



Notice of the Ordinary meeting of

Strategic Development and Property Subcommittee

Te Kōmiti Āpiti, Rautaki / Rawa

Date:	Thursday 17 February 2022
Time:	at the conclusion of the Council meeting
Location:	via Zoom

Agenda

Rārangi take

Chairperson
Members

Cr Gaile Noonan
Her Worship the Mayor Rachel Reese
Cr Yvonne Bowater
Cr Trudie Brand
Cr Tim Skinner
Mr John Murray
Mr John Peters

Quorum 4

Pat Dougherty
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.

Strategic Development and Property Subcommittee

17 February 2022

Page No.

Karakia and Mihi Timatanga

1. Apologies

Nil

2. Confirmation of Order of Business

3. Interests

3.1 Updates to the Interests Register

3.2 Identify any conflicts of interest in the agenda

4. Public Forum

5. Confirmation of Minutes

5.1 21 October 2021 **7 - 12**

Document number M19018

Recommendation

That the Strategic Development and Property Subcommittee

1. Confirms the minutes of the meeting of the Strategic Development and Property Subcommittee, held on 21 October 2021, as a true and correct record.

5.2 3 December 2021 **13 - 18**

Document number M19140

Recommendation

That the Strategic Development and Property Subcommittee

1. Confirms the minutes of the meeting of the Strategic Development and Property Subcommittee, held on 3 December 2021, as a true and correct record.

6. Chairperson's Report

19 - 22

Document number R26605

Recommendation

That the Strategic Development and Property Subcommittee

1. ***Receives the report Chairperson's Report (R26605) and its attachment (A2837117);***
2. ***Notes that Mr Roger Gibbons has advised his intention to resign from the role of Chair of the Marina Advisory Group;***
3. ***Acknowledges the significant role that Mr Gibbons has played in the delivery of Marina facilities and services to the people of Nelson over many years;***
4. ***Supports the Marina Advisory Group's intention to appoint current Marina Advisory Group member Mr Rob Greenaway as the new acting Chair of the Marina Advisory Group; and***
5. ***Requests that the Mayor write to Mr Roger Gibbons thanking him for his excellent service to the Nelson Community as Marina Advisory Group Chair over many years.***
6. ***Notes that Mr Roger Gibbons has advised his intention to resign from the role of Chair of the Marina Advisory Group***
7. ***Notes that the Strategic Development and Property Subcommittee supports the Marina Advisory Group's intention to appoint current Marina Advisory Group member Mr Rob Greenaway as the new acting Chair of the Marina Advisory Group***

Recommendation to Council

That the Council

1. ***Notes that Mr Roger Gibbons has advised his intention to resign from the role of Chair of the Marina Advisory Group***
2. ***Notes that the Strategic Development and Property Subcommittee supports the Marina Advisory Group's intention to appoint current Marina Advisory Group***

member Mr Rob Greenaway as the new acting Chair of the Marina Advisory Group

7. Setting of Marina Fees and Charges for 2022/23 23 - 39

Document number R26550

Recommendation

That the Strategic Development and Property Subcommittee

- 1. Receives the report Setting of Marina Fees and Charges for 2022/23 (R26550) and its attachment (A2831251); and***
- 2. Notes the proposed changes to the Marina Fees and Charges as set out in the report Setting of Marina Fees and Charges for 2022/23 (R26550) and its attachment (A2831251); and***
- 3. Approves the consultation approach identified in section 6 of report R26550 for Marina Fees and Charges for 2022/23; and***
- 4. Notes that following consultation a further report will be brought to the Strategic Development and Property Subcommittee to report on the consultation and to make recommendations on any proposed changes to Marina Fees and Charges for 2022/23 to be set by Council by resolution.***

8. Strategic Development and Property Quarterly Report Quarter Two 2021/22 40 - 52

Document number R26513

Recommendation

That the Strategic Development and Property Subcommittee

- 1. Receives the report Strategic Development and Property Quarterly Report Quarter Two 2021/22 (R26513) and its attachments (A2824509 and A2809862).***

CONFIDENTIAL BUSINESS

9. Exclusion of the Public

Recommendation

That the Strategic Development and Property Subcommittee

- 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:***

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	Strategic Development and Property Subcommittee Meeting - Confidential Minutes - 21 October 2021	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)(a) To protect the privacy of natural persons, including that of a deceased person• Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
2	Strategic Development and Property Subcommittee Meeting - Confidential	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which	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

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Minutes - 3 December 2021	good reason exists under section 7.	<p>disadvantage, commercial activities</p> <ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person • Section 7(2)(g) To maintain legal professional privilege
3	Confirmation of 3 August 2021 Confidential Minutes	<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"> • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities
4	Confidential Status Report - Strategic Development and Property Subcommittee	<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"> • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person • 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 • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities



Minutes of a meeting of the
Strategic Development and Property Subcommittee
Te Kōmiti Āpiti, Rautaki / Rawa

**Held in the Council Chamber, Civic House, 110 Trafalgar Street,
Nelson on Thursday 21 October 2021, commencing at 9.05a.m.**

Present: Cr G Noonan (Chairperson), Her Worship the Mayor R Reese, Councillors Y Bowater, T Brand, T Skinner, Mr J Murray and Mr J Peters

In Attendance: Chief Executive (P Dougherty), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne) and Governance Adviser (E Stephenson)

Apologies : Her Worship the Mayor Reese for lateness

Karakia and Mihi Timatanga

1 Apologies

Resolved SDAP/2021/046

That the Strategic Development and Property Subcommittee

- 1. Receives and accepts the apology for lateness from Her Worship the Mayor.***

Bowater/Murray

Carried

2. Confirmation of Order of Business

Item 5.1 – Confirmation of minutes was deferred to the next meeting.

3. Interests

Mr John Murray declared a conflict of interest for Item 7 - Tahuna Beach Camp - Approval to Lease Campground to the Tahuna Beach Camp Incorporated.

4. Public Forum

4.1. Vining Investment Properties - Marina Development Plan

This public forum was cancelled.

4.2. Tahuna Beach Camp Incorporated - Support for the Proposed Lease

Document number R26333

Dennis Christian, Board Chair of the Tahuna Beach Camp Incorporated, provided a PowerPoint presentation (A2771261) and spoke in support of the proposed lease. He noted the change to the 'asset giving' provision of the lease and highlighted the level of reinvestment in the camp, improvements, achievement of the Qualmark gold award, the strategic review and community engagement/involvement.

Attendance: Councillor Skinner entered the meeting at 9.10am.

Mr Christian answered questions regarding COVID-19 impacts. The Chair requested that a message of thanks be passed on to the Camp Board and Staff for their work.

Attachments

- 1 A2771261 - Tahuna Beach Camp PowerPoint Presentation

5. Confirmation of Minutes

5.1 3 August 2021

Document number M18843, agenda pages 7 - 11 refer.

The confirmation of the 3 August 2021 minutes was deferred to the next meeting of the Subcommittee.

6. Chairperson's Report

Document number R26323, agenda pages 12 - 13 refer.

Resolved SDAP/2021/047

That the Strategic Development and Property Subcommittee

1. Receives the report Chairperson's Report.

Noonan/Peters

Carried

7. Tahuna Beach Camp - Approval to Lease Campground to the Tahuna Beach Camp Incorporated

Document number R26188, agenda pages 14 - 86 refer.

Attendance: Mr John Murray left the meeting at 9.19am, as he had declared an interest in this item.

Leases Officer, Jules Read, noted a minor amendment to the agenda report, in that agenda page 15, paragraph 5.3.4 – was meant to read "Should there be concerns around performance the clause...".

Resolved SDAP/2021/048

That the Strategic Development and Property Subcommittee

- 1. Receives the report Tahuna Beach Camp - Approval to Lease Campground to the Tahuna Beach Camp Incorporated (R26188 and its attachments (A2710240, A2761223, A2759459).***

Noonan/Bowater

Carried

Recommendation to Council SDAP/2021/049

That the Council

- 1. Approves the leasing of the Tahuna Beach Camp to the Tahuna Beach Camp Incorporated Society for an initial term of eleven (11) years with two (2) rights of renewal of eleven (11) years each with renewals dependent on the Lessor and Lessee agreeing the annual base fee and gross income percentage.***

Noonan/Bowater

Carried

8. Brook Valley Holiday Park compliance capital works progress update

Document number R26269, agenda pages 87 - 93 refer.

Manager Parks and Facilities, Rosie Bartlett, spoke to the report, noting that additional information had been submitted for the resource consent, and officers were awaiting the decisions/conditions.

Attendance: Mr John Murray returned to the meeting at 9.22am.

Ms Bartlett answered questions regarding communication on the progress of the resource consent, the timeframe for completion, which was dependent on the consent process, reporting back to the Subcommittee prior to work being undertaken and the effects of COVID-19 on camp bookings.

Attendance: Her Worship the Mayor entered the meeting at 9.32am.

Resolved SDAP/2021/050

That the Strategic Development and Property Subcommittee

- 1. Receives the report Brook Valley Holiday Park compliance capital works progress update (R26269) and its attachment (A2750279).***

Bowater/Peters

Carried

9. Exclusion of the Public

Resolved SDAP/2021/051

That the Strategic Development and Property Subcommittee

- 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:***

Brand/Her Worship the Mayor

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	Strategic Development and Property Subcommittee Meeting - Confidential Minutes - 3 August 2021	<p>Section 48(1)(a)</p> <p>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"> • 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	Status Report Update - Confidential Items	<p>Section 48(1)(a)</p> <p>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"> • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
3	Update on Property Matters	<p>Section 48(1)(a)</p> <p>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"> • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

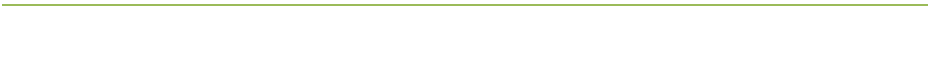
The meeting went into confidential session at 9.35am and resumed in public session at 10.24am.

Karakia Whakamutanga

There being no further business the meeting ended at 10.26am.

