

01-15-228
RDC-1130780

Kaupapataka Agenda

NOTICE OF AN ORDINARY MEETING FOR THE STRATEGY, POLICY AND FINANCE COMMITTEE

Date: Monday 17 and Tuesday 18 May 2021

Time: 1.00pm

Venue: Council Chamber

MEMBERSHIP

Chair Cr Raukawa-Tait

Deputy Chair Cr Kai Fong

Members Mayor Chadwick

Cr Bentley

Cr Donaldson

Cr Kumar

Cr Macpherson

Cr Maxwell

Cr Tapsell

Cr Wang

Cr Yates

Mr Thomass (Lakes Community Board member)

Mrs Trumper (Rural Community Board member)

Mr Biasiny-Tule (Te Tatau o Te Arawa Board Member)

Mr Berryman-Kamp (Te Tatau o Te Arawa Board Member)

Quorum

8

STRATEGY, POLICY AND FINANCE COMMITTEE DELEGATIONS

Type of Committee	Committee
Subordinate to	Council
Subordinate Committees	n/a
Legislative Basis	Schedule 7, clause 30 (1) (a), Local Government Act 2002.
Purpose	The purpose of the Strategy, Policy and Finance Committee is to have oversight and make recommendations to the Council on the adoption and development of all Council's strategic, policy, planning and regulatory frameworks.
Reference	01-15-228
Membership	Councillor Raukawa-Tait (Chair) Councillor Kai Fong(Deputy Chair) The Mayor and all councillors 2 Te Tatau o Te Arawa members 1 Lakes Community Board member 1 Rural Community Board member Full voting rights for all members
Quorum	8
Meeting frequency	Monthly
Delegations	<p>The Committee's function is recommendatory only.¹ It is authorised to take actions precedent to the exercise by the Council of its statutory responsibilities, duties and powers, by:</p> <ul style="list-style-type: none"> • Receiving, considering, hearing submissions and making recommendations on draft plans (except the District Plan), strategies and policies (such as the Long-term Plan, Annual Plan; funding and financial policies; reserves management plans and asset management plans); • Considering and making recommendations on the development of the Council's rating policy; financial strategy and budgets; • Considering and making recommendations on the development of Council bylaws, including hearing submissions in relation to making, amending and revoking bylaws; • Considering and making recommendations on Council's strategic direction to ensure efficient and effective delivery of Council's objectives and District Vision; • Receiving and considering reports from working/strategy groups; • Considering and making recommendations on the development of guidelines for decision making to assist Council in achieving its strategic outcomes; • Considering and making recommendations on the establishment of levels of service across Council services to ensure alignment with strategic goals and priorities; • Considering and making recommendations on the development of Treasury and funding functions; • Considering and making recommendations on proposals for the establishment of Council controlled organisations (including the appointment

¹ Council is authorised to delegate anything precedent to the exercise of Council's powers, duties and functions - Schedule 7, clause 32, Local Government Act 2002

	<p>and remuneration of Directors, formation of constitutions and shareholder agreements);</p> <ul style="list-style-type: none"> • Considering and making recommendations on proposals for the sale and purchase of land; • Considering and making recommendations on issues relating to Council leases; • Considering and making recommendations on draft Council submissions/responses in relation to: <ul style="list-style-type: none"> ○ Central government policies, plans and proposed legislative reform; ○ Proposals by other organisations/authorities (Local and Regional). • Performing such other functions as the Council may direct from time to time.²
Relevant Statutes	All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation.
Limits to Delegations	<p>The Committee does not have the delegated authority to make decisions for and on behalf of the Council. All matters requiring a decision of Council must be referred, by way of recommendation, to the Council for final consideration and determination.</p> <p>In the event that the Council resolves not to approve or adopt a Committee recommendation, the item shall be returned to the Committee via the Chief Executive for review and subsequent referral to the Council for further consideration and determination.</p>

² A committee is subject in all things to the control of the local authority, and must carry out all general and special directions of the Council given in relation to the committee - see Schedule 7, clause 30(3), Local Government Act 2002.

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1 Opening Karakia - Karakia Whakapuaki

2 Apologies - Ngā Whakapāha

The Chairperson invites notice from members of:

1. Leave of absence for future meetings of the Rotorua Lakes Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

3 Declarations of Interest - Whakapuakitanga Whaipānga

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Staff Reports – Pūrongo Kaimahi

01-15-228
RDC-1128932

ROTORUA LAKES COUNCIL

Mayor
Chair and Members
STRATEGY, POLICY AND FINANCE COMMITTEE

4.1 Consideration of Feedback to the Rotorua Lakes Council Long-Term Plan 2021-2031 Consultation Document

Report prepared by: Melissa Hollier, Corporate Planner

Report reviewed by: Oonagh Hopkins, Manager, Corporate Planning and Governance

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to receive and consider the feedback received on the Long-term Plan consultation document.

2 HE TŪTOHUNGA RECOMMENDATION

1. That the report “Consideration of feedback to the Rotorua Lakes Council Long-term Plan 2021-2031 consultation document” be received.
2. That the Committee receive the staff analysis and recommendations to the consultation document topics.
3. That the Committee notes:
 - (i) the direction set during the course of considering feedback will determine and guide the development of the final Long-term Plan 2021-2031.
 - (ii) that the final Long-term Plan 2021-2031 will be adopted by Council on 28 June 2021.

3. TE TĀHUHU BACKGROUND

The Long-term Plan 2021-2031 consultation document was signed-off by Audit New Zealand and adopted by Council on 25 March 2021 with a four week engagement period running from 30 March to 30 April 2021.

Over the course of the four weeks Councillors, Lakes and Rural Community Board and Te Tatau o te Arawa members actively led engagement activity within our community on the proposals put forward in the consultation document.

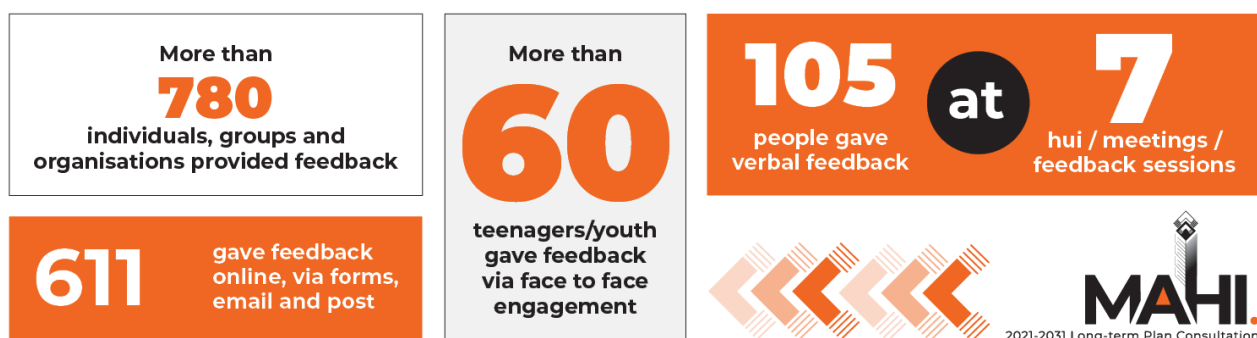
The consultation document contains the five priority areas including:

- Homes and Thriving Communities
- Community Safety
- Economic Development
- Climate Change
- Infrastructure Strategy

Feedback was sought on the four consultation topics:

- Aquatic Centre
- Community Safety
- Fees and Charges
- Rates – UAGC

The consultation document has been well received within the community.



