Local Government	Exploring developer interest allows a better understanding of options to develop infrastructure and services at the Haven Precinct in an effective manner.
2. Consistency with Community Outcomes and Council Policy	<p>The proposal contributes to the following community outcome: 'Our urban and rural environments are people-friendly, well planned and sustainably managed', and 'Our communities are healthy, safe, inclusive and resilient'</p> <p>The proposal is also consistent with Nelson 2060, Goal Seven states "<i>Our economy thrives and contributes to a vibrant and sustainable Nelson</i>".</p>
3. Risk	<p>There could be minor risk the information brochure is seen as more reporting over actual physical work.</p> <p>Physical work is unlikely to be undertaken in 2017/18</p> <p>Sharing information with the public will develop expectations for the Haven.</p>
4. Financial impact	There is financial expenditure required to commence the project and better validate and verify the direction of the Precinct Development project moving forward. The adopted Annual Plan 2017/18 has \$50K Operational Expenditure and \$550K of Capital Expenditure allowed.
5. Degree of significance and level of engagement	This matter is considered of low to medium significance, engagement will be required to update the public and stakeholders of the progress of this project.
6. Inclusion of Māori in the decision making process	Maori have not been specifically consulted on this report.
7. Delegations	The Commercial Subcommittee has the delegation to make recommendations to Council on matters around strategic governance and direction to ensure the maximisation of Council's property portfolio.





Page 3 | Coromandel Harbour Facilities Development Project - Partnership Proposal

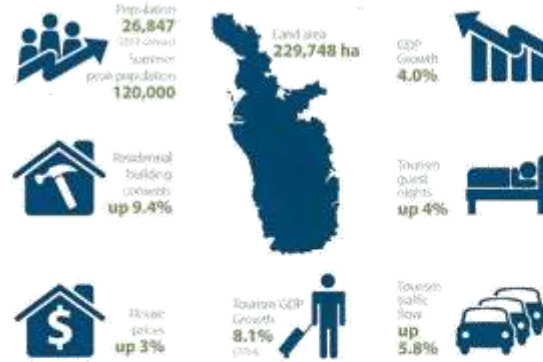
GETTING TO COROMANDEL TOWN

30 
Auckland - Coromandel Town
30 minutes - Flying
Auckland Airfield, Auckland to Coromandel Town


Auckland - Coromandel Town
2 hours 38 minutes - Driving
Auckland central to Coromandel Town


Auckland - Coromandel Town
2 hours - Ferry (current)
Tauranga ferry option 1 hour 20 minutes
Auckland via Tauranga to Coromandel Town

THAMES-COROMANDEL DISTRICT (Year to June 2015)



Produced by Thames-Coromandel District Council November 2015

A Partnership for Our Future: WELCOME FROM THE MAYOR AND CEO



The clear waters lapping Coromandel's coastline are the key to us reaching our potential. Tourism and the aquaculture industry are already among the largest employers in the Thames-Coromandel District and both have significant growth prospects. Tourism accounts for 7.2 percent of GDP and over 25 percent of employment in the region. Guest nights are up 4 percent and traffic flow is up more than 5 percent. Similarly, the aquaculture industry employs 297 direct and 432 indirect jobs in the Waikato. It is vital that the district protects these two important industries and grows them for the future prosperity of its people.

Unfortunately, the existing facilities in Coromandel Harbour are unable to support that growth. For years now, the aging wharfs and boat ramps have limited our ability to grab opportunities to grow. The Thames-Coromandel District Council (TCDC) has a responsibility to address those issues and we need to do it soon.

We want to enable fast ferries to bring more people directly from Auckland along what we call the "Blue Highway". Opening this

gateway to the district will mean we can attract more visitors, build more tourism businesses and provide a commuter option for people who want to live, work and play here. We must upgrade the facilities at Sugarloaf Wharf so the aquaculture industry can grow, employ more of our people and draw more business into our district. All of these things will build resilience into our local, regional and national economies. No doubt the Coromandel Harbour Facilities Development project will provide local benefits but it will also provide a springboard for growing the economies of our neighbours and New Zealand as a whole.

Undertaking a project of this scale is beyond the resources of our community alone. We've put in an enormous effort getting the project to this stage, we know what we need to do – but we need strong partners to get there.

Mayor of Thames-Coromandel District, Glenn Leach



The Coromandel Harbour Facilities Development project is a regional-scale transformational project. Through the project we intend to retain the natural mauri of this special place and make a significant contribution to the aquaculture and tourism industries' strategic growth plans.

While we understand there are complexities, TCDC is dedicated to the project because it will benefit its people, its economy and preserve the recreational activities that make living here so extraordinary.

The Harbour's assets are no longer fit-for-purpose and seriously limit our district's economic growth; a "do nothing" approach is definitely not an option.

This project offers significant opportunities to potential partners. The development of Harbour facilities, particularly the Inner Harbour at Coromandel Town, will create a number of attractive commercial possibilities and broader economic gains for iwi, Central Government, Local Government and the private sector. While we know what needs to be done, we are looking for expressions of interest from funding partners so we can implement a "whole of Harbour" solution.

Chief Executive, Thames-Coromandel District Council, David Hammond

Building on a Legacy: PROJECT HISTORY

Coromandel Harbour has always been a trading gateway. Earliest records for European industry date back to 1795 and for Māori the relationship with the Coromandel goes back further than that. The Harbour has subsequently supported a range of sea and land-based industries including aquaculture and tourism. It has long been a favourite holiday destination for people from nearby Auckland and the Waikato, providing the perfect playground for fishing, sailing and diving.

The pressure on the existing wharf facilities has been steadily increasing. From as far back as 1929 the aquaculture industry, charter boat operators and recreational fishers have been recorded as describing the facilities as needing attention. These suboptimal facilities have created safety issues, compromised commercial operations and limited opportunities for employment growth.

A lack of all-tide access has seriously impacted on recreational fishers and charter boats, and has meant that the ferry services have been forced to dock at Hannaford's Wharf, almost 50 kilometres away from the Coromandel Town.