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

Resolved





Minutes of a meeting of the

Strategic Development and Property Subcommittee Strategic Development and Property Subcommittee

Te Kōmiti Āpiti, Rautaki / Rawa

**Held in the Council Chamber, Civic House, 110 Trafalgar Street,
Nelson on Friday 3 December 2021, commencing at 1.03p.m.**

- Present: Cr G Noonan (Chairperson), Her Worship the Mayor R Reese, T Brand, T Skinner, Mr J Murray (via Zoom) and Mr J Peters
- In Attendance: Group Manager Community Services (A White), Group Manager Corporate Services (N Harrison), Governance Adviser (J Brandt) and Governance Support Officer (A Bryce-Neumann)
- Apologies: Councillors Y Bowater, T Skinner (lateness/other Council business)

Karakia and Mihi Timatanga

1. Apologies

Resolved SDAP/2021/055

That the Strategic Development and Property Subcommittee

- 1. Receives and accepts an apology from Councillor Bowater for attendance and from Councillor Skinner for lateness (on other Council business).***

Brand/Peters

Carried

2. Confirmation of Order of Business

There was no change to the order of business.

3. Interests

Mr Murray declared an interest in Item 7, Contingent Loan Facility – Tahuna Beach Camp Inc.

4. Public Forum

There was no public forum.

5. Confirmation of the 3 August 2021 Strategic Development and Property Subcommittee Minutes

Document number R26443, agenda pages 7 - 11 refer.

Resolved SDAP/2021/056

That the Strategic Development and Property Subcommittee

- 1. Confirms the minutes of the 3 August 2021 Strategic Development and Property Subcommittee meeting, as a true and correct record.***

Her Worship the Mayor/Brand

Carried

6. Chairperson's Report

Document number R26449

There was no Chairperson's report.

7. Contingent Loan Facility - Tahuna Beach Camp Inc.

Document number R26426, agenda pages 12 - 21 refer.

Attendance: Mr Murray left the meeting at 1.06p.m., as he had previously declared an interest in this item. He took no part in discussion or voting on the matter.

Group Manager Corporate Services, Nikki Harrison, presented the report. Following discussion, the end date for the loan facility was amended to 2023 in the recommendation to Council to allow for longer term impacts of COVID-19.

Resolved SDAP/2021/057

That the Strategic Development and Property Subcommittee

- 1. Receives the report Contingent Loan Facility - Tahuna Beach Camp Inc. (R26426) and its attachments (A2788674, A2788793 and A2788775);**

Peters/Noonan

Carried

Recommendation to Council SDAP/2021/058

That the Council

- 1. Approves an emergency contingent loan facility of up to \$500,000 to be available to Tahuna Beach Camp Inc., if required due to COVID-19 impacts prior to 28 February 2023.**

Peters/Noonan

Carried

Attendance: Mr Murray returned to the meeting (via Zoom) at 1.15p.m.

8. Nelson Marina s17A Governance Review

Document number R26108, agenda pages 22 - 72 refer.

Manager Nelson Marina, Nigel Skeggs, presented the report and answered questions about the consultation process and subsequent steps, supported by Group Manager Community Services, Andrew White.

The meeting was adjourned from 1.26p.m. until 1.33p.m. during which time Her Worship the Mayor left the meeting.

Attendance: Her Worship the Mayor returned to the meeting at 1.40p.m.

Resolved SDAP/2021/059

That the Strategic Development and Property Subcommittee

- 1. Receives the report Nelson Marina s17A Governance Review (R26108) and its attachment (A2764091).**

Brand/Peters

Carried

Recommendation to Council SDAP/2021/060

That the Council

- 1. Approves the recommendation of a Council Controlled Organisation that manages the Marina as the preferred governance model for Nelson Marina; and**

2. ***Approves undertaking consultation on the proposal to establish a Council Controlled Organisation as per Section 56 of the Local Government Act; and***
3. ***Notes that undertaking consultation on a proposal to establish a Council Controlled Organisation would require additional unbudgeted expense to a maximum of \$65,000 in addition to current budget (\$40,000), to formulate the required documentation and reviews for the new Council Controlled Organisation; and***
4. ***Approves funds, if required for undertaking consultation, to be sourced from the Marina closed account.***

Brand/Peters

Carried

9 Strategic Development and Property Quarterly Report to 30 September 2021

Manager Parks and Facilities, Rosie Bartlett, presented the report and answered questions. Ms Bartlett noted a correction to the resolution wording, which was missing the report title.

Resolved SDAP/2021/061

That the Strategic Development and Property Subcommittee

2. ***Receives the report Strategic Development and Property Quarterly Report to 30 September 2021 (R26108) and its attachment (A2660062).***

Murray/Brand

Carried

REPORTS FROM COMMITTEES

10. Exclusion of the Public

James Winchester and Mike Wakefield from Simpson Grierson, and Jennifer Rose from Beca were in attendance for Item 2 of the Confidential agenda to answer questions and, accordingly, the following resolution was required to be passed:

Resolved SDAP/2021/062

That the Strategic Development and Property Subcommittee

- 1. Confirms, in accordance with sections 48(5) and 48(6) of the Local Government Official Information and Meetings Act 1987, that James Winchester and Mike Wakefield from Simpson Grierson, and Jennifer Rose from Beca remain after the public has been excluded, for Item 2 of the Confidential agenda (Maitai Valley Motor Camp Options), as they have knowledge that will assist the meeting.***

Noonan/Brand

Carried

Resolved SDAP/2021/063

That the Strategic Development and Property Subcommittee

- 2. Excludes the public from the following parts of the proceedings of this meeting.***
- 3. 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:***

Noonan/Brand

Carried

	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Proposed Registrations of Interest Document: 258	Section 48(1)(a) The public conduct of this matter would be likely to result in	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,

	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Wakefield Quay (Anchor Building)	disclosure of information for which good reason exists under section 7	without prejudice or disadvantage, commercial activities
2	Maitai Valley Motor Camp Options	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	<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 confidential session at 1.50p.m. and resumed in public session at 4.16p.m.

There being no further business the meeting ended at 4.16p.m.

Karakia Whakamutunga

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

Resolved

Chairperson's Report

1. Purpose of Report

- 1.1 To provide the Chairperson's Report to the Subcommittee.

2. Recommendation

That the Strategic Development and Property Subcommittee

- 1. Receives the report Chairperson's Report (R26605) and its attachment (A2837117);***
- 2. Notes that Mr Roger Gibbons has advised his intention to resign from the role of Chair of the Marina Advisory Group;***
- 3. Acknowledges the significant role that Mr Gibbons has played in the delivery of Marina facilities and services to the people of Nelson over many years;***
- 4. Supports the Marina Advisory Group's intention to appoint current Marina Advisory Group member Mr Rob Greenaway as the new acting Chair of the Marina Advisory Group; and***
- 5. Requests that the Mayor write to Mr Roger Gibbons thanking him for his excellent service to the Nelson Community as Marina Advisory Group Chair over many years.***
- 6. Notes that Mr Roger Gibbons has advised his intention to resign from the role of Chair of the Marina Advisory Group***
- 7. Notes that the Strategic Development and Property Subcommittee supports the Marina Advisory Group's intention to appoint current Marina Advisory Group***

member Mr Rob Greenaway as the new acting Chair of the Marina Advisory Group

Recommendation to Council

That the Council

- 1. Notes that Mr Roger Gibbons has advised his intention to resign from the role of Chair of the Marina Advisory Group***
- 2. Notes that the Strategic Development and Property Sub-committee supports the Marina Advisory Group's intention to appoint current Marina Advisory Group member Mr Rob Greenaway as the new acting Chair of the Marina Advisory Group***

3. Background

- 3.1 Welcome to 2022 and I hope everyone has had a chance to refresh for the final year of the triennium. Reflecting back on the almost 15 months since the subcommittee was established, I believe we, as a committee, have achieved a significant amount and this is reflected in some of the progress reported in the agenda.
- 3.2 Of note, the marina has developed significantly and much of this has been driven from the move to establish a business unit within Council. The feedback from the public, marina users and the Marina Advisory Group has been extremely positive about the progress being made by the marina team.
- 3.3 The new website and marketing are now being used and the marina itself is looking very tidy and welcoming with the renovated office space and relaxation space for the liveaboards.
- 3.4 At present, the public has information regarding a proposal to change the governance from Council to a Management Council Controlled Organisation and this feedback closes shortly.
- 3.5 Also, the Marina masterplan is progressing and a draft plan will be presented at the next SD&P Sub-committee meeting, with a request for approval to consult with our community.
- 3.6 During the Christmas break, I received a letter of resignation from Roger Gibbons who has been the Chair of the Marina Advisory Group since inception. On behalf of the subcommittee, I would like to acknowledge Roger's vast contribution and passionate support of the marina. We are

Item 6: Chairperson's Report

all aware of how much the Gibbons' family has contributed to the Nelson community and I would like to take this opportunity to acknowledge this.

- 3.7 In light of this, the appointment of Acting Chair will be undertaken by Rob Greenaway who has also been involved for a long period of time with the Marina Advisory Group.
- 3.8 Another piece of work completed is the lease to the Tahunanui Beach Holiday Park to grant them a long-term lease in order for them to continue with their development plans over the next few years. This confirms the confidence we hold in the organisation.
- 3.9 We have some challenges still ahead with work needing to be done at our motor camps. The work just ahead of us is challenging, however we are making good progress.
- 3.10 The stage at the Brook is the ablution blocks in order to become compliant with the building code.
- 3.11 The Maitai camp requires some infrastructure which will be scoped out over the coming months.

Author: Gaile Noonan, Chairperson - Strategic Development and Property Subcommittee

Attachments

Attachment 1: A2837117 - Email from Roger Gibbons - Resignation as Chair from Nelson Marina Advisory Group - 5 February 2022 [↓](#)

Catherine Close

From: Gaile Noonan
Sent: Thursday, 10 February 2022 8:56 am
To: Andrew White
Subject: Fwd: NMAG Chair resignation

From: Roger Gibbons <Roger@gibbons.co.nz>
Sent: Saturday, 5 February 2022, 5:54 PM
To: Gaile Noonan
Cc: Rob Greenaway
Subject: NMAG Chair resignation

CAUTION: External email.

Do not click links or open attachments unless you recognise the sender and know the content is safe.

Hi Gaile

Rob has prepared a very good submission .

I would like you to acknowledge my resignation and appoint Rob at least meantime as Acting Chair .

He will do a very good presentation as he's done all the work/advice over last few years hoping to get to this stage .

He knows the Marina and workings of very well and would be an excellent Chair of NMAG

I await your resignation acknowledgement and confirmation that Rob be Acting Chair .