The deliberation process is the committee's opportunity to consider the feedback received and to make decisions around topics and issues that are raised by the community against what has been accounted for to date in the consultation document.

4. **TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE**

The Long-term Plan 2021-2031 consultation document has district wide significance and therefore is required to use the special consultative process before adoption of the plan can be undertaken.

5. **NGĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY**

Engagement on the Long-term Plan was undertaken 30 March to 30 April 2021. This stage will not require additional engagement.

Council is required to adopt its Long-term Plan by 30 June 2021. Following consideration of the feedback the final plan will be developed and adopted at the 28 June Council meeting.

6. HE WHAIWHAKAARO CONSIDERATIONS

6.1 He Whaiwhakaarotanga Mahere Pūtea Financial/budget considerations

The decisions made during the course of the deliberations could result in changes to the overall ten year plan 2021-2031. The impact of any change will be discussed as it arises and will be considered cumulatively in the summing up of the feedback.

6.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

The adoption of the plan sets the council's direction and financial framework for the next financial year.

6.3 Tūraru Risks

Major changes or alterations made during the consideration of the feedback will have an impact on the financial strategy. Significant changes may affect Council's ability to adopt the plan within statutory timeframes, and may result in further consultation and audit requirements.

6.4 Te Whaimana Authority

Full Council is the final decision maker on plans, projects and budgets within the Long-term Plan. The considerations from this committee will be used to progress the final direction and development of the Long-term Plan.

7. NGĀ ĀPITIHINGA ATTACHMENTS

Attachment 1: [Aquatic Centre](#)

Attachment 2: [Community Safety](#)

Attachment 3: [Fees and Charges](#)

Attachment 4: [UAGC](#)

Attachment 5: [Homes and Thriving Communities](#)

Attachment 6: [Economic Development](#)

Attachment 7: [Climate Change](#)

Attachment 8: [Infrastructure Strategy](#)

Attachment 9: [Lake Tarawera Reticulation Sewerage Scheme](#)

Attachment 10: [Westbrook Sports Precinct](#)

Attachment 11: [Rates increases](#)

Attachment 12: [Other Feedback](#) (To be circulated separately)

Attachment 1: Aquatic Centre

Homes and Thriving Communities

Aquatic Centre

What has been proposed?

The community has told Council that it values the Aquatic Centre as a facility for locals to use and enjoy. Council reflected this feedback in the 2018-2028 Long-term Plan setting aside \$7.5 million.

Redevelopment commenced with the undertaking to fix the slumping issues in the 50m outdoor pool. The pool re-opened in March 2021 following an overhaul of the pool tank (liner) to address leaking, extensions to the pool sides to increase the pool depth, a new filtration system, new bulk head (provides for pool to become two 25m pools) and upgraded outdoor changing facilities.

The planning and investigations completed over the past 3 years have shown that the Aquatic Centre needs significant refurbishment and maintenance to address the leaking and deteriorating roof and its structure, the aged ventilation system, the poor state of the changing rooms and accessibility facilities, the inadequate reception area and wind tunnelling issues.

Investment is also required to increase pool space flexibility including developing a dedicated learn to swim pool which will provide a facility that will meet the demands of our community for the next 25 years. Our district is surrounded by lakes and rivers, therefore there should be facilities provided to ensure our tamariki/children have the skills and confidence to be safe in our waters and the Aquatic Centre plays a vital role in providing this.

A decision is now required in terms of further investment in the Aquatic Centre. All options require a level of substantial investment. The options range from doing the bare minimum to repair and replace the worst affected areas, through to investing in our Aquatic Centre to create a facility our community is proud to visit, to learn to swim, to have fun and to enjoy being active.

Options being considered (and costs)

The 2018-2028 Long-term Plan proposed a three-stage redevelopment. This is still proposed going forward however with greater clarity and focus on what will be delivered, when and how it will be funded.

Option 1 – Repair

This option is the bare minimum to repair and replace the worst affected areas at the Aquatic Centre, and would not improve its' level of service to our community. Option 1 includes replacing the pool hall roof, replacing the ventilation and upgrading safety systems and painting the changing rooms. This would be in addition to the recently upgraded 50 m outdoor pool.

Cost = \$8 million

Supporting this option will increase your rates by \$5.96 a year or \$0.11 a week. Council will need to borrow \$8 million, increasing debt per ratepayer by \$276.07

Option 2 - Upgrade what we have

This option includes the completion of the pool hall roof replacement and all the associated services. In addition, Option 2 includes the replacement of the annex roof, building controls, concourse, glazing and landscaping; as well as refurbishing the changing rooms and poolside showers; and, renovating the foyer and creating a vapor barrier to the pool spaces. While this option would renew the facility it would have no addition to services.

Cost = \$17.4 million

Supporting this option will increase rates by \$7.84 a year or \$0.15 a week. Council will need to borrow \$17.4 million, increasing debt per ratepayer by \$598.24.

Option 3 - Full master plan

This option would upgrade all the existing facilities, as outlined in Option 2, to provide a renewed facility for our community. Option 3 would include new services with a new learn-to-swim pool; new outdoor play and relaxing areas; new bombing pool; and, new café. This option also includes the upgrading of the spa. Under Option 3, we would also be seeking to partner fund improvements such as a new hydro-slide and splash pad; and, new fitness centre.

Cost = \$28.3million

Supporting this option will increase rates by \$8.09 a year or \$0.16 a week. Council will need to borrow \$17.9 million increasing debt per ratepayer by \$616.24. The balance will be secured through external investment. If external investment does not materialise, Council will need to reconsider the level of investment and timing.

Preferred Option - Option 3 is the Council's preferred option.

Rotorua's strengths, in particular our active lifestyle and environment, are directly linked to the provision of a modern aquatic centre that meets the needs and expectations of its users. Investment into the Aquatic Centre has been delayed for a number of years while Council investigated options for future development. It is time to undertake this investment and deliver upon the connecting vision to action commitment made in the Long-term Plan 2018-28, of "reviving our facilities".

With our District being surrounded by lakes and rivers, it is important our tamariki/children have the skills and confidence to be safe in our waters and the Aquatic Centre plays a vital role in this.

Analysis of feedback points

Total feedback on this topic	Option 3 – Master Plan	Option 1 – Repair Only	Option 2 – Upgrade
523	389	81	53

Overall Comments:Option 3

- Make the Aquatic Centre something our people can be proud of.
- It is an investment in our tamariki their health and wellbeing.
- Will attract people (tourism, sporting events etc.) to the District.
- It is a much enjoyed, much used facility that is an amazing resource in Rotorua and really needs the upgrade, as it is long overdue and not fit for purpose in its current state.
- Turn it into a money maker. It needs to be upgraded well half attempts are not useful.
- Everyone deserves the chance to learn to swim, so they can be safe and enjoy our lakes and waterways.