In the last five years, TCDC has undertaken a significant body of work to assess the needs of Harbour users and the broader community. TCDC has invested more than \$850,000 undertaking technical and feasibility studies to assess a range of possible options, including a development proposal related to a Coromandel Pier and various Furey's Creek options.¹

In August 2015, TCDC resolved to push ahead with building partnerships to support the development of a "whole of Harbour" solution that focuses on three complementary developments:

1. An Inner Harbour development at Coromandel Wharf, creating a channel and marine basin that allows for all-tide trailer boat access, fast ferry docking and on-shore facilities; and
2. Further development of Sugarloaf Wharf through a commercial arrangement with the aquaculture operators to support the Industries S18 export plans.
3. Investigating the potential to increase access for recreational fishers and charter boat operators under the existing consents at Furey's Creek.

¹ Further detailed information on the range of options is available at www.tcdc.govt.nz/coromandelharbourproject



IN THE DAYS OF THE GOLD BOOM AT COROMANDEL.
The animated scene at "Acquisition" Wharf, Coromandel, on May 24, 1897, where stage coaches were preparing to leave for the goldfields.
Image kindly supplied by Alexander Turnbull Library





A Harbour for the Future: PROJECT OVERVIEW

The benefits of the Coromandel Harbour Development project will be enjoyed for generations to come.

It will **create more jobs** through increased tourism and aquaculture; **attract more permanent residents** by making commuting to Auckland easier; creating more tourism-based jobs and business opportunities; and **improving Harbour facilities** that service all Harbour users. This will enable a faster ferry service of approximately 1 hour, 20 minutes from Auckland to Coromandel Town on the **Blue Highway**.

Achieving these goals will require a whole of Harbour approach, with co-operation from multiple users such as iwi, recreational fishers, commercial operators and residents, land owners, central and local government along with project funders.

The analysis undertaken by TCDC, which will be made available to potential funding partners, demonstrates that development of both the Inner Harbour and the Sugarloaf Wharf will meet the needs of the biggest range of present and future stakeholders.

The whole of Harbour solution is estimated to cost between \$50M and \$60M. Any TCDC investment needs to be affordable for the ratepayers of today and sustainable for those of the future. We know we can't fund the development ourselves and will need investment support from external sources.

The Coromandel Harbour Facilities Development Project has significant regional and national benefits. We expect this project will be an attractive investment for the private sector, local

government and central government. We are seeking funding commitments from across the public and private sectors so that the proposed solution can be implemented in a manner that generates returns for all investors. To ensure the success of this project a united approach from both financial and strategic partners is vital. Potential partners include iwi, central government, local government, the aquaculture industry and other private sector organisations. TCDC is now cementing those partnerships.

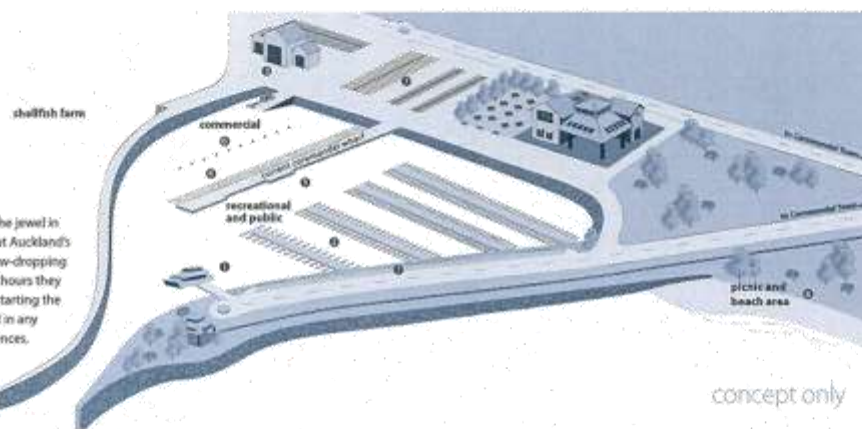
Coromandel Inner Harbour:

The Coromandel Inner Harbour development is the jewel in this project's crown. Ferry passengers will board at Auckland's busy waterfront terminal before soaking in the jaw-dropping scenery of the Hauraki Gulf Islands – in just a few hours they can escape to the remoteness of a kiwi bach, be starting the engine on their boat at the marina or be involved in any number of uniquely Coromandel tourism experiences.

The Inner Harbour concept will open up all-tide access close to Coromandel Town and develop a protected Inner Harbour on the southern side of the existing wharf. The concept design provides room for commercial operators to tie up to swing moorings on the north side and for recreational fishers and charter boat operators to launch their boats.

The Inner Harbour concept provides commercial opportunities related to the marina or leased water space. Additional parking and opportunities for commercial marine services can be created with minor reclamation at the edge of Patakirikiri Reserve. Centralising Harbour user facilities will make establishing commercial services at Coromandel Wharf more attractive and draw users away from other wharfs or boat ramps that are currently stretched beyond capacity.