Regards
Roger

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Setting of Marina Fees and Charges for 2022/23

1. Purpose of Report

- 1.1 To seek approval from the Strategic Development and Property Subcommittee for the consultation process set out in this report, regarding proposed fees and charges for the Marina for the 2022/23 financial year, prior to fees and charges being set by Council resolution.

2. Summary

- 2.1 Council may set fees and charges for Marina services that are regulated under the Navigation Safety Bylaw 2019, under clause 3.4 of the Bylaw and s 150 of the Local Government Act 2002. The fees must not provide for the Council to recover more than the reasonable costs incurred in providing the service to which the fee relates. Following consultation on the proposed fees, Council resolution is required to set fees. :
- 2.2 It is proposed that the fees should, generally, increase by the Consumer Price Index (CPI) annualised to September 2021, however it is also proposed that some fees should decrease. In order to ensure that changed fees and charges can be charged from the start of the 2022/23 financial year, they must be set prior to 1 July 2022.

3. Recommendation

That the Strategic Development and Property Subcommittee

- 1. Receives the report Setting of Marina Fees and Charges for 2022/23 (R26550) and its attachment (A2831251); and***
- 2. Notes the proposed changes to the Marina Fees and Charges as set out in the report Setting of Marina Fees and Charges for 2022/23 (R26550) and its attachment (A2831251); and***

- 3. Approves the consultation approach identified in section 6 of report R26550 for Marina Fees and Charges for 2022/23; and**
- 4. Notes that following consultation a further report will be brought to the Strategic Development and Property Subcommittee to report on the consultation and to make recommendations on any proposed changes to Marina Fees and Charges for 2022/23 to be set by Council by resolution.**

4. Background

- 4.1 Marina fees are usually reviewed and set annually, taking into account current performance, reasonable costs of providing the services, CPI changes and other relevant factors.
- 4.2 This report informs the Strategic Development and Property Subcommittee of the proposed changes to the fees and charges for the Marina for 2022/23 and seeks the Subcommittee's approval for Council officers to consult on the proposed fees and charges for the Marina, as described in section 6 of this report.
- 4.3 The Marina operates within a closed account, meaning any revenue received is reinvested within the Marina or used to pay off debt.

5. Discussion

Reasons for proposed changes to fees and charges at the Marina

- 5.1 Items that fees are charged for at the Marina are shown in Attachment 1. This includes fees for berthholders, ramp users, boat storage users, hardstand users, showers and laundry users, and other miscellaneous charges.
- 5.2 The proposed changes to Marina fees and charges are a combination of a CPI increase, reduction in the hardstand fees, the removal of unused fees and the introduction of new fees and charges for increased levels of service, as detailed Attachment 1.
- 5.3 These proposed fees and charges are consistent with previous increases and account for increased costs. Reducing the hardstand fees will align to our competitors regionally and assist with increasing biosecurity compliance.
- 5.4 Officers consider that the proposed fees and charges would not provide for the Council to recover more than the reasonable costs incurred by the Council for the matter for which the fee is charged.

Item 7: Setting of Marina Fees and Charges for 2022/23

Proposed fees and charges for 2022/23

5.5 Proposed changes for 2021/22 are set out in Attachment 1. Changes are made up of:

- Removed fees from schedule
- CPI increases
- No change
- Fee decreases
- New Fees and Charges

Proposed fees to be removed from schedule

Administration Charge

5.6 Administration Charge to be removed completely from the fees and charges at Nelson Marina.

5.7 Updating user records is part of the Marina service and Officers have identified significant issues in the database in terms of contact information.

5.7.1 This fee discourages our customers from advising any changes to contact details, and is therefore an impediment to doing business and should be removed.

Proposed fees to be adjusted by CPI increases

5.8 Annualised CPI to September 2021 was 4.9%. It is proposed to only increase some fees by CPI for the 2022/23 financial year. This is the increase that has been applied to Marina fees in recent years, reflecting that Council's costs also increase each year.

5.9 The fees with CPI increases proposed in 2022/23 are:

- Marina Berth & Pile Mooring Waitlist Application Deposit Charges
- Marina Berths
- Commercial Recreational Berths
- Boat Storage Park (except daily storage)
- Live aboard charges (except showers and laundry)
- Visitor rates (except surcharge)
- Public boat ramp (except casual use)

Item 7: Setting of Marina Fees and Charges for 2022/23

Proposed fees with no change

5.10 In some areas, no changes are proposed, where it is administratively difficult to charge a different amount. No change is proposed for these items:

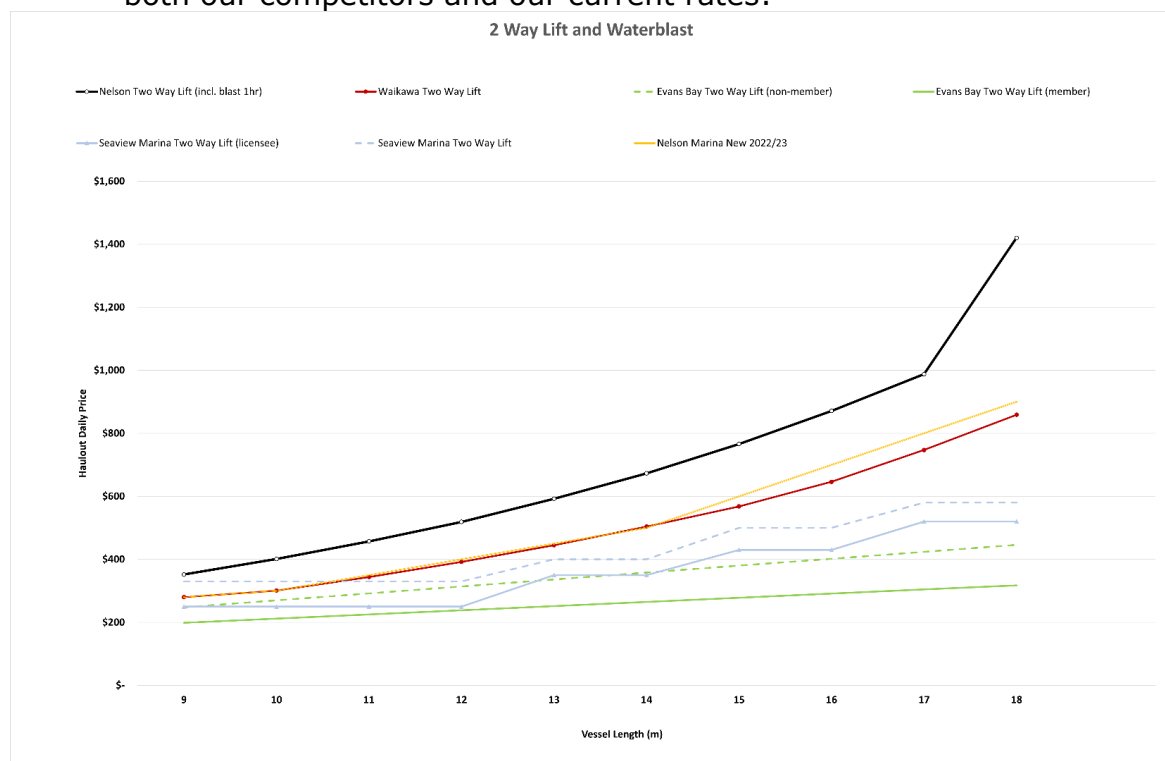
- Boat storage park daily storage (due to administrative ease)
- Casual boat ramp use (due to ticket machine ease of use)
- Showers and laundry (due to coin operated machines)

Proposed fee decreases

Travel Lift and Hardstand

5.11 The rates for the Nelson Marina Travel Lift and Hard Stand are significantly higher than all other Marinas in our region. It is proposed that these rates be reduced to better match our competitors and to encourage our customers to use the service to prevent bio-fouling issues within the Marina and our region.

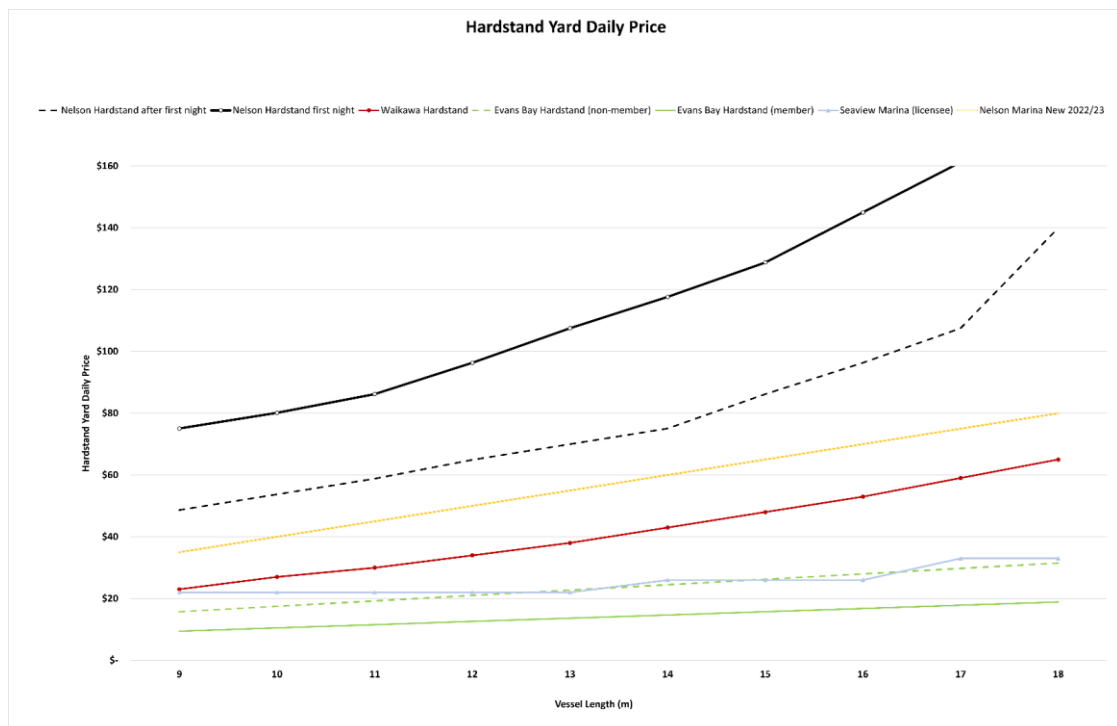
5.12 The proposed changes to the Travel Lift rate can be seen below against both our competitors and our current rates:



5.13 The current hardstand rates are set up inverse to industry standards. At present Nelson Marina charges a high fee at the beginning of the stay and reduces this rate over time.