Option 2

- Community is stressed financially after COVID-19 pandemic, it is not a good time to be investing in an Aquatic Centre upgrade when many people are struggling financially.
- There are other projects that are much more of a priority e.g. infrastructure and renewals that the funds for upgrading the Aquatic Centre could be spent on.

Option 1

- Immediate needs are other priorities in the consultation document like community safety and housing. Option 2 is a middle ground then focus the funds elsewhere.
- An infrastructure upgrade is required but the Aquatic Centre is not a destination for tourists etc. like the Whakarewarewa Forest. It therefore does not need to be extravagant with hydro slides etc. It needs to be fit for purpose in terms of a place to teach our children to swim, get exercise and host swimming events in the outdoor pool this can all be achieved through Option 2.

Recommendation as per the consultation document

That the committee support the inclusion of the Aquatic Centre Full Master Plan redevelopment (Option 3 - \$28.3 million) into the final development of the Long-term Plan to be adopted by Council on 28 June 2021.

Attachment 2: Community Safety

Community Safety

Community Safety Plan

What has been proposed?

Council is concerned about an increase in anti-social and criminal behaviour, affecting residents and visitors' experiences in Rotorua. There are a number of issues contributing to the increased concern about community safety currently:

- Anti-social behaviour - is negatively affecting our sense of safety and security in public spaces and our neighbourhoods.
- High crime statistics relative to other districts, with a particular impact on the more vulnerable members of the community.
- A culture of drinking and violence, and an increased prevalence of methamphetamine in our community.
- Clusters of motels being used as emergency and transitional housing, associated with an increase in anti-social behaviour and crime in the surrounding areas.
- Gang culture attracting our young people and the associated fighting, intimidation and drugs.

Our proposal to confront these challenges

- Extend and enhance CCTV/ electronic tools and community patrols within the CBD, Fenton Street, known hotspots and community neighbourhoods.
- Increase 'Crime Prevention Through Environmental Design' (CPTED) assessment and treatment of hot-spot public places to make them safer.
- Support the development of Community Centre Hubs that enable community-led delivery of social and other services.
- Prioritise grants to support community group initiatives that increase safety.
- Support a range of programmes that keep people connected through positive activities in our public spaces including parks and reserves, city streets and neighbourhoods.
- Support community resilience and safety programmes that ensure our children and young people have the social and life skills that enable positive participation in school, work and social life.

The role of council in community safety

Council plays an essential role in community safety directly through its responsibility for the design and management of public places and infrastructure (e.g. waste management, roading, street lighting, three waters services, parks, reserves and public facilities), and its planning and regulatory services (e.g. alcohol-free zones, dog control, building consenting). Council provides the City Guardian service patrolling our CBD to enhance safety, and monitors 263 CCTV cameras covering a wide range of public places. These services work in collaboration with the Police to proactively identify and respond to concerns about safety and crime.

Options being considered (and costs)

The Homes and Thriving Communities Strategic Framework (pg. 21) sets out the commitment to develop a Community Safety Plan. To show a dedicated commitment to improving community safety and crime prevention a collaborative partnership between Rotorua Lakes Council, Te Arawa, the Police and key safety stakeholders will be formed.

The vision guiding the development of a Community Safety Plan is based upon Rotorua:

- Being the safest place to live and raise a family.
- Having a positive reputation as a safe destination.
- Having a sense of belonging and connection in our neighbourhoods.

- Children and young people growing up in nurturing families.
- Reducing anti-social behaviour, alcohol and drug abuse.
- Reducing crime statistics and victimization.
- Developing effective collaboration with Police, community groups, business and neighbourhoods

We are proposing to commit an additional \$500,000 per year to increase the level of funding towards community safety.

Option 1: Create a Community safety plan for implementation (+\$500,000)

Increasing the funding by \$500,000 per year will commit total funding of \$1.13m a year towards investment into a suite of priority interventions to increase community safety in the short and longer term. The suite includes urban design tools, electronic monitoring, community patrols, regulatory services, supporting community-led activities, activating our public spaces and supporting community resilience programmes - particularly focused on children, youth and parenting.

While some short-term actions can respond to safety and crime challenges, the work on long-term prevention is needed to focus on strengthening our community's protective factors, including the positive development of our children and young people.

Supporting this option will increase rates **by \$17.20 a year or \$0.33 a week**

Option 2: Create a Community safety plan and commence delivery of initiatives (+\$750,000)

We could also commit an additional \$750,000 per year towards our planned safety initiatives. This would bring the total funding to \$1.380m a year and assist in making further progress in delivering the safety initiatives identified in the safety plan.

Supporting this option will increase your rates by **\$25.80 a year or \$0.50 a week**

Option 3: Adopt a community safety plan with no further financial contribution – status quo

Under this option Council will continue to provide the level of service it currently does through its existing CCTV network and city guardians. A community safety plan could still be developed, however the initiatives identified would not be implemented until funding is found. The service currently costs around **\$630,000** a year to deliver.

Preferred Option

Council prefers Option 1. Council, Te Arawa, the Police and key stakeholders are all concerned about an increase in anti-social and criminal behaviour, affecting residents and visitors' experiences in Rotorua. Everyone has agreed to work together to address the issues. Safety initiatives will require an increased level of funding to implement. An additional \$500,000 a year throughout the next ten years is believed to be a solid commitment that can aid in delivery and at the same time is considered affordable.

Analysis of feedback points

Total feedback on this topic	Option 1 - \$500,000 plan	Option 3- plan only	Option 2 - For \$750,000 plan
382	111	104	167

Overall Comments:

Option 1

- Currently people do not feel safe in our communities and addressing this should be a priority for council.
- The crime statistics are influencing the 'Rotorua brand' anything that works towards addressing this is a good thing.
- Support the plan and working together with partners (police, iwi, and community groups) will have the biggest impact.

Option 3

- Community safety is not Council's problem and should not be rate funded.
- Past attempts at community safety by Council were not successful (community constables, Māori wardens etc.) so why would this plan be any different?
- A better use of community safety funds would be investing in safer roads, footpaths and infrastructure.
- Council should not have to top-up where our police are lacking.

Option 2

- \$500,000 is not enough if we are serious about addressing community safety need to be investing more – this is a priority!
- In order to address community safety in all our communities (lakes, rural, urban) far more investment will be required.
- The statistics are shocking we are responsible for them and therefore it is our responsibility to fix them. \$500,000 is just a Band-Aid.
- Support and invest in community led programs and activities.

Key Feedback Themes

- 1) Community safety poverty and homelessness
- 2) Community safety working in partnership with iwi and police etc.
- 3) Community safety fund use (where the money would be best spent) – core issues and interlinked social issues
- 4) Community safety other initiatives
- 5) Support Council spending money on community safety should be a priority
- 6) Community safety is not the business of Council
- 7) Does not support Council adopting a community safety plan

Recommendation as per the consultation document

That the committee support the Council's creation of a community safety plan and include an additional \$500,000 per year for the implementation of identified actions (Option 1) into the final development of the Long-term Plan to be adopted by Council on 28 June 2021.