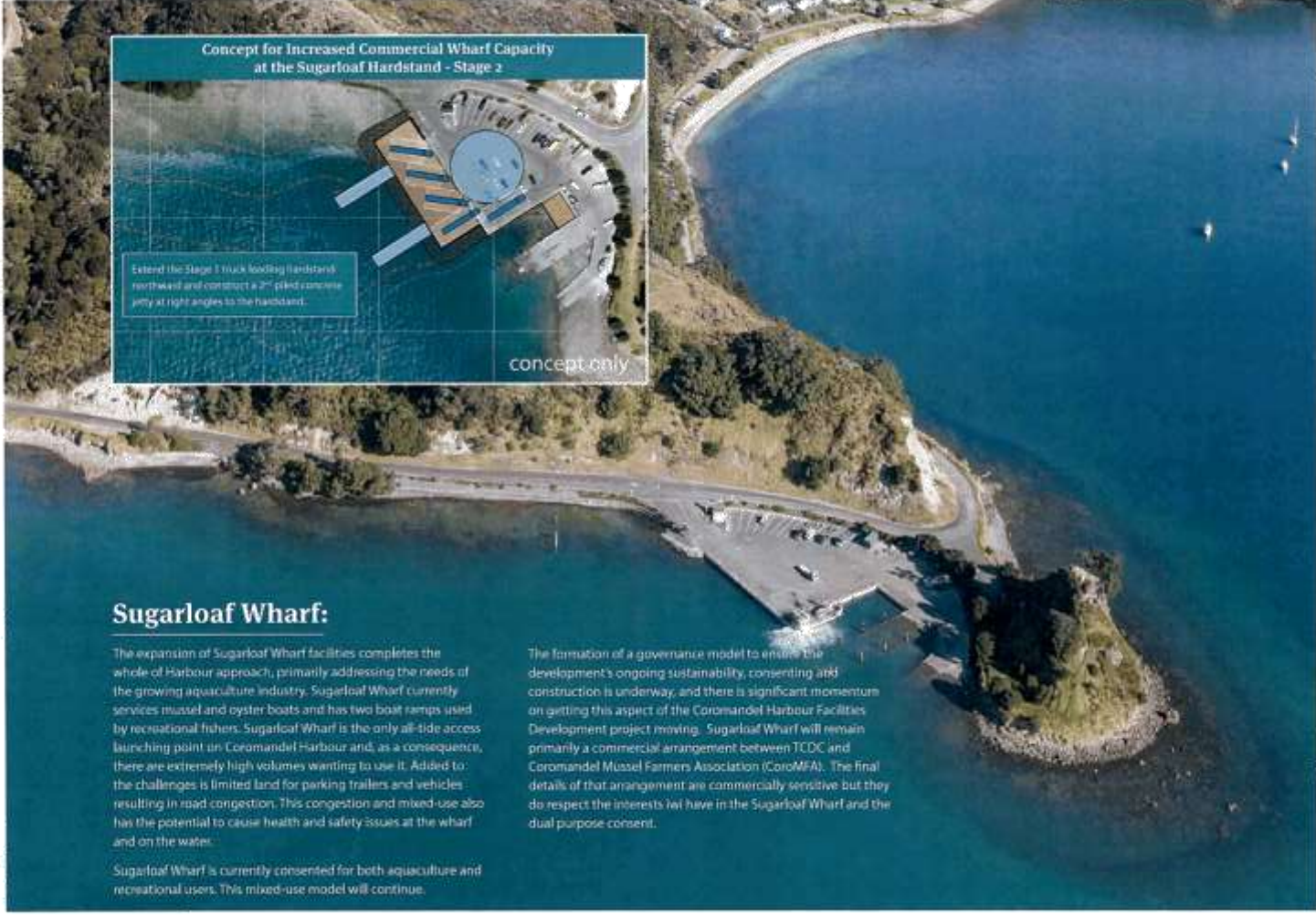
Estimates for marine civil works could be up to half of the total project cost. TCDC is exploring how this expense can be covered by a private sector partnership. Tests have shown that the sediment on some parts of the Harbour floor contains residue from earlier land-based industries (forestry, agriculture and mining) in the catchment. This development presents an opportunity to address those historical issues.



Facilities being considered for the development (as pictured) include:

- ① Ferry terminal for fast ferry;
- ② Marina;
- ③ Marine servicing facilities – fuel, sewage pumping, handstand;
- ④ Charter/ commercial fishing berths;
- ⑤ Day berths;
- ⑥ Swing moorings;
- ⑦ Additional parking; and
- ⑧ Public amenities including playgrounds, picnic areas and general recreational spaces.

The Inner Harbour development presents a number of opportunities to commercial enterprise and will meet the aspirations of a range of central government agencies wanting to lift the regional and national economy, remediate the environment and raise the profile of our national tourism brand. This project is visionary and ambitious but, with support, it is achievable.



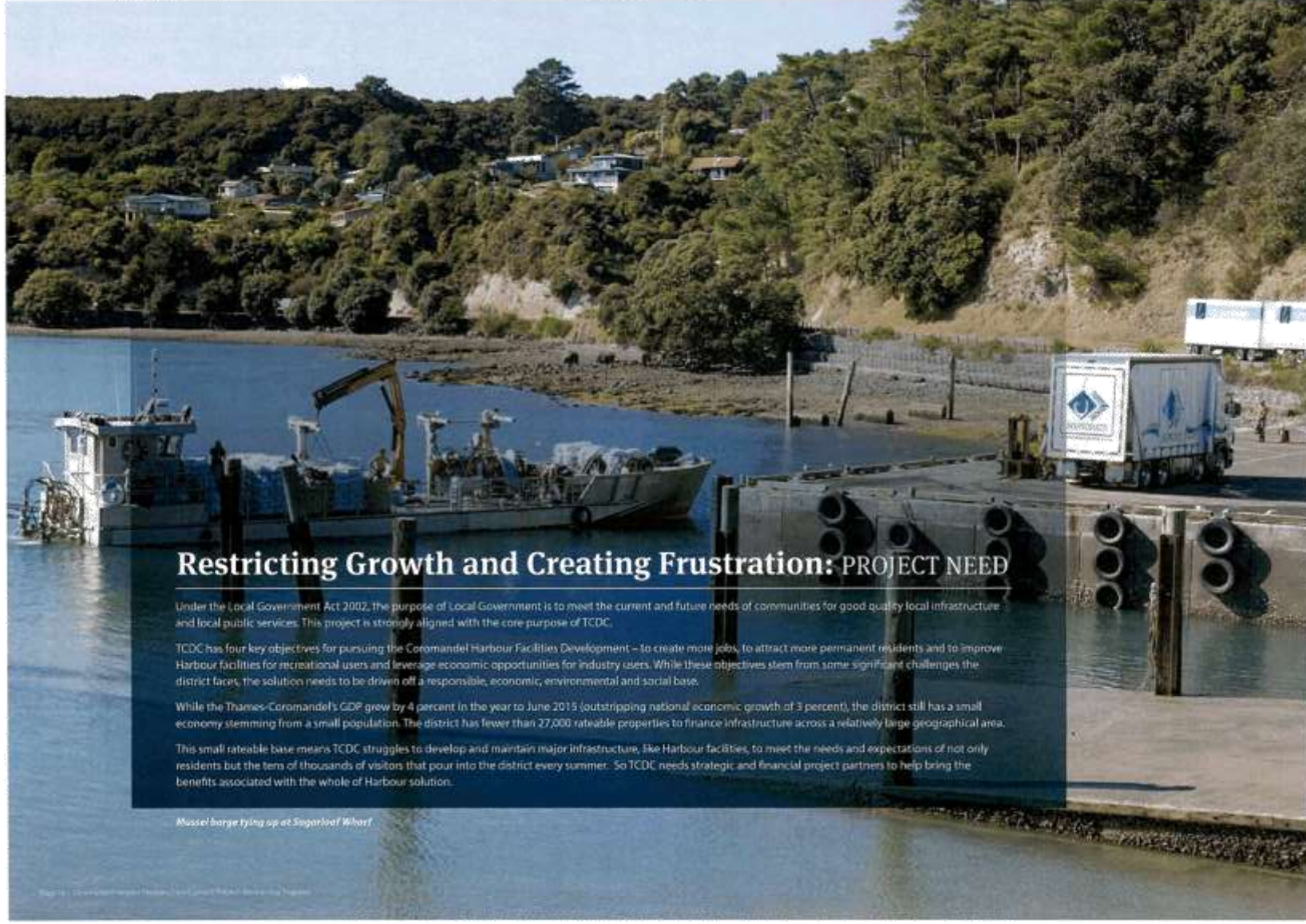
Sugarloaf Wharf:

The expansion of Sugarloaf Wharf facilities completes the whole of Harbour approach, primarily addressing the needs of the growing aquaculture industry. Sugarloaf Wharf currently services mussel and oyster boats and has two boat ramps used by recreational fishers. Sugarloaf Wharf is the only all-tide access launching point in Coromandel Harbour and, as a consequence, there are extremely high volumes wanting to use it. Added to the challenges is limited land for parking trailers and vehicles, resulting in road congestion. This congestion and mixed-use also has the potential to cause health and safety issues at the wharf and on the water.

Sugarloaf Wharf is currently consented for both aquaculture and recreational users. This mixed-use model will continue.

The formation of a governance model to ensure the development's ongoing sustainability, consenting and construction is underway, and there is significant momentum on getting this aspect of the Coromandel Harbour Facilities Development project moving. Sugarloaf Wharf will remain primarily a commercial arrangement between TCDC and Coromandel Mussel Farmers Association (CoroMFA). The final details of that arrangement are commercially sensitive but they do respect the interests we have in the Sugarloaf Wharf and the dual purpose consent.







TOURISM NEEDS

A key challenge with existing facilities is that Coromandel Wharf, while close to town, has just two hours of tidal access on either side of high tide. Tourism demand cannot be met with facilities that are subject to the ebbs and flows of the Harbour.

Currently the 360 Discovery Cruises ferry drops passengers at Hannaford's Wharf, 10 kilometres away: just once a day in the heart of summer and only on weekends during winter. For the 17,000 passengers a year who travel by ferry from Auckland, Hannaford's Wharf is an unsophisticated introduction to the Coromandel Peninsula. Passengers are dropped at a small wooden wharf that leads to a remote gravel road with no land facilities to welcome or service visitors.

There are more than 750,000 visitor arrivals to the Coromandel Peninsula a year, most of whom visit beaches. Most visitors leave Auckland's choked urban motorway to travel the beautiful Pacific Coast Highway which can take time. The latent potential for fast ferry services from Auckland is huge.

Like many tourist towns, Coromandel also needs a more permanent and viable population base to smooth out its seasonal peaks and troughs. Implementing a comprehensive *Blue Highway* solution will mean that residents can live where they play and travel to work, rather than live where they work and travel to play. With the improvements in remote technologies and soaring house prices, more and more people are choosing to live and work outside of Auckland. Providing a viable option for people to live on the Coromandel and work just a few days a week in Auckland is appealing to an increasing number of professionals.



AQUACULTURE INDUSTRY NEEDS

Wharf infrastructure issues have hampered the Coromandel for more than 75 years. Existing facilities were developed in isolation of each other, now they're aging, not fit-for-purpose and are servicing multiple and frequently conflicting uses. Existing Harbour facilities located on the Coromandel's west coast are insufficient to support the current and future growth demands of both recreational and commercial maritime activities.

The aquaculture industry is clear that Coromandel farmers need long-term access to fit-for-purpose wharf infrastructure to support the national industry goal of achieving a \$1B export industry by 2025, a goal supported by the Government. Already, Coromandel aquaculture accounts for 24 percent of New Zealand's mussel production and 20 percent of oyster production. The industry contributed \$31.4M to the Waikato region in 2010/11.

Until the Coromandel Harbour Facilities Development can proceed it is difficult to truly realise, or even adequately explore, the opportunities to drive Coromandel's economic growth. Upgrading commercial operations is not simply about allowing growth but retaining business already in the district.

CHARTER BOAT OPERATORS

Charter boat operators are equally frustrated by the lack of all-tide access and carparking. Coromandel's charter boat industry is forecast to grow by one boat a year and, while this is great news for tourism growth, it also puts increasing demand on facilities already bursting at the seams.