Item 7: Setting of Marina Fees and Charges for 2022/23

- 5.14 Fees should reflect and encourage our customers to minimise time in these facilities, complete work promptly, and get back into the water as quickly as possible; particularly as we only have eight spaces that can be used for 'dirty' work.
- 5.15 The recommendation is therefore to:
- 5.15.1 Remove the expensive first day charge and decrease the daily rate to better reflect pricing from our competition.
 - 5.15.2 Remove the discount for usage greater than 30 days in the yard.
 - 5.15.3 Introduce a new charge per night for each day over seven days.
- 5.16 The increased rates for each night over seven days usage are set at a rate similar to the current daily rate, and would only be in force from 1 September to 31 January each year, so encouraging those who want longer refit work to be done to do so in our quiet off season during Autumn and Winter.
- 5.17 Although rates are being decreased, it is expected that there will be more efficiencies in the yard, so allowing for more vessel movements and therefore increasing the use of the Travel Lift.
- 5.18 Decreasing the Travel Lift and Hardstand rates will show our customers that we are serious about fixing the bio-fouling issues on many vessels within the Marina and may help to soften the impact of other proposed fees and charges increases.
- 5.19 The proposed new charges are shown in the table below, in comparison to our current rates and other Marinas in our region:



Proposed new fees and charges

- 5.20 Nelson Marina is proposing to introduce several new charges in the following areas. All proposed new rates are inclusive of GST.

Dinghy Berthing

- 5.21 A new charge for Dinghy Berthing, use of potable water and rubbish facilities for the over fifty vessels in the Haven mooring field, which are currently using Marina services for free and taking up a vessel berth. Proposed new charge is \$30 per month.

Tow Charge

- 5.22 Nelson Marina now has a dinghy to service the Marina. If vessels have broken down and require a tow to get to their berth, or from their berth to the travel lift, then it is appropriate to be charging for this service. Proposed new charge is \$80.00 per tow.

Travel Lift Emergency Call Out

- 5.23 Nelson Marina does not currently have an extra fee for an emergency haul out in the travel lift after hours. A flat rate is proposed to cover the extra staff costs associated with such a call out. Proposed new charge is \$250.

Container Storage – Hard Stand

- 5.24 To better utilise empty space and to provide all weather workshops for Marina contractors in the Hard Stand, a fee is proposed fee to allow contractors to store containers on a temporary monthly basis. Proposed new charge is \$75, \$150 and \$300 per month for a 10, 20 or 40 foot container, respectively.

General Storage – Hard Stand

- 5.25 For general storage of equipment and for vessels that are hauled from the water but are not being worked on, a fee is proposed at a per square meter rate. This would be a daily rate for short term storage, and a monthly rate for longer term storage. Proposed new fees would be \$1 per metre square per day, or \$15 per metre square per month.

Yard Labour/Cleaning Fee

- 5.26 For any extra work undertaken by Marina staff, or for extra cleaning for a site left unclean, it is to charge out Marina staff labour on an hourly rate. Proposed new charge is \$75 per hour.

Forklift Hire

Item 7: Setting of Marina Fees and Charges for 2022/23

- 5.27 The Marina is not currently charging for the use of the Marina forklift or the staff member to drive it. Proposed new charge is \$20 per 15 minutes.

Mast Removal at Travel Lift Dock

- 5.28 Cranes are regularly being used to remove rigs in the Marina Travel Lift Dock. This limits other use of the area, removing the ability to launch or retrieve vessels. Proposed new charge is \$50 per hour.

Mast Storage

- 5.29 Masts that have been removed are currently being stored in the Hard Stand for free. These take up a significant amount of space. Proposed new charge is \$10 per day.

Contractor Annual Hard Stand Registration Fee

- 5.30 Contractors currently have access to, and work in, the Marina yard for free. This has costs to the Marina associated with inductions, traffic management, cleaning up after users, and providing power and water. Proposed new charge is \$1,200 per company per annum.

Contractor Security Pass

Currently most contracting companies have one or two access cards that they share. For Security and Health and Safety reasons it has been identified that all individuals should have their own card. Proposed new charge is \$20 per card, which would be refundable should the card be returned in good condition.

6. Consultation

- 6.1 There is no requirement for a Special Consultative Procedure under section 83 of the LGA, however consultation that gives effect to s 82 of the LGA is required to inform decision making on.
- 6.2 Having considered the Significance and Engagement Policy, consultation is proposed with the following stakeholders or groups:
- Berthholders
 - Boat owners with boats in the long term storage area and boat ramp season pass holders
 - Hardstand commercial operators
 - Marina Advisory Group
 - Clubs and user groups including:
 - Dawnbreakers fishing club

Item 7: Setting of Marina Fees and Charges for 2022/23

- Nelson Boating Community
 - Sea sport participants that are part of the Sea Sports Alliance Group
 - Other users of the Marina boat ramp and facilities
- 6.3 Consultation is proposed by way of:
- Letters or emails to berthholders, season pass ramp holders, those with boats in the long term storage area, commercial hardstand operators.
 - Signs displayed at the boat ramp, Marina office, hardstand gate.
 - Direct contact made with other stakeholders identified in section 6.2.
 - Notification on Our Nelson
 - Feedback online through Shape Nelson, via email, or via hardcopy through customer services.
- 6.4 It is proposed that stakeholders would be invited to provide feedback from 1 March to 30 March 2022, allowing a month for the feedback process.
- 6.5 Feedback would be requested to be completed through an online feedback form that will be made readily available. This feedback will be collated and provided to the Strategic Development and Property Subcommittee at a future meeting, to inform a recommendation to Council regarding fees and charges for the Marina.

7. Options

- 7.1 The Subcommittee can approve the proposed consultation as set out in this report or can decide not to approve the proposed changes to the fees and charges of the marina as described in this report.
- 7.2 The recommended option is that the Subcommittee approves consultation as described in section 6 of this report to inform fee and charge setting for 2022/23 (option 1).

Option 1: Approve the proposed consultation on proposed Marina fees and charges for 2022/23 (Recommended)	
Advantages	<ul style="list-style-type: none">• Allows opportunity for further consultation prior to a decision being made.• Allows time to seek feedback prior to the financial year commencing.

Item 7: Setting of Marina Fees and Charges for 2022/23

	<ul style="list-style-type: none"> Provides an opportunity for stakeholder feedback.
Risks and Disadvantages	<ul style="list-style-type: none"> Risks 'consultation fatigue' as other consultation about the Marina is taking place at the same time.
Option 2: Do not change fees and charges for 2022/23 as proposed in section 5 of this report	
Advantages	<ul style="list-style-type: none"> Reduces staff time involved in carrying out the consultation.
Risks and Disadvantages	<ul style="list-style-type: none"> The increased cost of doing business will not be offset by the increase in CPI. The Hardstand prices will remain higher than market rates increasing the biosecurity risk to the region. The marina will not be able to offer extra services and make the best use of the available land for revenue generation.

8. Conclusion

- 8.1 This report seeks the Strategic Development and Property Subcommittee's approval for the consultation process on the proposed Marina fees and charges for 2022/23, as described in section 6, in order to seek feedback from the community to inform the Subcommittee's recommendation to Council on setting fees.

9. Next Steps

- 9.1 Consultation with stakeholders as outlined in this report.
- 9.2 Report to Subcommittee on the outcomes of the consultation and proposed changes as a result of the feedback received.
- 9.3 Council decision setting fees.
- 9.4 New fees in place from 1 July 2022.

Author: Nigel Skeggs, Manager Nelson Marina

Attachments

Attachment 1: A2831251 - Marina Fees and Charges 2022/23 [↓](#)

<p>Important considerations for decision making</p>
<p>Fit with Purpose of Local Government</p> <p>The recommendation in this report supports community, social and economic wellbeing by seeking an opportunity for the community to provide feedback on the fees charged at the Marina.</p> <p>The Marina is a place where many people recreate and carry out commercial activities and this process ensures a fair chance for these users to provide input.</p>
<p>1. Consistency with Community Outcomes and Council Policy</p> <p>Consulting on proposed fees and charges enables Council to make sure that fees are set in a way that meet the following community outcomes:</p> <ul style="list-style-type: none"> • Our infrastructure is efficient, cost effective and meets current and future needs • Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement • Our region is supported by an innovative and sustainable economytext
<p>2. Risk</p> <p>Fees and charges are reviewed annually and either adjusted in line with the Consumer Price Index or adjusted to reflect any changes in process and/or costs incurred to Council.</p> <p>If consultation is not carried out prior to fees changing, users will not have had the opportunity to provide feedback on the changes.</p>
<p>3. Financial impact</p> <p>An estimate for fees and charges income, based on past trends and the Revenue and Finance Policy, is included in Council's Long Term Plan.</p>
<p>4. Degree of significance and level of engagement</p> <p>This matter is of medium significance because there are a number of users that would be impacted by a change in fees. The Marina is a self-funding activity, so ratepayer input does not contribute towards the Marina expenses. Therefore, consultation as proposed in this report is recommended before the fees are set for 2022/23.</p>
<p>5. Climate Impact</p>

Item 7: Setting of Marina Fees and Charges for 2022/23

Consulting on changing the fees and charges for the Marina does not have a climate impact.
6. Inclusion of Māori in the decision making process No engagement with Māori has been undertaken in preparing this report. Māori will be able to provide feedback as part of the consultation process.
7. Delegations The Strategic Development and Property Subcommittee has the following delegations in relation to Marina fees and charges. <i>Areas of Responsibility:</i> <ul style="list-style-type: none">• <i>Marina Precinct</i> <i>Powers to Decide:</i> <ul style="list-style-type: none">• <i>Undertaking informal community engagement on matters within the areas of responsibility</i> <i>Powers to Recommend to Council:</i> <ul style="list-style-type: none">• <i>All other matters within the areas of responsibility or any other matters referred to it by Council</i>

FEES AND CHARGES RELATING TO STRATEGIC, DEVELOPMENT AND PROPERTY SUBCOMMITTEE 2022/23

2 Marina

2.1 Marina

	Private 2021/22	Public 2021/22
Revenue and Financing Policy (Marina)	100%	0%
Actual (Marina)	100%	0%