Attachment 3: Fees and Charges

Funding Delivery and Action

Fees and Charges

What has been proposed?

Revenue from fees and charges comes from things such as admission to and hiring rates for venues and facilities, liquor licenses, dog registration, building and resource consents and parking management etc.

In 2018, Council made the decision to look at all and potential funding sources. The aim being, to shift the reliance of rates funding towards a greater emphasis on user charges. However, due to closures of the Sir Howard Morrison Performing Arts Centre and Rotorua Museum the full impact of this was not able to be achieved.

During the last three years the costs for services have continued to increase and the associated fees have not kept pace with this. As this occurs the revenue gap must be found and the only other source is rates. This also means that in some instances the funding policy is not being met.

Driving costs up?

Many factors influence and create pressure on Council services in turn leading to increase costs.

- Compliance and regulatory costs
- Inflation
- Devolved Central Government services picked up by local government and not funded
- Growth – requiring more resources
- Levels of service expectations – requiring more resources

Options being considered (and costs)**Option 1 - Recover costs by increasing rates**

In this option current fees and charges would stay as they currently are, many of which have had no increase in the last 2-3 years. This option would result in Council not meeting its funding policy. A review to amend the funding policy will then be required to determine what should be set as the new funding splits for each of the services. (ie - %rates vs %user charges). Under this option it will mean the cost of the service that is currently seen to have an element of personal/individual benefit would be shifted to all ratepayers and thus rates will increase overall by 2.8%

Supporting this option will increase rates by \$94.80 a year or \$1.80 a week

Option 2 - Adjust/increase fees and charges

In this option, the setting of pricing for direct benefit services is amended to propose increasing fees and charges across a number of service delivery areas. The basis for price setting has been developed on, increasing fees where there has been no increase in over 2 years and where the current funding for the overall service does not meet the funding policy. This will require \$2.7m to be collected from across the services where fees and charges are collected.

Preferred option

Option 2 is Council's preferred option. An in-depth review of the services and who benefits was undertaken in 2018. The basis of assumptions for the creation of the funding splits (funding policy) are still considered relevant today. The issue is that Council have been trying to absorb the rising costs and to keep fees and charges static. This is not sustainable going forward. An additional 2.8% rates increases to hold fees and charges at current levels is not perceived to be fair nor in alignment with the Council's rating principles.

If this revenue can't be collected for any reason (e.g. pandemic lockdown) Council will need to consider cost savings to offset lost revenue.

Analysis of feedback points

Total feedback on this topic	Option 2 - Fees and Charges adjust/increase	Option 1 - Rates increase
355	299	56

Overall Comments:

Option 2

- Keep rates down and do everything possible to reduce the rates burden.
- As a user of the service, it is only fair that fees and charges should be user pays.
- A lot of people do not have access to services (live rurally or out at the lakes) and therefore should not have to pay.
- Dog control should be covered by general rates as everyone benefits from this service. All other fees and charges should be user pays. Council needs to do more robust analysis of what fees and charges should increase and which should remain the same.

Option 1:

- Fees and charges have already increased (dog registrations) and we do not see any improvements or added benefits from the increase.
- Increase rates so as many people as possible can access the services (Aquatic Centre, Library etc.)

Other:

- Council needs to increase the level of service they are delivering to the community for the charge. Especially in relation to the consenting process (and if wish to bring more homes and land to market). Happy to pay but the service level needs to match the cost level – it does not currently.

Recommendation as per the consultation document

That the committee supports Council in the setting of pricing for direct benefit services, increasing fees and charges across a number of service delivery areas, including planning, Energy Events Centre, Parks and Inspection into the final development of the Long-term Plan to be adopted by Council on 28 June 2021.

That the committee note the basis for price setting has been developed on, increasing fees where there has been no increase in over 2 years and where the current funding for the overall service does not meet the funding policy.

Attachment 4: UAGC**Reducing the UAGC****What has been proposed?**

The uniform annual general charge (UAGC) is the fixed portion of rates that every ratepayer pays regardless of property value. A fixed charge ensures every ratepayer pays the same minimum contribution for Council services. The amount of rates collected via the UAGC and fixed charges (excluding sewage and water) cannot exceed 30% of total rates income.

The level at which the UAGC is set can affect the distribution of rates collected. A high UAGC has the effect of shifting more general rates towards low to middle value properties in comparison to the value of these properties. On the other hand, a lower UAGC would see general rates being higher across those properties with higher capital values.

The 2020 property revaluation has created a distortion in the overall proportion of capital value across the rating categories resulting in the general rate being skewed towards residential and rural residential and away from farming.

Council is considering reducing the UAGC from \$475 to \$425. This is to assist with the affordability of rates and to ensure ratepayers are paying a fair share of the general rates. A UAGC of \$425 has been included in the budget modelling. This change would see a greater proportion of general rates charged on capital value instead of as a fixed charge.

Options being considered (and costs)**1. Reduce the UAGC from \$475.00 to \$425.00 (decrease of \$50.00)**

Rotorua has a high proportion of residential properties which means a high UAGC has the effect of shifting more general rates to residential properties, in particular towards low to middle value properties. On the other hand, a lower UAGC would see general rates shift back to the proportions of our district's capital value. This would see the general rate for residential ratepayers shift to rural ratepayers, as well as seeing a shift from low value to high value properties.

The impact of this is a reduction from the fixed charge of \$50.00 per property to an increase of \$6.00 per \$100,000 of capital value.

2. Reduce to \$400 (decrease of \$75.00)

Council could reduce the UAGC even further and push more of the general rates on to the capital value component of the rates. In this option the impact would see a \$75.00 reduction in the UAGC per property and a corresponding increase of \$9.00 per \$100,000 of capital value.

3. Status quo – retain UAGC at \$475.00**Preferred option: Option 1 is Council's preferred option**

The level at which the UAGC is set can affect the proportion of rates collected. Because of Rotorua's high proportion of residential properties, the current UAGC has the effect of the majority of the general rates being applied to residential properties, in particular properties valued at \$500,000 and below. In reducing the UAGC we would see general rates shift back to the proportion of our district's capital value. This would see the general rate for residential ratepayers shift to rural ratepayers, as well as seeing a shift from low value to high value properties.

Analysis of feedback points

Total feedback on this topic	Option 1 – Decrease \$50	Option 2 – Decrease \$75	Option 3 – Status Quo
289	109	130	50

Overall Comments:Option 1

- This is the most equitable option.
- This option reduces the burden and helps our lower socio economic community.
- Higher value homes at least have capital value as an asset. Therefore, it is only fair that those homes that have less capital value have a lesser burden.