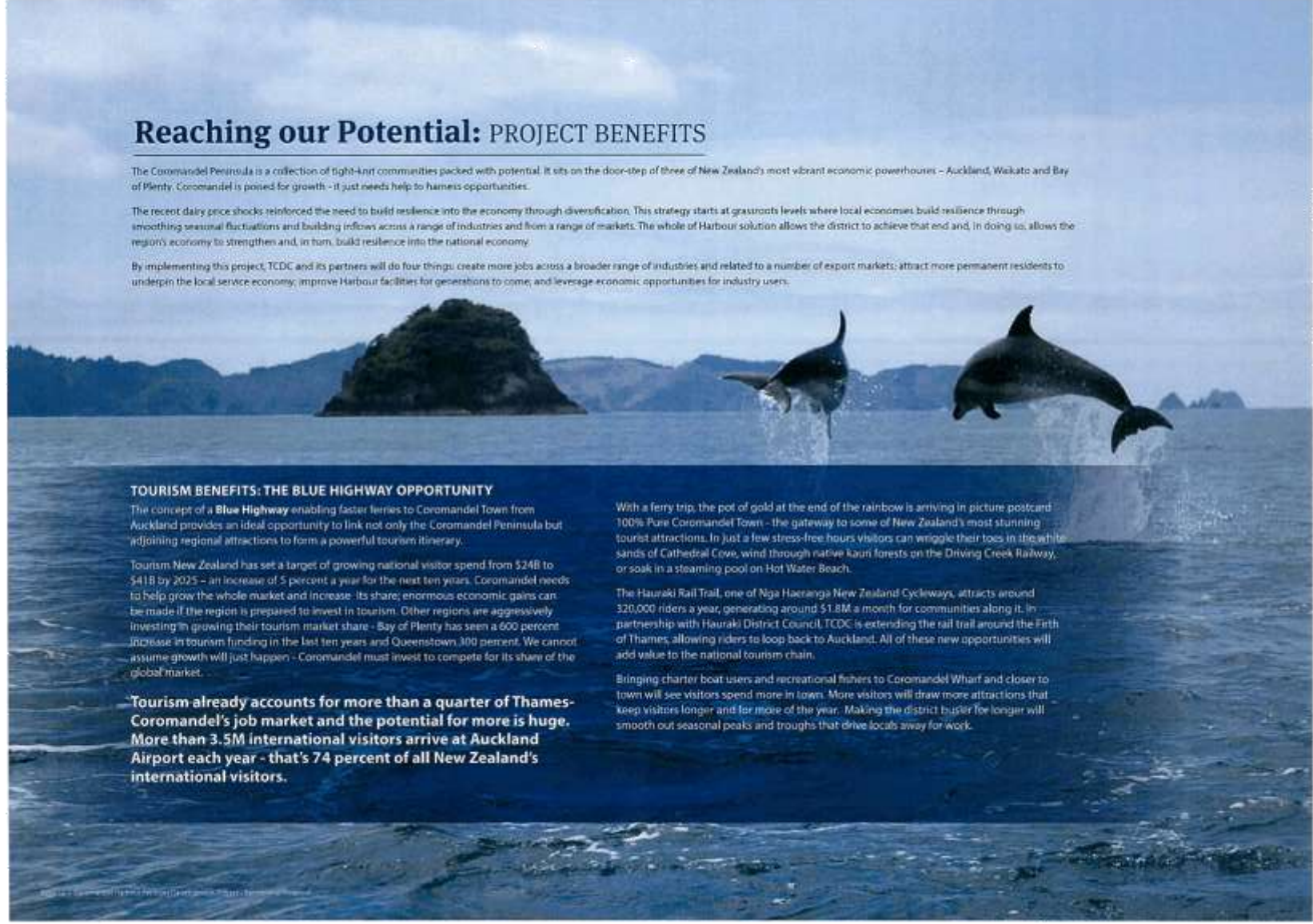
RECREATIONAL FISHER NEEDS

To enjoy all that Coromandel has to offer, recreational fishers need more all-tide access. There are just two all-tide boat ramps currently servicing the whole of the Coromandel Harbour, both of which are located at Sugarloaf. A lack of boat ramps and adequate parking for trailers and cars compounds the congestion issue so that some are forced to travel significant distances just to put their boat into the water.

SOCIAL NEED

Communities around New Zealand are facing declining and aging populations. It is critical to attract working-aged families to ensure the critical mass that underlies the retention of basic community infrastructure such as banks, petrol stations, schools and health services. Next to low-cost housing, great country schools and idyllic living, providing quality facilities is central to attracting permanent residents.

Keeping the fabric of any community strong relies on retaining the people who know and love that community - providing jobs to keep locals local is the bottom line.



Reaching our Potential: PROJECT BENEFITS

The Coromandel Peninsula is a collection of tight-knit communities packed with potential. It sits on the door-step of three of New Zealand's most vibrant economic powerhouses – Auckland, Waikato and Bay of Plenty. Coromandel is poised for growth - it just needs help to harness opportunities.

The recent dairy price shocks reinforced the need to build resilience into the economy through diversification. This strategy starts at grassroots levels where local economies build resilience through smoothing seasonal fluctuations and building inflows across a range of industries and from a range of markets. The whole of Harbour solution allows the district to achieve that end and, in doing so, allows the region's economy to strengthen and, in turn, build resilience into the national economy.

By implementing this project, TCDC and its partners will do four things: create more jobs across a broader range of industries and related to a number of export markets; attract more permanent residents to underpin the local service economy; improve Harbour facilities for generations to come; and leverage economic opportunities for industry users.

TOURISM BENEFITS: THE BLUE HIGHWAY OPPORTUNITY

The concept of a **Blue Highway** enabling faster ferries to Coromandel Town from Auckland provides an ideal opportunity to link not only the Coromandel Peninsula but adjoining regional attractions to form a powerful tourism itinerary.

Tourism New Zealand has set a target of growing national visitor spend from \$24B to \$41B by 2025 – an increase of 5 percent a year for the next ten years. Coromandel needs to help grow the whole market and increase its share; enormous economic gains can be made if the region is prepared to invest in tourism. Other regions are aggressively investing in growing their tourism market share - Bay of Plenty has seen a 600 percent increase in tourism funding in the last ten years and Queenstown 300 percent. We cannot assume growth will just happen - Coromandel must invest to compete for its share of the global market.

Tourism already accounts for more than a quarter of Thames-Coromandel's job market and the potential for more is huge. More than 3.5M international visitors arrive at Auckland Airport each year - that's 74 percent of all New Zealand's international visitors.

With a ferry trip, the pot of gold at the end of the rainbow is arriving in picture postcard 100% Pure Coromandel Town - the gateway to some of New Zealand's most stunning tourist attractions. In just a few stress-free hours visitors can wriggle their toes in the white sands of Cathedral Cove, wind through native kauri forests on the Driving Creek Railway, or soak in a steaming pool on Hot Water Beach.

The Hauraki Rail Trail, one of Nga Haerenga New Zealand Cycleways, attracts around 320,000 riders a year, generating around \$1.8M a month for communities along it. In partnership with Hauraki District Council, TCDC is extending the rail trail around the Firth of Thames, allowing riders to loop back to Auckland. All of these new opportunities will add value to the national tourism chain.

Bringing charter boat users and recreational fishers to Coromandel Wharf and closer to town will see visitors spend more in town. More visitors will draw more attractions that keep visitors longer and for more of the year. Making the district busier for longer will smooth out seasonal peaks and troughs that drive locals away for work.



AQUACULTURE INDUSTRY BENEFITS

Coromandel Harbour is second only to the Marlborough Sounds in importance to the national industry, blessed with the advantages of sheltered waters, accessibility, favourable climate, good water quality and availability of nutrients. Significant growth is forecast for the mussel and oyster industry as a whole - the industry goal is to reach \$18 in annual revenue by 2025. The local aquaculture industry is projected to grow by at least 15 to 25 percent within the next few years.