Recovery meets Policy

Marina berths				
Fee and Charges	Description	2021/22	Proposed change	2022/23
Marina Berth & Pile Mooring Waitlist Application Deposit Charges				
Marina Berth & Pile Mooring Waitlist Application Deposit Charges	A non-refundable deposit of \$195 must be paid with each application. This deposit will be credited to the applicant's first Annual Licence account, on allocation of a permanent mooring.	\$162.00	Increase by CPI	\$170.00
Marina Berths				
Annual Licence	Fee per metre LOA of vessel or part thereof per annum, or berth size, whichever is the greater (GST excl).	\$255.00	Increase by CPI	\$267.50
Annual Licence Pile Mooring	Per metre LOA of vessel (GST excl).	\$154.00	Increase by CPI	\$161.50
Temporary Berth	Per metre LOA of vessel, or part thereof per day. The charge applies only to those waiting for an imminent permanent berth. No living aboard allowed. No long-term availability (GST excl).	\$1.30	Increase by CPI	\$1.36
Multi-Hull	Multi-hull vessels in designated berths will be charged at 1.5 - 2.0 x single berth rate for a vessel of the same size, plus GST. The applicable rate will be determined by the Marina Supervisor on length and width of vessel or berth whichever is the greater.	1.5 - 2.0 x single berth rate	No change to definition, but single berth rate has increased by CPI	1.5 - 2.0 x single berth rate
Commercial Recreational Berths				

FEES AND CHARGES RELATING TO STRATEGIC, DEVELOPMENT AND PROPERTY SUBCOMMITTEE 2022/23

Commercial Recreational Berths	A commercial or charter berth or storage park, if provided, shall be charged at a rate per metre (GST excl.)	\$411.00	Increase by CPI	\$431.00
Live Aboard Charges				
Live Aboard Charge	Per month plus annual mooring fee to licensed live-aboard vessels (excl. GST)	\$165.00	Increase by CPI	\$173.00
Showers	Coin operated - per shower	\$1.00 or \$2.00	No change	\$1.00 or \$2.00
Laundry	Laundry - \$3 wash, \$2 per 20-minute dry	\$3 wash, \$2 dry	No change	\$3 wash, \$2 dry
Administration Charge				
Administration	Payable for changes of berth or details	\$54.00	Removed	FOC
Marina Berths – Visitor Rates				
Less than 18 metres:	Per day (incl. GST)*	\$33.00	Increase by CPI	\$34.50
18 metres - 20 metres:	Per day (incl. GST)*	\$50.00	Increase by CPI	\$52.50
More than 20 metres	Per metre of vessel per day (incl. GST)	\$5.00	Increase by CPI	\$5.25
Multi-hulls	Charged at 1.5 - 2.0 x single berth visitor Rate (incl. GST).	1.5 - 2.0 x single berth	No change to definition, but single berth rate has increased by CPI	1.5 - 2.0 x single berth
*Surcharge	Surcharge per person, per day, will apply where a vessel is carrying more than two persons over the age of ten years. The surcharge will apply only to the additional persons carried.	\$5.00	No change	\$5.00
Dinghy Berthing, Water and Rubbish for Moorings	Monthly fee for using marina services by vessels in the haven mooring field		New Charge	\$30/month
Tow			New Charge	\$80
Boat length definitions and minimum charges				
Boat Length	All fees & charges relating to the length of a vessel shall be based on the LOA 'overall length.' The 'overall length' shall be determined as being from bow to stern (including all fixtures such as bowsprits, self-steering gear, davits, etc.).			
Minimum Charge	The minimum charge shall be based on an 8-metre vessel.			

FEES AND CHARGES RELATING TO STRATEGIC, DEVELOPMENT AND PROPERTY SUBCOMMITTEE 2022/23

Hardstand										
Boat Length [m] (next smaller value)	2021/22					2022/23 fee				
	Lift, hold, blast (1hr) and return	Lift, blast, set-down and return	Hardstand first night	Hardstand (per day after first night)	Hardstand Storage (per day >30 days)	Lift, hold, blast (1hr) and return	Lift, blast, set- down and return	Hardstand first night	Hardstand (per day)	Hardstand (per day over 7 days (1 Sept – 31 Jan))
9.0 - 9.9	\$215	\$306	\$75	\$49	\$26	\$210	\$280		\$35	\$52
10.0 -10.9	\$241	\$349	\$80	\$54	\$32	\$225	\$300		\$40	\$60
11.0-11.9	\$274	\$397	\$86	\$59	\$38	\$263	\$350		\$45	\$68
12.0-12.9	\$306	\$451	\$96	\$65	\$43	\$300	\$400		\$50	\$75
13.0-13.9	\$349	\$515	\$107	\$70	\$49	\$338	\$450		\$55	\$83
14.0-14.9	\$397	\$585	\$118	\$75	\$54	\$375	\$500		\$60	\$90
15.0-15.9	\$456	\$666	\$129	\$86	\$59	\$450	\$600		\$65	\$98
16.0-16.9	\$521	\$757	\$145	\$96	\$65	\$525	\$700		\$70	\$105
17.0-17.9	\$591	\$859	\$161	\$107	\$70	\$600	\$800		\$75	\$113
18.0+	\$805	\$1,235	\$215	\$140	\$91	\$675	\$900		\$80	\$120
Half hour lift, blast, set- down and return – New recommended	N/A	N/A	N/A	N/A	N/A	Half hour rate – half price of full hour rate	N/A		N/A	N/A
Washdown – additional costs for badly fouled hulls				\$69 (per hour)		Waterblast – additional costs for badly fouled hulls – Increase by CPI			\$72 (per hour)	
Double Stroops				\$80		Double Stroops			\$80	

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FEES AND CHARGES RELATING TO STRATEGIC, DEVELOPMENT AND PROPERTY SUBCOMMITTEE 2022/23

Extra Holding Time	\$69 per hour	Extra Holding Time	\$72 per hour
Special travel lift services such as lifts to or from transporters, keel fitting etc (min 1 hour)	\$129 (per hour or part thereof)	Special travel lift services such as lifts to or from transporters, keel fitting, underwater surveys etc (min 1 hour)	\$129 (per hour or part thereof)
Emergency Call Out Travel Lift		New Charge	Additional \$250
New Yard Fees			
Fee	Description	2021/22 fee	Proposed Change
Container Storage 10 foot	Workshop storage for contractors		New Charge
Container Storage 20 foot	Workshop storage for contractors		New Charge
Container Storage 40 foot	Workshop storage for contractors		New Charge
General Storage	General Storage of Equipment and Vessels in Boatyard – non work area		New Charge
Yard Labour/Cleaning Fee	Extra assistance, cleaning etc		New Charge
Forklift Hire			New Charge
Mast Removal at Travel Lift Dock			New Charge
Mast Storage			New Charge
Contractor Annual Registration Fee	Monthly invoice at \$100 per calendar month		New Charge
Security Pass	Access card per employee – refundable on card return		New Charge

Boat Storage Park			
Fee	Description	2021/22 fee	Proposed Change
Boat Storage Park Waitlist Deposit Charges	A non-refundable deposit must be paid with each application. This deposit will be credited to the	\$83	Round Up – Increase less than CPI

FEES AND CHARGES RELATING TO STRATEGIC, DEVELOPMENT AND PROPERTY SUBCOMMITTEE 2022/23

	applicant's first Annual Boat Storage account on allocation of a permanent parking space.			
Annual Storage	Per space, includes annual ramp fee pass (excl. GST).	\$1,089.00	Increase by CPI	\$1,142.50
Daily Storage	Per space in advance (excl. GST).	\$5.00	Increase by CPI	\$5.25

Public Boat Ramp

Fee	Description	2020/21 fee	Proposed Change	2021/22 fee
Annual Launching Permit, valid until 30 June	1 July – 30 June (incl. GST)	\$105.00	Increase by CPI	\$110.00
	1 Oct – 30 June (incl. GST)	\$96.00	Increase by CPI	\$101.00
	1 Jan – 30 June (incl. GST)	\$83.00	Increase by CPI	\$87.00
	1 Apr – 30 June (incl. GST)	\$71.00	Increase by CPI	\$74.50
Casual use	Per launch, pay at meters (incl. GST)	\$5.00	No Change	\$5

Inspection Grid

Fee	Description	2020/21 fee	Proposed Change	2021/22 fee
Inspection Grid	Use of the Inspection Grid will need to be booked with the Marina Supervisor costs will be plus GST per consecutive high tides (day). No water blasting, cleaning, scraping, painting, or other physical works will be allowed whilst on the grid.	\$27.00	Not listed	Out of Service

FEES AND CHARGES RELATING TO STRATEGIC, DEVELOPMENT AND PROPERTY SUBCOMMITTEE 2022/23

General Terms & Conditions

Fees are subject to change without prior notice

Refer to: 'Nelson Marina Berth Holder Licence Terms And Conditions' document for full Terms and Conditions and Marina Rules.

All expenses incurred in collecting outstanding fees and/or charges shall be payable by the licence holder.

Berth-holders wishing to cancel a permanent berth must notify the Marina Manager a minimum of 30 days in advance.

Berths are required to be vacated by 1.00 pm on day of departure.

Visiting vessels MUST ADVISE the Marina Office of their day of departure, failure to do so will result in ongoing daily charges.



Strategic Development and Property Subcommittee

17 February 2022

REPORT R26513

Strategic Development and Property Quarterly Report Quarter Two 2021/22

1. Purpose of Report

- 1.1 To inform the Subcommittee of the financial and non-financial results for the second quarter of 2021/22 for the activities under the Strategic Development and Property Sub Committee's delegated authority.

2. Recommendation

That the Strategic Development and Property Subcommittee

- 1. Receives the report Strategic Development and Property Quarterly Report Quarter Two 2021/22 (R26513) and its attachments (A2824509 and A2809862).***

3. Background

- 3.1 Quarterly reports on performance are provided to each Committee on the performance and delivery of projects and activities within its area of responsibility.
- 3.2 The financial reporting focuses on the year-to-date performance to 31 December 2021, against approved capital and operating budgets.
- 3.3 Approved budgets are the 2021/22 annual budget plus any carry forwards, plus or minus any other additions or changes approved by Council or the appropriate Committee.
- 3.4 At the time of budgeting, capital projects are classed as one of the following:
- 3.4.1 **Growth:** the main driver of the project is population growth.