Option 2

- This is unequitable for rural residential who do not benefit from footpaths, good roads, lighting etc. and already have a disproportional high rates increase.
- In an era of exploding house prices people are not choosing to be in a high value property nor can it be assumed they can afford a rates increase.
- Incomes have not increased and in many cases, people have lost jobs so this increase is very unequitable.
- Just because CV has increased does not mean the owner has more disposable income to spend on rates.
- This would cause a lot of hardship for people suffering from effects of COVID-19..

Option 3

- Expensive properties should pay more they are bigger and use more space and services.
- High income people should pay more to ensure people who are on lower incomes get to live with dignity.
- The proposed rates increase is unaffordable for many, this is the most palatable for those least able to afford.

Recommendation as per the consultation document

That the committee supports Council to reduce the UAGC from \$475.00 to \$425.00 - a decrease of \$50.00 (Option 1). That the new UAGC is incorporated into the final development of the Long-term Plan to be adopted by Council on 28 June 2021.

Attachment 5: Homes and Thriving Communities**Homes and Thriving Communities****What has been proposed?**

Rotorua faces a shortage of houses; we have many barriers to land development and our houses do not meet the needs of our people.

Our proposal to confront these challenges is to:

- Accelerate 2,000 new home builds
- Enable 3000 sections coming to market
- Develop the inner city, including two inner city apartment buildings.
- Establish community service hubs at Eastside, Westside and Ngongotahā, with neighbourhood co-creation and investment programmes at each of these locations.
- Facilitate neighbourhood safety projects.
- Partner with iwi, developers and central Government to help enable and deliver infrastructure and community projects that support the development of thriving communities

Council's role in land development

Council has a role to play in enabling and unlocking land so that homes can be built. However some people may question, how far does that role extend? We believe we need to have the scope to operate across a range of development mechanisms available to us. Council needs to think outside the square to alleviate market failure created by the lack of land sections for housing options. A mechanism Council may explore is the opportunity to create a property development council controlled organisation. A property company has the ability to borrow against assets it owns, enabling investment into development opportunities and maximizing returns to fund future investment options. We plan to resource ourselves in order that we can navigate easily within a development continuum and address the clear market failures presented through the lack of sections to purchase and build on.

Analysis of feedback points

Total feedback on this topic	Support	Not In Support	Other
99	81	9	9

Overall Comments:Support

- Housing all comes down to more infrastructure Council is responsible for ensuring that this infrastructure is in place (reticulated water, roads and footpaths, wastewater etc.)
- Wherever there is land available start building houses this needs to be a priority for Council (golf courses etc. are not important we just need homes). Look at places like Ngongotahā and Mourea etc. for development.
- Support Eastside and Westside proposal.
- Support building healthy homes and homes that align with climate change priorities.
- Need to attract more people to live in Rotorua.
- Council needs to partner to address housing and this is supported.
- Infill housing makes the most sense want to see homes that have a smaller footprint.
- Want to see more people living in the CBD it makes the CBD safer and a more lively environment – support housing intensification in the CBD (especially around green space e.g. Kuirau Park.
- Support access to healthy and affordable homes for those less well off in our community.
- Houses need to meet needs and be fit for purpose.
- Support the development of community hubs to make our communities more connected and thriving.
- It is Council's role to actively address housing.

- Need to work closely with Māori to develop Māori land and create housing for whanau/papakāinga.
- Communities need to thrive.

Not In Support

- Do not wish to see housing intensification as Rotorua will end up like Pāpāmoa and the like – especially do not support housing development in rural communities.
- Council does not have a good record of accomplishment getting involved with things like housing and development.
- Our homes and communities are fine as they are.
- Housing is not Council's job.
- There is nowhere near enough detail and clarity in the plan.

Other:

- Consenting process needs to be addressed - better and clearer so we can get more homes off the ground.
- Consent fees and charges should not increase if you want more housing and thriving communities with safe and healthy homes.
- Other communities for example Fordlands desperately need an action plan for housing and a thriving community, it is important they get a plan too (not just Eastside Westside, Ngongotahā and CBD).
- Council needs to define clearer steps and actions to the public for the plan to address housing.
- Older persons and disabled persons need to be acknowledge in the plan there needs to be specific housing initiatives and community hubs for these groups of people.
- Council's role is to ensure infrastructure for housing and that is all.

Key Feedback Themes

- Council is responsible for ensuring infrastructure is in place for development
- The role of Council in housing development
- Support for housing and thriving communities and a willingness to partner with Council
- Housing regulation, compliance and consenting needs to be addressed – needs to be an easier process for the public
- Housing intensification concerns and feedback (support and not support)
- Housing needs to be a priority for Council
- Other suggested initiatives for housing
- Support the establishment of community hubs
- Māori land development and housing feedback

Recommendation as per the consultation document

That the committee continues to support the outcomes and action plans identified in the He Papakāinga, He Hāpori Taurikura Te Pou pou Rautaki Homes and Thriving Communities Strategic Framework.

That the committee notes the further feedback received and where appropriate incorporate the feedback into the framework and action plans.

That the committee supports ongoing work between Rotorua Lakes Council and partnership with stakeholders and the wider community, to lead the implementation of the plan.

Attachment 6: Economic Development**Economic Development****What has been proposed?**

Immediately after the COVID-19 lock down, Rotorua experienced the third largest economic contraction in gross domestic product (GDP) in the country. Virtually overnight revenue within the tourism sector dropped by 40%, jobs disappeared and small businesses struggled to stay afloat.

This compounded our existing challenges like limited employment choices, multiple employment sectors paying the minimum wage, high unemployment rates, undeveloped land and a lack of appropriate infrastructure needed for commercial/industrial growth.

Our proposal to confront these challenges

- Finalise our Draft Economic Development Strategy and the three priority action plans within
- \$29 million (committed \$9 million in 2020/21 and \$20 million in 2021/22) to support economic recovery and economic development projects
- Partnering with developer/landowners to unlock residential land
- Complete master planning for stormwater and key infrastructure for new residential and industrial development
- Partnering with iwi/landowners to unlock 25ha of greenfield industrial and business park land to support business relocation and expansion
- Create an Inner City Plan to build investor and development confidence in our CBD
- Develop incentives policy to support inner city residential development
- Completion of infrastructure projects that support local business – Lakefront, Titokorangi (Long Mile) Road, Te Whare Taonga o Te Arawa (Museum), Mountain bike trail development, Te Ngae Road and Amohia Street upgrades
- Re-state and strengthen our tourism offerings and position Rotorua as the destination of choice, ready to receive international visitors once international borders open again
- Implementation of ReoRua – city wide bilingual signage to complement “destination of choice” and our ‘first bilingual city’ status
- Create Forestry Future plan as identified in the Economic Development Strategy to outline opportunities for growth and development in this sector
- Review the Wood First policy to encourage and or incentivise the utilisation of wood products

Options being considered (and costs)**Draft Economic Development Strategy**

Council adopted its Draft Economic Strategy (EDS), in December 2020. Developed in partnership with iwi, businesses and industry sector leaders, the draft EDS is a blueprint for economic recovery and longer-term growth in the District. This strategy is intended to support the District's:

- Short-term needs for **economic recovery** in a world disrupted by the COVID-19 pandemic,
- Long-term **economic development** vision, which is critical to addressing the systemic challenges faced by our community.