An increasingly stable workforce might also enable the existing mussel processing facility in Coromandel to be recommissioned, a significant additional boost to the local economy. With improved facilities there are also opportunities for the finfish industry, which could increase GDP by another \$35M per annum.

The aquaculture industry already employs more than 700 across the Waikato region and is projected to grow. By 2025, the industry is forecast to contribute \$60.7M per annum to Waikato's GDP and 835 full-time jobs. TCDC aims to increase employment by five percent by 2019 and this project will create more jobs within new business such as marine servicing, dry stack boat storage, marine chandlery and light retail.

CHARTER BOAT OPERATORS

The Coromandel Harbour has world class fishing experiences and the charter boat industry caters to those opportunities. The charter boat industry is a healthy sector, with current projections for an additional boat a year but the visitor experience is key to growing the industry even further. Visitors have increasingly high expectations and, in the age of instant feedback, getting the experience right can be make-or-break for an operator, a region or even a destination brand.

RECREATIONAL FISHING BENEFITS

The whole of Harbour solution will create all-tide access, convenient parking for boat trailers, docking for the ferry and charter boat operators, safer roads and loading areas, and less congestion at facilities - benefiting residents, recreational fishers and visitors wanting to get out on the water.

Improvements at both Sugarloaf Wharf and Coromandel Inner Harbour would create physical separation between commercial boats and recreational users, reducing health and safety concerns.

About a quarter of New Zealanders go fishing regularly. Taking the grandkids fishing in the family dinghy, dragging up a kingfish as the sun drops - those experiences are part of the Kiwi identity and this project will protect that way of life for future generations of Coromandel.





Driving Creek Railway



Kaitic Fair



Waterworks Fun Park

A United Effort: COMMUNITY SUPPORT

In 2012, the Coromandel-Colville Community Board committed to improving and maintaining Harbour facilities. In 2013, TCDC surveyed 146 individuals and stakeholder group representatives who identified four priorities: a commercial passenger ferry terminal (29%); recreational berthage (18%); charter boats berthage (12%); and aquaculture servicing (12%). More than two-thirds of respondents said they supported dredging the Harbour to provide all-tide access, provided it was done in a responsible and sustainable manner.

Since then, TCDC has been working closely with stakeholders, establishing the Coromandel Harbour Stakeholder Working Group (SWG) in 2014 and hosted six meetings to address issues concerning the community and involve the community in the project development.

"Coromandel is a tourism destination, and leveraging on the proximity of Auckland and access to 40% of NZ's population is the greatest opportunity to accelerate growth on the Coromandel. One of the greatest benefits of this development concept is the potential for developing economies of scale that can lead to the sustainable development of harbour infrastructure. Sea transport has always been important to the Coromandel and the Coromandel Harbour project is vital to Coromandel's life support."

John Walker
Chairperson - Coromandel Community Board

"The Coromandel Business Association is completely supportive of developing the Inner Harbour to allow all tide access to Coromandel Town. We see this development opening a vital new transport corridor (Blue Highway) onto the Peninsula from Auckland, providing improved access for the Auckland Ferry and the full range of marine activities. This development is essential for Coromandel Town and the wider Peninsula's continued economic growth."

Jan Autumn
Chairperson - Coromandel Business Association

"The charter boat association sees the benefits of the inner harbour project not only to our industry but definitely to the wider community as well. All tide access to the town will offer huge benefits and the commercial spin offs of this project are an exciting part of the whole picture. We feel that this time around, there is real support and momentum gathering for this and think that now is as good a time as any to get on with it. It's a fact that we not only want this to happen, we NEED it to happen for growth of marine and aquaculture industries and for the good of the town."

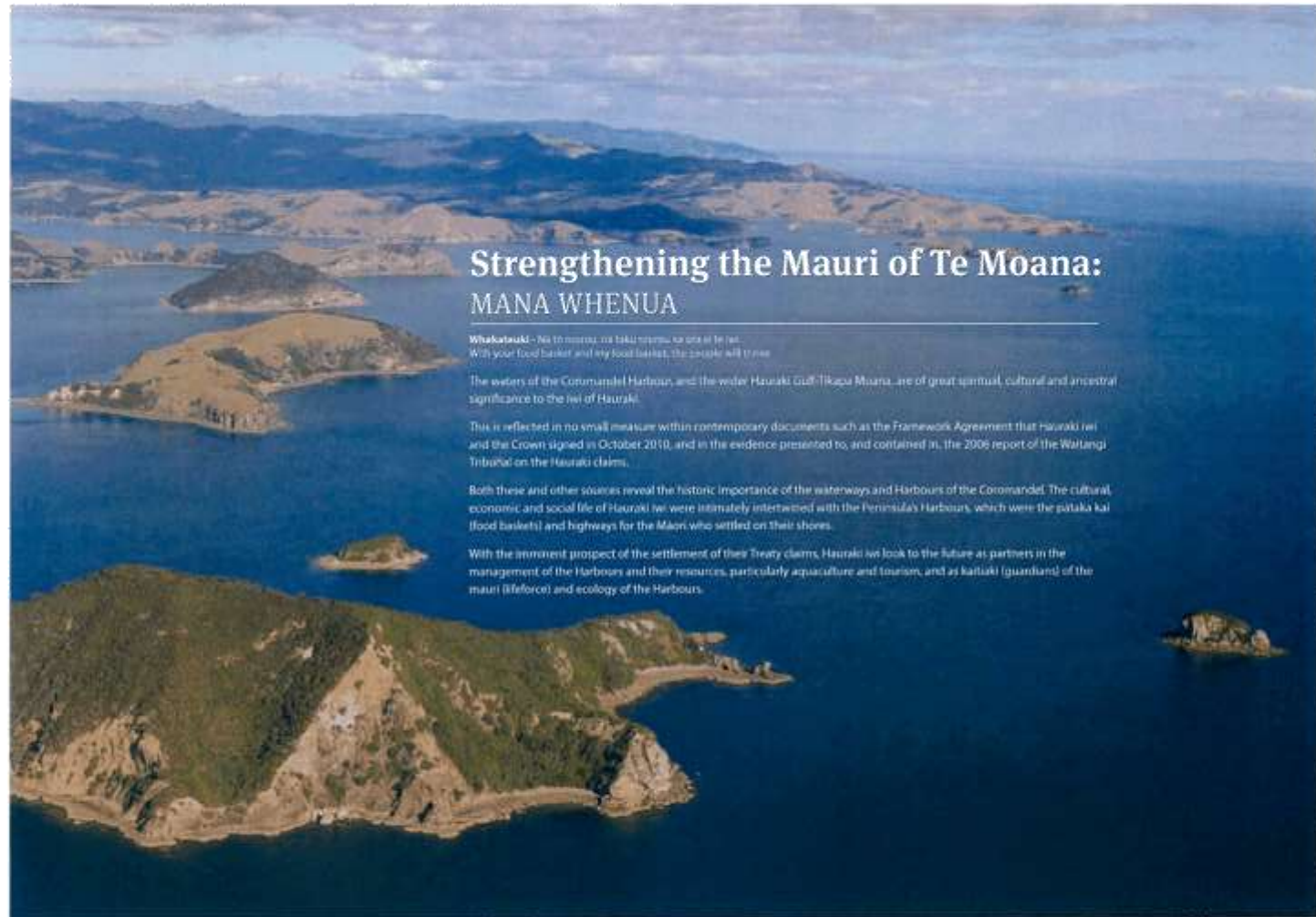
Darryl O'Keefe
President - Thames/Coromandel Charter Boat Association