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- 3.4.2 **Renewal:** the main driver of the project is to replace existing assets nearing the end of their economic life.
- 3.4.3 **Level of Service:** the main driver of the project is to increase the level of service provided to the community.
- 3.4.4 Where a capital project contains a mix of capital type, it is coded to the dominant purpose of the capital project.
- 3.5 Detailed project sheets are included in Attachment 1 (A2824509) and Attachment 2 (A2809862) for the projects within the Strategic Development and Property Subcommittee delegations. These project sheets have been selected if their budget is at least \$250,000 for 2021/22, if they are multi-year projects with a budget over \$1 million, or if they have been assessed to be of particular interest to the Committee.
- 3.6 Project status is analysed based on three factors: quality, time and budget. From consideration of these three factors the project is assessed as being on track (green), some issues/risks (orange), or major issues/risks (red). Projects that are within 5% of their budget are on track regarding the budget factor.

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4. Financial Results

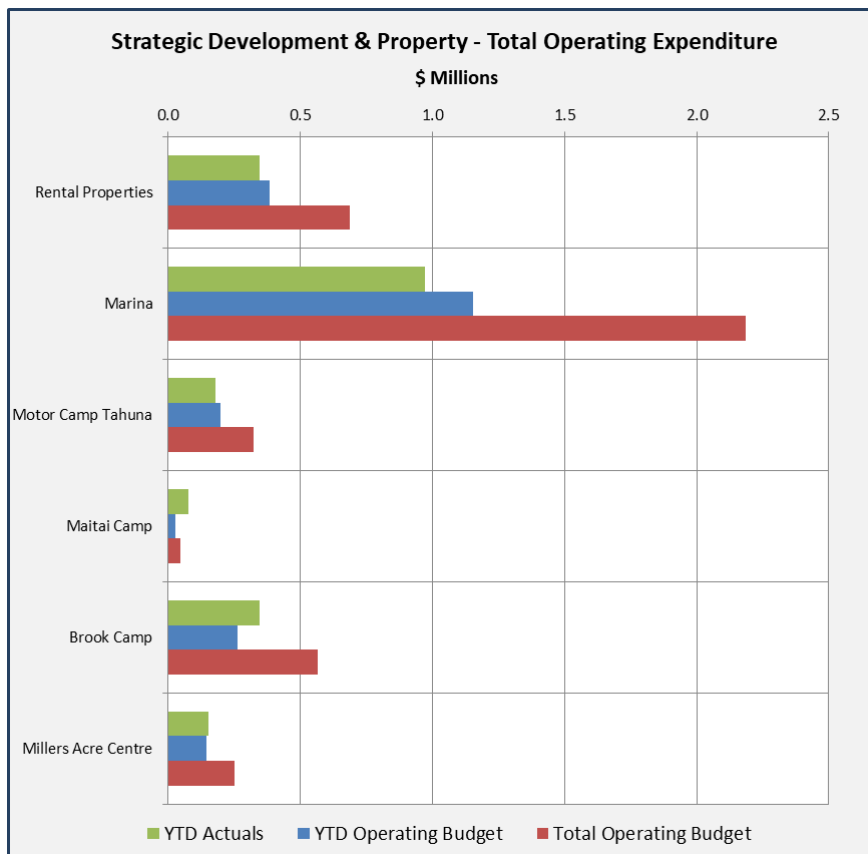
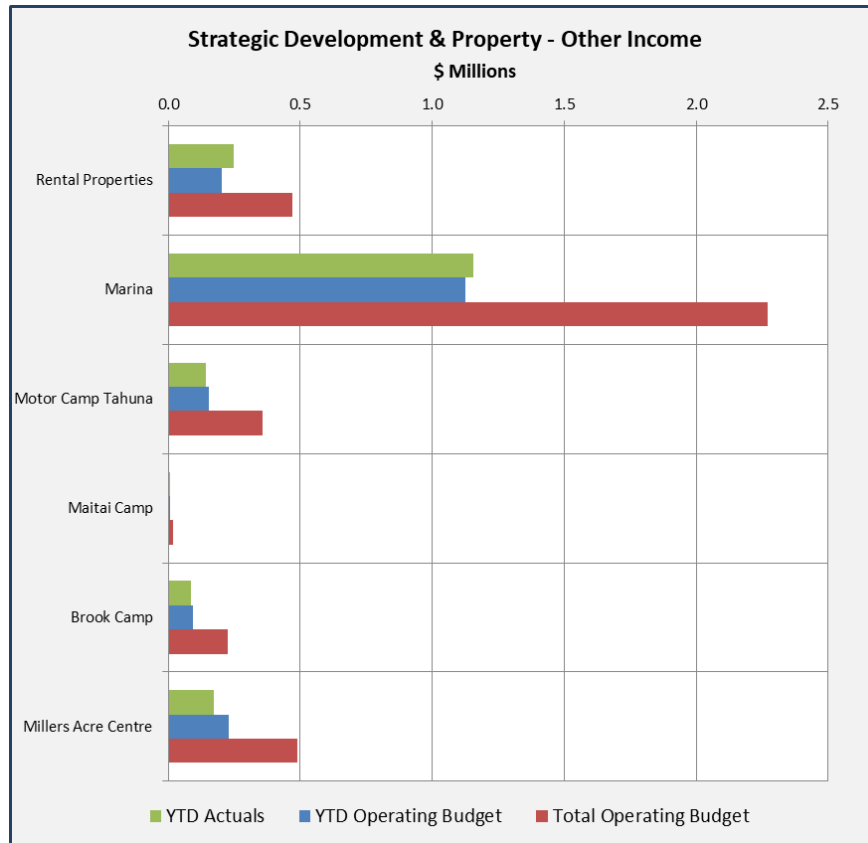
Profit and Loss by Activity

PROFIT & LOSS - CAMPGROUNDS						
	YTD Actuals	YTD Operating Budget	YTD Variance	Operating Budget	Annual Plan Budget	Forecast
Income						
Rates Income	90,125	90,132	(7)	180,251	180,252	180,251
Other Income	235,013	255,768	(20,755)	602,082	602,077	602,077
Total	325,138	345,900	(20,762)	782,333	782,329	782,328
Expenses						
Staff Operating Expenditure	177,479	99,540	(77,939)	199,084	199,085	199,084
Base Expenditure	212,442	226,611	14,169	370,235	370,217	373,229
Unprogrammed Expenses	125,777	56,301	(69,476)	129,201	129,200	129,200
Programmed Expenses	6,794	24,934	18,140	74,002	74,000	70,000
Finance Expenses	3,013	4,914	1,901	9,825	9,826	9,825
Depreciation	75,385	78,324	2,939	156,644	156,644	156,644
Total	600,890	490,624	(110,266)	938,991	938,972	937,982
Surplus/(Deficit)	(275,752)	(144,724)	(131,028)	(156,658)	(156,643)	(155,654)

PROFIT & LOSS - MARINA						
	YTD Actuals	YTD Operating Budget	YTD Variance	Operating Budget	Annual Plan Budget	Forecast
Income						
Rates Income	-	-	-	-	-	-
Other Income	1,155,637	1,125,077	30,560	2,269,764	2,269,765	2,269,766
Total	1,155,637	1,125,077	30,560	2,269,764	2,269,765	2,269,766
Expenses						
Staff Operating Expenditure	353,955	347,550	(6,405)	695,100	695,100	695,100
Base Expenditure	294,960	360,464	65,504	589,199	604,270	595,858
Unprogrammed Expenses	21,703	35,566	13,863	76,127	96,627	96,627
Programmed Expenses	53,109	156,165	103,056	313,903	312,400	312,400
Finance Expenses	113,698	116,274	2,576	232,548	232,548	232,548
Depreciation	134,397	139,788	5,391	279,569	279,569	279,569
Total	971,822	1,155,807	183,985	2,186,446	2,220,514	2,212,102
Surplus/(Deficit)	183,815	(30,730)	214,545	83,318	49,251	57,664

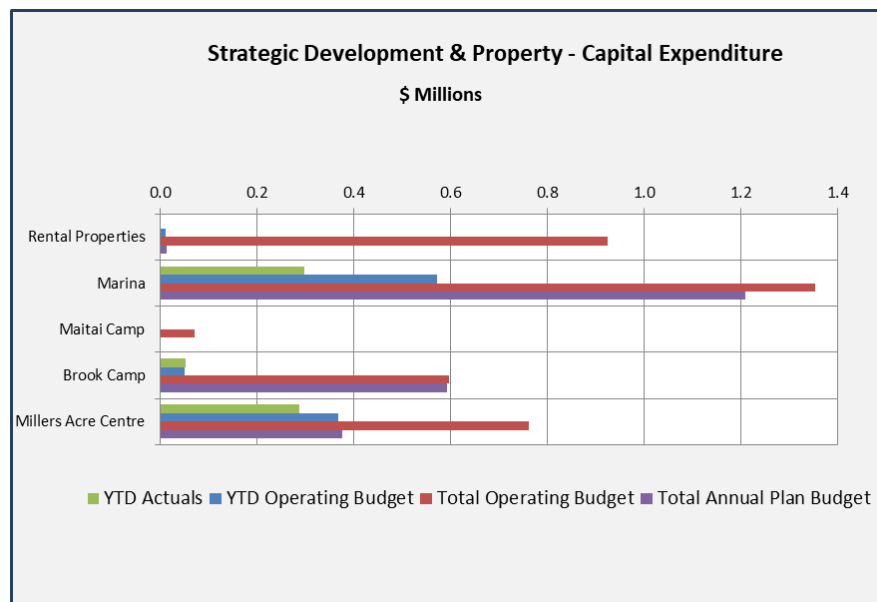
PROFIT & LOSS - RENTAL PROPERTIES						
	YTD Actuals	YTD Operating Budget	YTD Variance	Operating Budget	Annual Plan Budget	Forecast
Income						
Rates Income	(10,805)	(10,806)	(2)	(21,609)	(21,609)	(21,609)
Other Income	418,986	433,526	(14,540)	961,192	961,199	902,948
Total	408,181	422,720	(14,542)	939,583	939,590	881,339
Expenses						
Staff Operating Expenditure	96,969	95,250	(1,719)	190,494	190,494	190,494
Base Expenditure	172,442	171,022	(1,420)	219,884	219,886	237,373
Unprogrammed Expenses	4,862	12,758	7,896	24,506	24,500	24,500
Programmed Expenses	34,017	39,897	5,880	81,153	81,150	81,150
Finance Expenses	126,217	104,700	(21,517)	209,400	209,400	209,400
Depreciation	64,077	107,082	43,005	214,161	214,161	214,161
Total	498,584	530,709	32,125	939,598	939,591	957,078
Surplus/(Deficit)	(90,403)	(107,989)	17,583	(15)	(1)	(75,739)