Agreed key priorities:**#1 Rotorua, a place of choice**

Rotorua is a leader in providing authentic experiences; a place that provides the space to connect with friends and family; and has a natural environment to inspire and sustain wellbeing.

Success will mean attracting and retaining, talent, students, visitors and investors who contribute to the vibrancy of our bilingual city, engage in regenerative tourism, and sustain year-round productive jobs.

#2 Rotorua, the future of forestry

Rotorua led initiatives underpin our status as the Centre of Excellence in forestry and wood processing.

Rotorua's "Wood First" policy recognises the economic, environmental, cultural and social significance of wood and has resulted in the increased use of timber solutions and a "Wood First" concept embraced at a National level.

#3 Rotorua, ready for business

Rotorua is open and ready to support businesses to grow and thrive by providing desirable commercial, industrial and housing solutions.

Analysis of feedback points

Total feedback on this topic	Support	Not In Support	Other
91	20	34	38

Overall Comments:Support

- Support that forestry is an agreed priority area and wants to collaborate with Council in achieving the goals under this priority area.
- Support Wood First Policy in the Economic Development Strategy.
- Residential development must go ahead and Rotorua needs the economic stimulus.
- Support the development of the Ōwhatiura and Peka blocks.
- Council needs to insure infrastructure is in place for development.
- Support the effort of Council for Rotorua to become the first bicultural city and support Māori led economic development as well as partnering with iwi.
- Council is responsible for ensuring development.
- Need economic development to support community wellbeing.
- Council has a role in assisting the District to recover from COVID-19.

Not In Support

- Do not support Council establishing a property development CCO. Council should not get involved in the property market as Council is not qualified to do so (strongly oppose Council becoming a developer).
- We do not need to spend for growth, renewals should come from rates not borrowing.
- Council must stick to its core role of regulation and compliance 'front load construction of infrastructure outside the development area to accelerate development'.
- Do not support economic development projects (unlocking residential land, mountain biking, tourism and trying to be a bilingual city etc.). Stop spending money on unnecessary projects.
- Development will cause flow on issues such as a burden on roading etc.

Other:

- Green space needs to be preserved when developing (do not develop Springfield Golf Course etc.).
- Consenting process is the biggest hold up and issue in development. Need to increase the level of service for subdivision applications.
- Council have an opportunity to take a more active role in economic development.
- Forestry should be the focus for the District.
- Do not become a property developer, but work with them to try new things.
- Economic Development Strategy needs to be climate friendly and have climate friendly options for businesses.
- Encourage local developers by providing incentives.
- Support the introduction of development contributions.
- Agriculture should be an aspiration and key priority area in the Economic Development Strategy.
- Make Rotorua more attractive to young people.
- Take away the development restrictions to decrease social issues.
- Need more investment to attract overseas investors.
- Economic development needs to be run through the land trusts around the lake.
- Economic development needs to create more jobs for our local people.
- Create a strategy to increase the ratepayer base (more jobs, attract more businesses etc.)
- Invest in economic development projects (such as new sportsfields, Whakarewarewa Forest)
- Council's priority should be focusing on 'needs' not 'wants'.

Key Feedback Themes

- Support investing in economic development
- Economic development for jobs and employment (industry including tourism)
- Council is responsible for ensuring infrastructure is in place for development
- Does not support setting up a CCO for development

Recommendation as per the consultation document

That the committee supports the outcomes identified in the draft EDS and notes that action plans will be created for each of the three priority areas.

That the committee notes that work is underway to finalise these action plans by the end of the year and that implementation will be initiated during the first three years of the Long-term Plan.

That the committee recommends to council to proceed with its commitment of \$29 million towards economic development (\$9.0 million 2020/21 and \$20 million 2021/22.)

That the committee supports ongoing work between Rotorua Lakes Council, business leaders and partners, to lead the development of these plans.

Attachment 7: Climate Change**Climate Change****What has been proposed?**

Our existing infrastructure does not have the strength and resilience to meet the major challenges of climate change for our future communities. Our infrastructure is particularly vulnerable to the anticipated effects of climate change, such as increased rainfall, drought and rising temperature.

Climate Action Plan 2021

Council adopted its Climate Action Plan, in February 2021. Guided by the Zero Carbon Act, it has been developed in partnership with stakeholders and the wider community. The Climate Action Plan is the blueprint for combating climate change in the District. Many of the actions required are reflected within the Council's 30 year Infrastructure Strategy.

Our goal is to position Rotorua in a low carbon economy and to ensure we work towards establishing ourselves as a resilient community that can adapt to the changes in climate. In addition to reducing the impacts of climate change, there are other benefits associated with mitigation. Examples include health and wellbeing gains from warmer homes, walking and cycling; cost savings to households and businesses through energy efficiency, affordable public transport services, and opportunities to grow the resilience of the Rotorua economy through high-value, low-emissions products and services.

Options being considered (and costs)**Our proposal to confront these challenges under the Climate Action Plan**

Mitigation: Promote and support a shift to more sustainable transport modes; improve building and infrastructure efficiency, use of renewable energy.

Buildings and Energy Systems

- Adopt low-carbon urban design policy
- Converting public lighting and streetlights to LED

Transportation and Urban Form

- Promoting walking and cycling and developing facilities to support active transport.
- Expanding and maintaining bike and walking paths
- Investing in risk mitigation on vulnerable sections of the transport network
- Promote public transport
- Promote working from home
- Facilitate higher-density urban development through CBD Locality Planning

Consumption and Waste

- Investigate kerbside organic waste collection
- Upgrading our city wastewater treatment plant, including increasing holding capacity to better manage inflows during storm events
- A demand management programme has been developed, which involves water-loss reduction measures and a small reduction in the per capita domestic water use over time

Leadership, Advocacy and Economic Opportunity

- Delivering education and communicating clearly with our communities

Natural Environment and Rural Economy

- Reserves
- Open spaces planting

Adaptation: This will include testing our infrastructure resilience regularly as it is exposed to a variety of natural hazards including earthquake, landslides, flooding, volcanic eruption and storms. These natural disasters can cause considerable damage to infrastructure assets and affect delivery of our services.

1. Infrastructure

- Identify and plan for infrastructure adaptation
- Monitor population growth
- Plan to meet future potable water needs

- Continue to update storm water design standards
- Design storm water systems for increased rainfall
- Renew critical assets as the priority in renewal programmes
- Preventive road drainage maintenance in place to lessen impacts of flooding in urban areas

2. People and Communities

- Local education and training incorporates planning for future needs
- Emergency planning in place to react when needed
- Investigate capital options to strengthen lakeside community resilience

3. Natural Environment

- Governance, Leadership and Advocacy
- Partners across the civil defence community
- Work to identify areas at increased risk
- Develop prevention, alert and response plans for community safety

4. Economy

- Business support
- Identify opportunities for new low-carbon local businesses

Analysis of feedback points

Total feedback on this topic	Support	Not In Support	Other
63	17	8	38

Overall Comments:

Support

- Support the link Council has made between the Climate Action Plan and the Infrastructure Strategy.
- Support Climate Action Plan that has health co benefits (building warm dry homes, active transport, planting and vegetation etc.).
- Supports wood first initiative (would like more references to this in Climate Action Plan).
- Support collaboration and partnership in addressing climate change.
- Not just Council's issue is the whole communities issue and everyone needs to support the initiatives.
- Spending on infrastructure, environmental enhancement and future proofing city for climate change should be of highest priority.