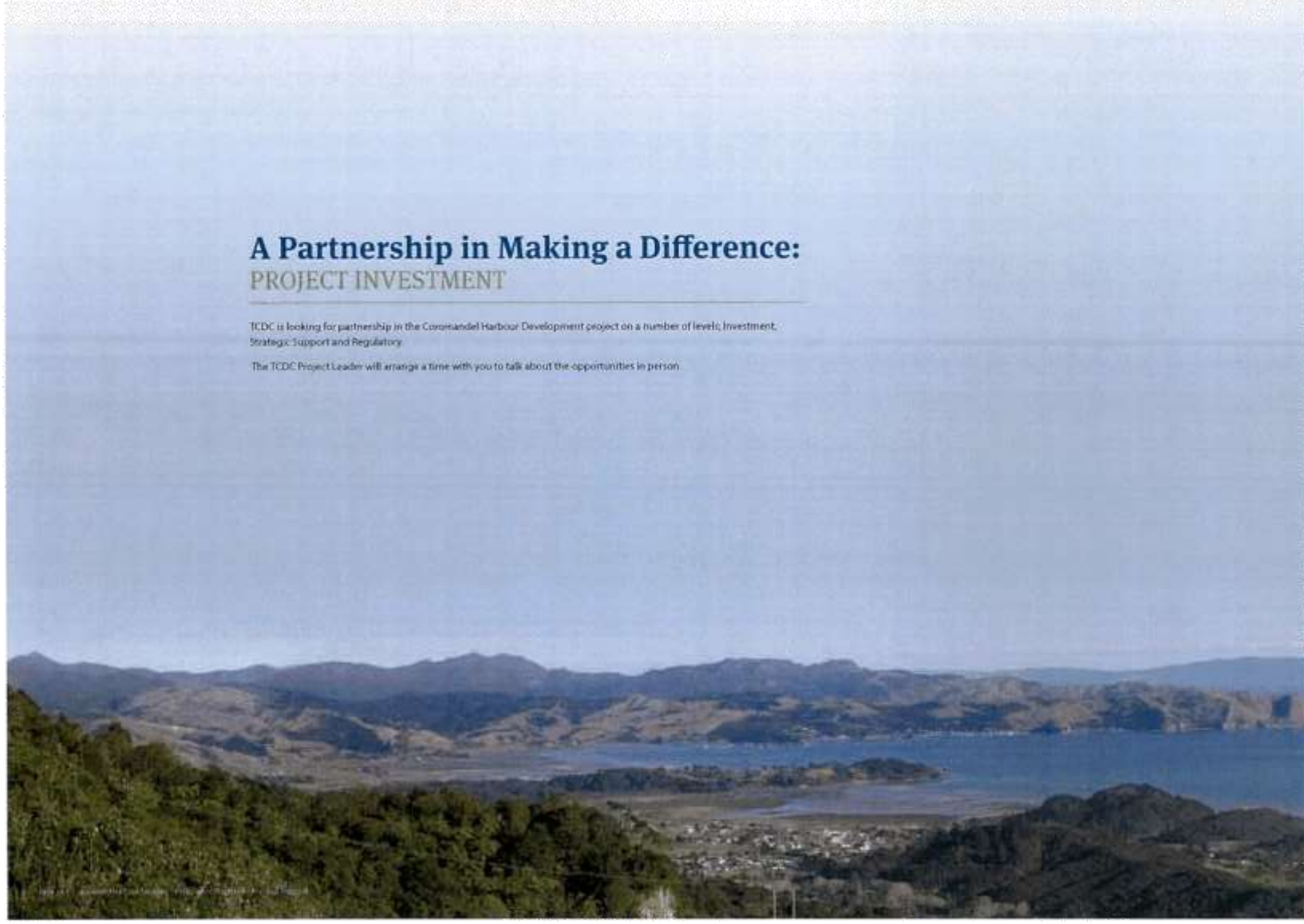
"Expansion and development of 'fit for purpose' harbour facilities is crucial to enable continued growth of the aquaculture industry and the concept of developing all tide access into Coromandel Town including a marina and improved recreational facilities simply has to happen."

Gilbert James
Chairperson - Coromandel Marine Farmers Association

STAKEHOLDERS WORKING GROUP INCLUDES:

Patukirikiri iwi
Ngāti Whanaunga
Ngāti Tamatera
Ngāti Huarere
Coromandel Marine Farmers Association
Coromandel Business Association
Recreational Fishing Association
Charter Association
Commercial Fishers
Coromandel Pier Concept
Waipapa Bay Protection Society
Te Kouma Residents and Ratepayers Association
Coromandel Harbour and Boating Association
Jacks Point Boat Ramp Club
Royal Forest and Bird Protection Society of New Zealand Inc.
Thames-Coromandel District Council
Waikato Regional Council
Coromandel Colville Community Board,
Coromandel Harbour User Group Committee
Whitanga/Coromandel Peninsula Commercial Fisherman's Association





INVESTMENT

For this project to proceed, TCDC needs financial support from a number of partners. We are seeking funding commitments from across the public and private sectors so that the proposed solution can be implemented in a manner that generates returns for all investors.