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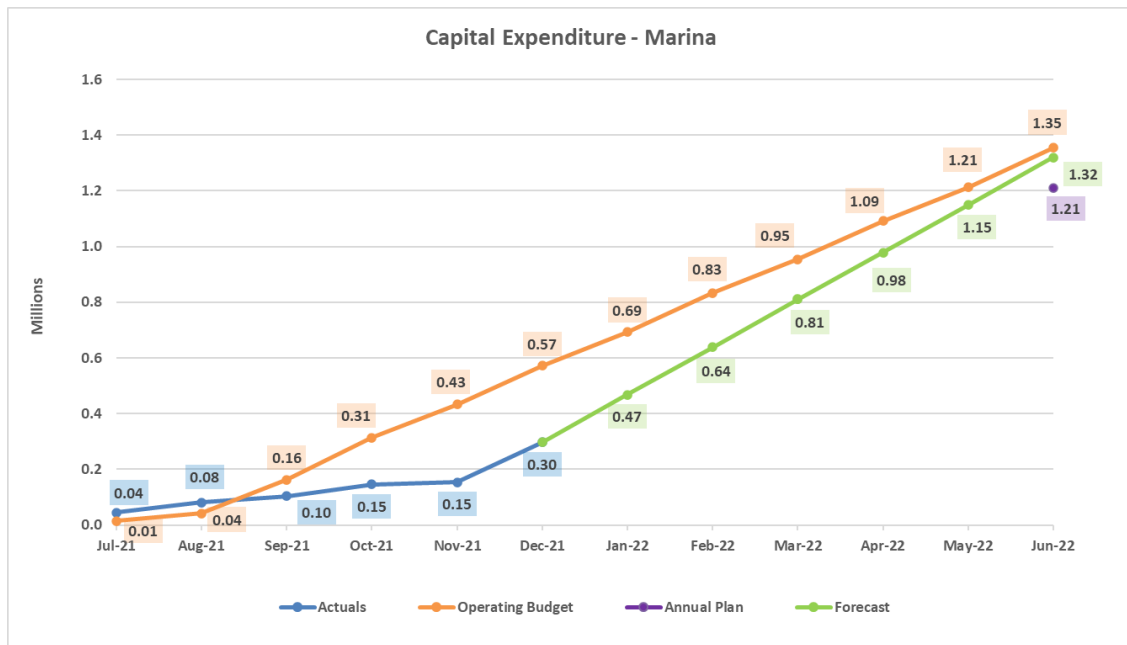
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- 4.1 **Marina expenditure is less than budget by \$184,000.** Professional Advice is \$72,000 behind budget, with work underway to complete the review of the governance model. Various base repairs & maintenance expenditure items are \$55,000 behind budget with the majority now forecast to be spent on Hardstand maintenance in the second half of the year.
- 4.2 **Millers Acre income is less than budget by \$59,000.** Rent from tenants is under budget by \$66,000 due to Covid rental relief, rental vacancies, and a budgeting error. Recovery income is \$8,000 ahead of budget, this is invoiced as a set amount with an annual wash-up based on actual outgoings.
- 4.3 **Campgrounds expenditure is higher than budget by \$110,000.** Expenditure on work to achieve compliance at both the Brook and Maitai campgrounds, and incorrect budgeting of staff costs for the Brook Camp are the key contributors.



- 4.4 As at 31 December 2021, Capital Expenditure is \$362,000 behind budget. Level of Service, Renewals and Growth are behind budget by \$275,000, \$68,000, and \$39,000 budget respectively. Capital Staff Cost is \$21,000 ahead of budget.

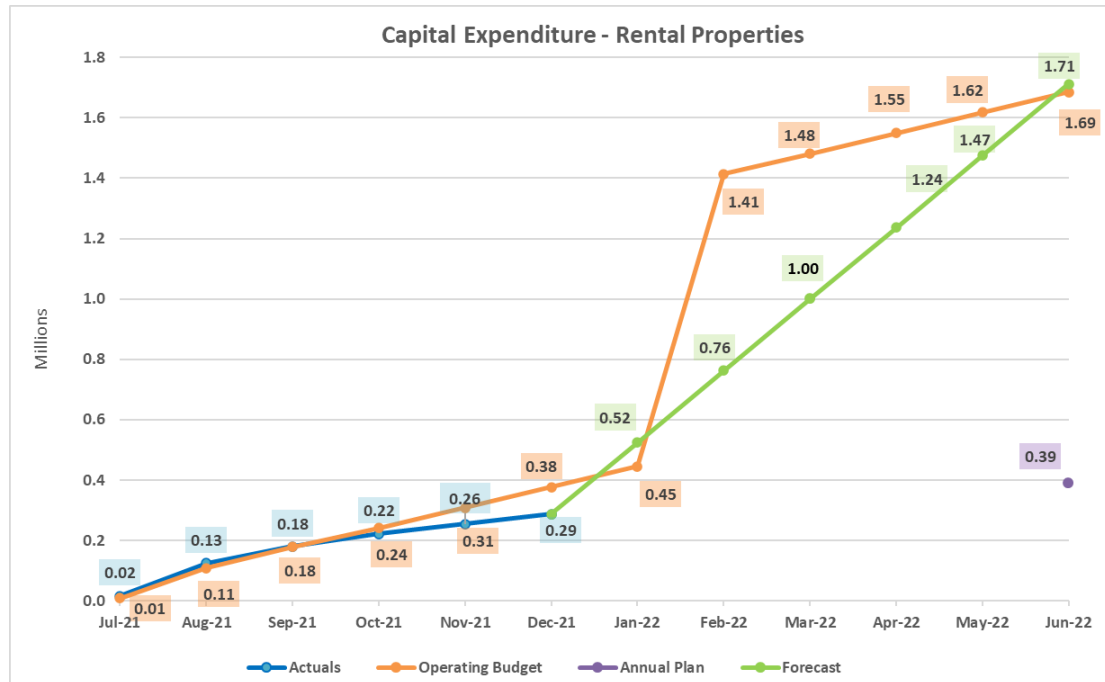
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4.5 Major capital variances for the Marina are in the following projects:

- 4.5.1 Marina Strategy is \$172,000 behind budget. The project is nearing completion and has been committed but no payments are yet to be made.
- 4.5.2 Torsion Bar Replacement is \$55,000 behind budget. The torsion bars scheduled for replacement have been inspected and are in satisfactory order and are on the old P pontoon which is likely to be replaced with the marina reconfiguration. This project has been paused and will be deferred until after the masterplan is complete.

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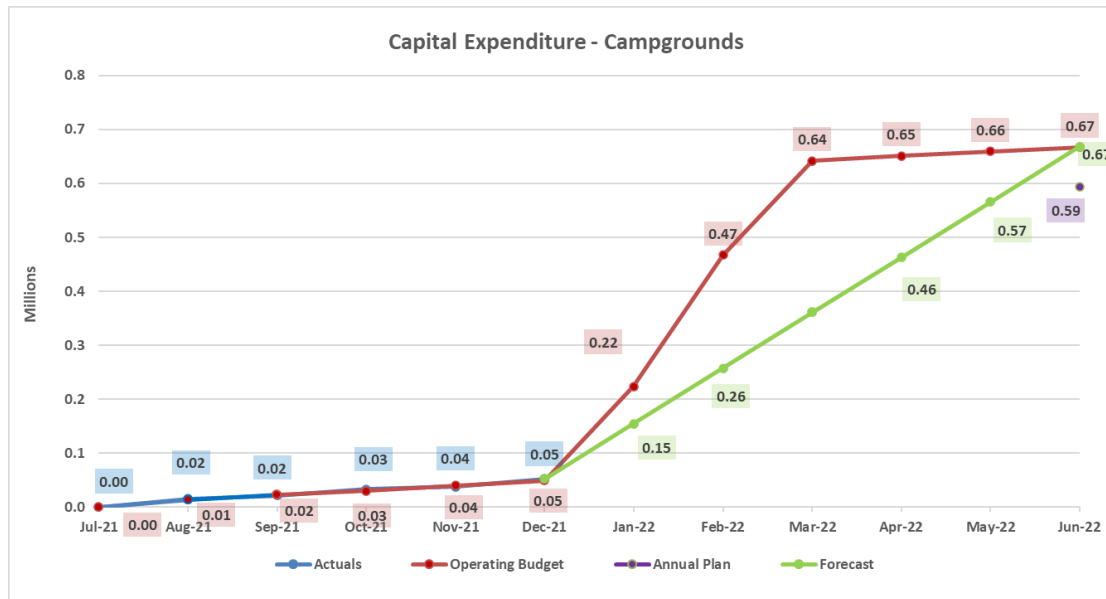
4.6 Major capital variances for Rental Properties are in the following project:

4.6.1 Millers Acre Renovation is \$97,000 behind budget, which is further detailed in the project sheet.

4.7 Rental Properties graphs include the following properties:

- Millers Acre Centre
- 157 Haven Road
- 48 Pascoe Street
- 163 Haven Road
- 199 Bridge Street
- 101 Achilles Avenue
- 225 Akersten Street
- 81 Achilles Avenue
- Nursery Land – Atawhai Drive
- 11 Cross Quay
- 252 Haven Road
- 236-250 Haven Road