Not In Support

- Climate Action Plan putting burden on rural community, farmers and food producers, if we cannot produce food have a big problem.
- Climate change is a naturally occurring cycle within the earth's lifetime.
- Council is basing spending on speculation about what effects climate change will have. The facts are sparse.
- Climate Action Plan is a waste of ratepayers money as many of the actions are not ever going to be acted on.
- Climate change has been conflated with more real issues confronting our society (clean waterways, environmental protection, pollution management and control on waste products).
- Too much influence on climate change when we cannot influence the rest of the world (China and USA) who are the main contributors to global warming.

Other:

- Need other initiatives like more community gardens, solar panels etc..
- No discussion about accessibility in climate mitigation.
- Waiting for 2050 to be net zero is too long to wait there is still time for increasing our mitigation efforts.

- Needs to be more of a priority than is outlined in the Climate Action Plan.
- Plan for more intense rainfall – this is the most relevant effect for Rotorua.
- The Climate Action Plan is an insufficient response to the climate change emergency.
- Should have declared a climate emergency.
- No good having plan if there is no action – must implement the plan now!
- Need to protect our green spaces.
- Need to establish wetlands.
- Sewerage and storm water management is a big concern with increased rainfall outlined in the Climate Action Plan.
- Flooding in our lakeside communities is already causing major issues and needs to be addressed as a priority.
- Need to ask ourselves a different question: how can we change the way that we do business to lessen the effect of climate change on Papatūānuku.
- If we want to be seen to be making a difference to climate change then we should be supporting and funding the Lake Tarawera Sewerage Reticulation Scheme.
- Ngāpuna pump station needs attention to be resilient against climate change.
- Keep improving infrastructure to deal with and be resilient to the demands of climate change.
- Investment into a feasibility to build and operate a thermal incineration plant here in Rotorua (help contribute the Rotorua 'grid' via electricity generation from the heat generated by the plant).

Key Feedback Themes

- Support the Climate Action Plan
- Do not support the Climate Action Plan
- Sustainable living suggestions and initiatives to address climate change
- Infrastructure Strategy improvement suggestions towards addressing climate change

Recommendation as per the consultation document

That the committee supports the outcomes identified in the Climate Action Plan and notes the action plans identified in the 30 Year Infrastructure Strategy.

That the committee notes that implementation will be initiated during the first three years of the Long-term Plan.

That the committee supports ongoing work between Rotorua Lakes Council and partnership with stakeholders and the wider community, to lead the implementation of the plan.

Attachment 8: Infrastructure Strategy**Infrastructure Strategy****What has been proposed?**

Council leads and is responsible for the provision of key services that support the daily life of the people of Rotorua. Our infrastructure must be safe, reliable and in a stable condition to meet current and future demand, whilst meeting the expectations of our district. To do this, we need to understand, and plan for how infrastructure will need to change over time, so it can remain fit for purpose. Change can be required to adjust to new technologies, environmental considerations (such as carbon neutrality), new regulatory standards or changing community expectations and emerging patterns of use.

We need to consider how our population is growing and changing and what impact this may have on demand for our infrastructure. Where do we need to provide new capacity? Where and how might we redevelop underused capacity or transform our infrastructure networks?

Options being considered (and costs)

Our 30 year Infrastructure Strategy outlines the investment programmes required to ensure we are meeting all our communities' wellbeing obligations in a planned and affordable way. This investment will also help to stimulate our local economy as part of Council's Rotorua Economic Recovery Plan: Build Back Better.

We have identified seven strategic district infrastructure challenges that need to be at the forefront of long term infrastructure planning and decision making.

They are:

1. Maintaining assets in a stable, reliable, and safe condition
2. Meeting future demands on infrastructure services
3. Managing the impacts of increased performance standards arising from legislative and policy change
4. Embedding cultural values and responses into the way we manage our infrastructure
5. Climate change effects and the need to ensure environmental sustainability
6. Resilience of critical infrastructure to withstand and recover from emergencies
7. Maintaining institutional knowledge, skills and capability (i.e. our people resilience).

Proposed 3 Waters reform

The central Government's Three Waters Reform Programme, initiated in 2019, is in response to identified national challenges and signals potential major changes ahead to the way the three waters are managed and delivered across the country. The exact nature of these changes and the precise implications for local government is still work in progress and will take some time before they are fully crystallised.

Analysis of feedback points

Total feedback on this topic

110

Overall Comments:

- Sewerage scheme problems need addressing (e.g. Petrie Street).
- Fund the Rotorua comprehensive urban storm water in the first three years of the LTP.
- Provide wastewater reticulation to the Tarawera community in the first year of the LTP.
- Infrastructure repair and replacement is vital to all the priority areas detailed in the LTP consultation document.
- Ngapuna would like the pump station removed to stop sewerage back up.
- Lakes and rural communities would like
 - Fibre internet for better connection
 - Better public transport options

- Better water supplies (potable water)
- Reduced speed limits
- Roads and footpaths
- Support food and organic waste collection extension project
- Council should only manage the three waters
- It is important that Council uphold RMA requirements in relation to the three waters reform
- The Infrastructure strategy needs to identify the needs of the elderly and disabled.
- A lot of the planned work in the Infrastructure Strategy should have been done years ago is good we are finally getting on to it.
- Make better use of geothermal energy.
- Roads and footpaths need to be better funded and better maintenance undertaken. There are a lot of roading issues that Council needs to critically address.

Key Feedback Themes

- Infrastructure Strategy and housing issues (wood first, match needs, solar, water collection, off-grid options) – 18 Submitters
- Infrastructure Strategy road safety and footpaths – 55 pieces of feedback on this topic
- The three waters reform (cost and effects) – 14 pieces of feedback on this topic
- Infrastructure Strategy improvement suggestions – 56 pieces of feedback on this topic
- Council is responsible for ensuring that infrastructure is in place for development – 23 pieces of feedback on this topic

Recommendation as per the consultation document

That the committee recommends to Council to adopt the 30Year Infrastructure Strategy and notes that approximately 55% of the total capital expenditure programme is supporting delivery of the infrastructure strategy.

Attachment 9: Lake Tarawera Reticulation Sewerage Scheme**Lake Tarawera Reticulation Sewerage Scheme****Background**

Lake Tarawera is a valued taonga for iwi and the whole community. However, algal blooms have occurred in the lake and e-coli have previously been detected, both of which adversely affect the water quality of the lake.