This regionally significant project has intergenerational benefits for the wider Waikato and Auckland regions, as well as the Coromandel Peninsula.

This project would provide significant economic benefits for the Waikato region.

We see this proposal as a starting point for discussion and we are happy to tailor a partnership approach which will best benefit both our organisations.

STRATEGIC SUPPORT

With a united front, this project will get a stronger hearing when we approach Government and the private sector for support. Our vision would be that TCDC, Waikato Regional Council and other project partners, including mana whenua and the private sector, will approach central government agencies as a team to demonstrate that there are benefits for us all in pushing ahead with the Coromandel Harbour Facilities Development Project.

REGULATORY

This development will require resource consents for a number of aspects including:

- Civil marine works to provide all-tide access to Coromandel Inner Harbour and the development of the Inner Harbour itself; and
- The extension of both the wharf and reclamation at Sugarloaf.

We will explore options for support from Waikato Regional Council including the cost of consenting and its support to provide the best regulatory pathway forward through expert advice from its offices.

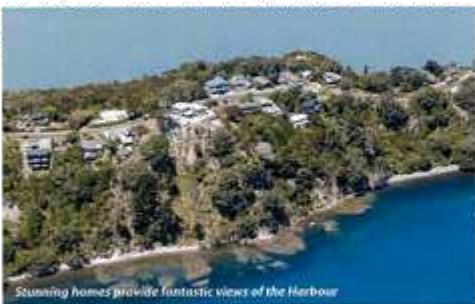




Boats dotted around Haveland's Wharf with Sugarloaf Wharf to the left of the bay.



Spacious new development opportunities

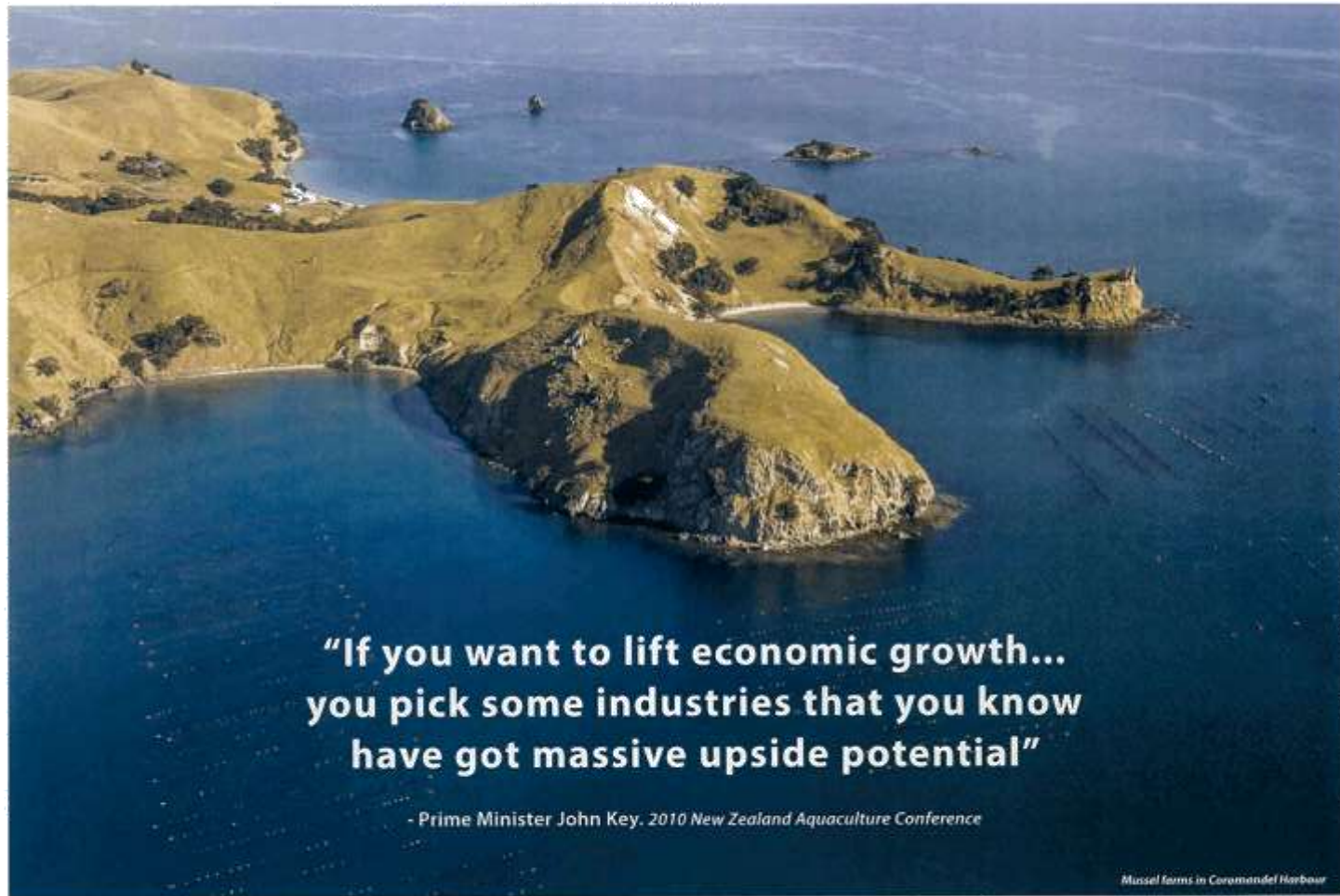


Stunning homes provide fantastic views of the Harbour



Looking into Coromandel Harbour from the Hauraki Gulf

The Coromandel Town area is predominantly rural, linked to urban areas in the main townships of Thames and Whitianga, and is a popular holiday area. Rural land is used largely for agriculture, with mussel farming in the Hauraki Gulf being an important industry. The stunning scenic location and closeness to Auckland from across the water makes this an attractive future investment and growth opportunity.





View of Coromandel Town

CONTACT DETAILS

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