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5. Future Fees and Charges

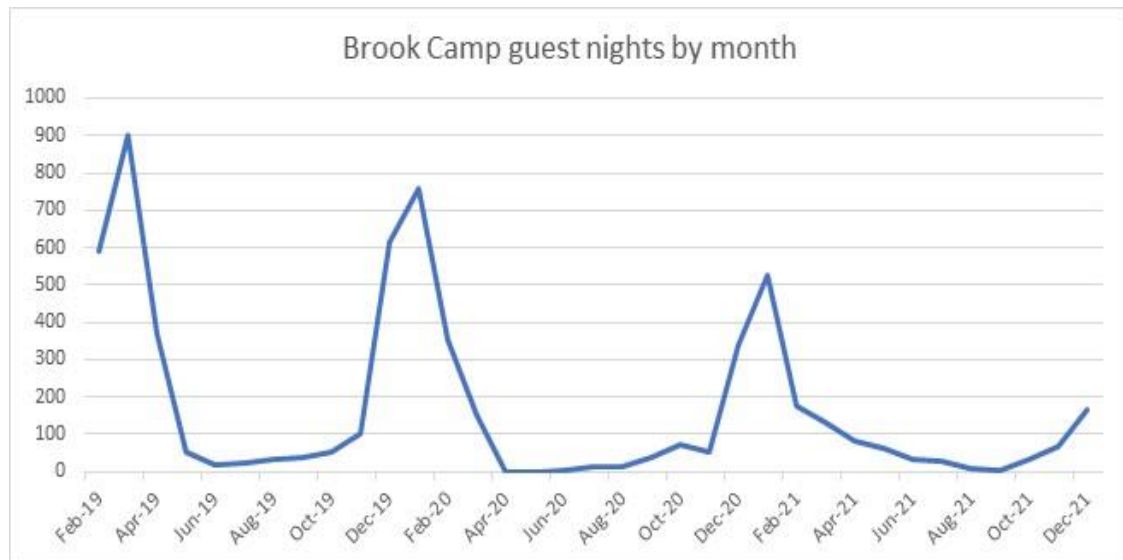
- 5.1 Officers are currently undertaking modelling for future fees and charges at both the Maitai Valley Motor Camp and the Brook Valley Holiday Park. A report on this will be placed on the Agenda of the Strategic Development and Property Subcommittee later in the year.
- 5.2 A separate report on Marina fees and charges for 2022/23 has been placed on the agenda for this meeting of the Strategic Development and Property Subcommittee, 17 February 2022, recommending a CPI increase on most fees, reducing in fees for the hard stand and the introduction of new fees for services rendered.

6. Campgrounds Update

Brook Valley Holiday Park

- 6.1 During Quarter Two, 311 casual campers stayed at the Brook Valley Holiday Park. Due to ongoing COVID-19 impacts, this was a lower occupancy than anticipated, compared to previous years. This also reflects an overall trend, as shown in the table below.

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Historical data showing decline in Brook Valley Holiday Park guest nights, since February 2019.

- 6.2 At the request of the Brook Waimarama Sanctuary Trust, a letter was sent to all long-term residents advising that traps would be set on the Sanctuary's leased land to manage feral cats. This letter was also sent to the Brook Valley Residents in January 2022.
- 6.3 Investigations regarding suitable replacement options to ensure that the F Block Ablutions are compliant with the building code are almost complete. It is planned to have two accessible ablution facilities, which will be located within two separate sites within the camp.
- 6.4 A Resource Consent decision is expected shortly, which will determine the locations of sites for long term campers and services hubs. An engagement plan has been drafted to assist with implementing any changes required.
- 6.5 The Housing Hui with social agencies continues to meet fortnightly, to discuss progress with compliance at the campgrounds.

Maitai Valley Motor Camp

- 6.6 A request to cancel the Abatement Notice was sent to the Group Manager Environmental Management on 20 December 2021. A response was received on 19 January 2022 declining the request, instead granting an extension to achieve compliance by 30 June 2022. Any further extension beyond 30 June 2022 are highly unlikely to be granted. The expectation is that a resource consent application should be lodged by 30 June 2022, before further consideration of cancellation of the notice. External planners engaged to draft the consent application consider this timeline realistic.

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- 6.7 Options for wastewater management, including connecting to the mains, will be presented to Council prior to lodging consent for the preferred option for wastewater treatment.

7. Marina Update

- 7.1 The LGA Section 17a Governance Review for Nelson Marina has been completed and was reported to the Strategic Development and Property Subcommittee meeting on 3 December 2021, and to Council on 8 December 2021. A recommendation for the establishment of a Council Controlled Organisation to manage the Marina gained unanimous support.
- 7.2 Public consultation on the proposed management model is currently available on the Shape Nelson website, with the submission period closing on 20 February 2022.
- 7.3 The Marina Masterplan is nearing completion. Final drawings are being prepared and edits being made to the final document. This work is expected to be reported to the Strategic Development and Property Subcommittee on 24 March 2022.
- 7.4 A full engineering inspection was completed on all floating structures in Nelson Marina. Only minor defects were identified, which are being actioned. All records have been updated in OBIS, the Council Bridge and Structure Asset Management Software system.
- 7.5 A full electrical audit was completed on all floating structures and distribution boxes. All passed, and an electrical compliance certificate has now been issued.
- 7.6 Marina rebranding has been completed and the new website has been launched.

8. Strategic Properties Update

- 8.1 A licence to occupy the vacant lot at 23 Halifax Street was entered into with the Nelson Provincial Farmers Market in October 2021, on a month-by-month basis.
- 8.2 A short-term licence to occupy the 'Simply NZ' site at Millers Acre, for the purpose of storage, has been entered into with Kiwi Journeys.
- 8.3 Council has been approached by Make/Shift Spaces to use the windows of the 'Simply NZ' site to promote the upcoming RockQuest anniversary event. Officers are working through a licence to occupy for this purpose.
- 8.4 Datacom has exited their lease at Millers Acre. This leased space will be kept vacant in the short term as an option for staff accommodation, should it be required during the Civic House project.

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- 8.5 Signage has been installed on the plastic wrap on Millers Acre to promote awareness that the businesses are open as usual during construction.

9. Tenders awarded

- 9.1 Tenders are advised in the Quarterly Report if their budget is at least \$300,000 and accepted via the Tenders Subcommittee. There were no tenders awarded under delegated authority in Q2 of the financial year 2021/22.

10. Review of Key Performance Indicators

- 10.1 There is one Key Performance Indicator as report below.

What Council will provide	Performance Measures	Target Year 1 (2021/22)	Staff comment Q2 2021/22	Achievement Q2 2021/22
Marina managed to meet demand	Occupation for marina berths (both permanent and visitors)	Greater than 95%	96%.	On track

11. Conclusion

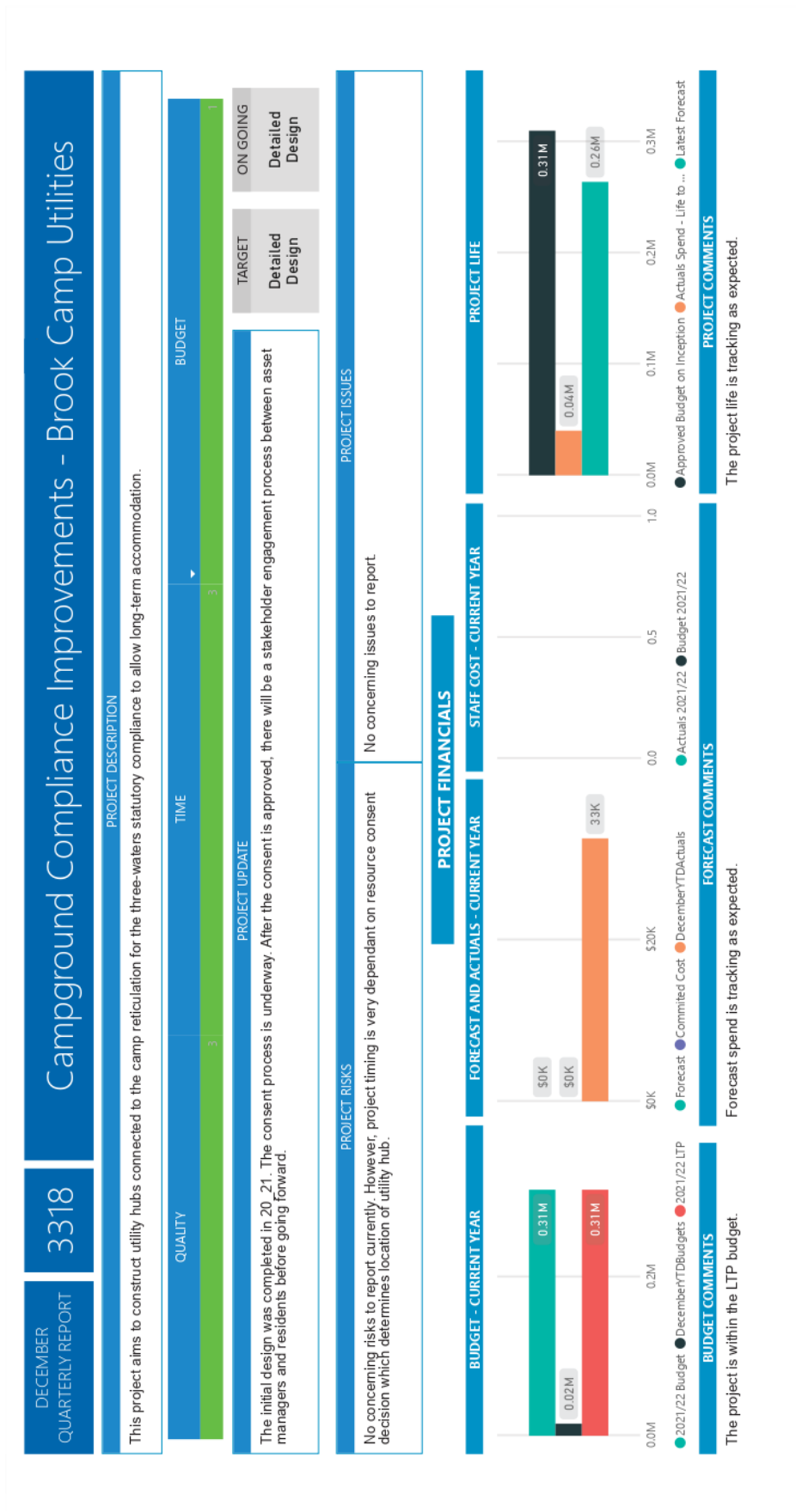
- 11.1 The review of performance for the second quarter of 2021/22 for the Strategic Development and Property Subcommittee is included in this report, with project reports attached.

Author: Tanya Robinson, Strategic Adviser Community Services

Attachments

Attachment 1: A2824509 - Strategic Development and Property Subcommittee - Project sheet - Quarter Two 2021/22.pdf [↓](#)

Attachment 2: A2809862 - Q2 Strategic Property project Sheet Millers Acre [↓](#)



(A2824509)