If lake water quality declines, the lake could tip into an algae-dominated state, from which recovery would be extremely difficult and costly. It is important that we take all measures we can to manage nutrient flows to the lake now. Significant nitrogen and phosphorus in Lake Tarawera comes from natural sources (e.g. geothermal), so our focus is centred onto the "manageable load". At Tarawera, most homes rely on some form of septic tanks to manage their wastewater, which over time leach into the lake and this contributes about 15% of the manageable load. Removing potential sources of e-coli (such as septic tanks) is also important to maintain the bathing water quality of the lake.

Dealing with wastewater at Tarawera is therefore a very important action point that will have an immediate impact on manageable load and the overall water quality.

Most homes at Tarawera are currently served by septic tanks, which are no longer acceptable because of leaching into the lake. On-site effluent treatment (OSET) is not viable for all properties because it cannot be physically implemented on an estimated 170 properties (because of the size, slope and other practical conditions on-site).

Under the BoPRC's Plan Change 14 (OSET rules), septic tanks will no longer be allowed. Instead, an Advanced Wastewater System with nutrient reduction will be required. Currently installed OSET systems that do not have nitrogen reductions will therefore be non-complying. A compliant installed OSET system is estimated to cost approximately \$28,000 to install. The on-going consenting, operational, maintenance, repair and renewal costs would be the owner's responsibility. That means the available and most viable options for managing wastewater for all current and future Tarawera properties are:

- Reticulation to the Rotorua wastewater treatment plant (via private land to the existing Ōkāreka pumping station).
- Reticulation to the Rotorua wastewater treatment plant (via the public road network corridors to the existing Ōkāreka pumping station).
- Reticulation to a new treatment plant at Tarawera.

In 2015, the Lake Tarawera Sewerage Steering Committee (made up of representatives from Tūhourangi Tribal Authority, Te Mana o Ngāti Rangitīhi, Māori landowners, the Lake Tarawera Ratepayers Association, TALT, BoPRC and Council) was established to review the five possible options. In October 2018, the Steering Committee unanimously identified the preferred option as reticulation to Rotorua WWTP via the public road network to the Ōkāreka pumping station (the "Preferred Option"). The Steering Committee also unanimously supported on-site low-pressure grinder pumps (LPGPs) for each property as part of the Preferred Option. The Preferred Option was favoured because it has the lowest overall long term cost for home owners as well as for the Council's long term network operations, would help to measurably improve water quality at Tarawera, avoids wāhi tupuna (ancestral sites), and could be implemented quickly (resource consent is not required).

The Steering Committee, together with Rotorua Lakes Council, applied to the Ministry of the Environment for funding support to progress a Tarawera wastewater reticulation scheme. The application eventually received an offer of \$6.5M of support funding. This funding was augmented by an additional contribution made by the Rotorua Lakes Council and the Bay of Plenty Regional Council of combined value of about \$1.6M.

These contributions will not cover the full cost of the new scheme. The Council's current funding policy for the proposed scheme is that each ratepayer within the scheme's Area of Benefit will pay a lump sum for their share of the actual net capital costs of the scheme (i.e. actual costs less the

government and council contribution). The ratepayer lump sum payments would be payable as soon as the scheme is completed and commissioned. We anticipate that this will be within the next three years.

The Preferred Option is currently estimated to have a gross capital cost of approximately \$22.5M. This estimate is based on a total of 550 Household Unit Equivalent (HUEs), which allows for some growth (because currently there are only 446 HUEs). It is also based on our experience of unit cost prices for the Rotomā/Rotoiti sewerage scheme. However, it is important to note that the estimate will need to be updated once we have carried out detailed design (which will fully validate the specific engineering and geotechnical needs for each property) and after construction tenders are received.

On the basis of the current cost estimates, this means:

1. The net capital cost (as currently estimated) will be divided by 550 HUE for the network and by 446 HUE for the LPGPs. For existing homes, this equates to approximately \$33k (GST inclusive).
2. The future operational, maintenance and renewal costs of the scheme will be carried by all ratepayers in the district who are connected to the Rotorua district's wastewater networks as part of the sewerage targeted levy (estimated to be an additional \$30-40 to the current targeted rate for wastewater).
3. All new land subdivisions and developments within the Tarawera Sewerage Scheme area will be required to connect to the network and to install the appropriate on-site system. The capital costs for adequate sewerage infrastructure capacity for future development will be carried by Council until the development occurs.
 - At the time of new development contribution to the capital costs of the network plus the market price for the purchase and installation of the on-site system, as it will be at the time, will be paid by the development owner.

On 26 November 2020, Council passed a resolution agreeing to the proposed Tarawera wastewater reticulation scheme, comprising the installation of low pressure grinder pumps on each property and a mains pipeline connecting the new Tarawera network to the Ōkāreka wastewater pump station and then to the main city treatment plant.

In February 2021, Council formally advised each affected Tarawera ratepayer of the decision to proceed with reticulation to Rotorua via the roading network corridor and Ōkāreka and sought to gain a positive response from approximately 75% of the community acknowledging the Council's direction, timing and next steps. More than 240 responses were received to that initial letter. Of those responses approximately;

- 65% fully support the proposed reticulation scheme and expressed the conviction that the proposed reticulation is the most viable and long term sustainable option for the local community.
- 30% of the feedback received advised support for the proposed reticulation scheme and urged Council to explore potentially more flexible funding options to mitigate the initial net capital cost burden on the local ratepayers.
- A small portion of the responses, 5%, stated opposition to the proposal.

On 16 April, a second letter was sent to all Tarawera ratepayers providing further information. To date some 270 responses have been received with the same distribution of feedback as above.

A community meeting was organised by the Residents' Association and was held on 21 April. Questions on the timing, project costs and household capital contributions were further discussed.

Analysis of feedback points

Total feedback on this topic
125

Note: all people providing feedback wish for the Lake Tarawera Reticulated Sewerage Scheme to go ahead in the first year of the LTP. Their request is that those ratepayers who wish to do so are allowed to pay off the capital cost of the proposed sewerage system over an extended period of time and up to 25 years.

Lake Tarawera Ratepayers Association has been asking for a reticulated wastewater scheme for Lake Tarawera since 2012. Providing feedback in support of the proposal proceeding LTRA fully supports the Council decision to proceed with the proposed Tarawera wastewater reticulation scheme as: Lake Tarawera is iconic, a gateway to NZ tourism and to cultural tourism. Submission in opposition to the details of the funding - What LTRA does not support is what Council is proposing in terms of how this reticulation is funded and the 'conditions' it is imposing before detailed design and construction will proceed. Accordingly, the LTRA seeks that the Council: Accepts the support of the proposal from the respondents to date as sufficient to proceed with this proposal (i.e., it waives the 75% requirement as it has had sound endorsement of the proposal from respondents). Commences the work on the reticulation proposal for the Lake Tarawera wastewater to the city treatment plant in July 2021 (i.e., not commencing in 2023/2024, as proposed in the draft Long Term Plan). Provides an alternative payment option for the ratepayers who do not wish to commit or cannot commit to the lump sum payment. That is, it provides an option for payment as a targeted rate over a period of 25 years, as it has for all other schemes in the district. It is submitted that this will ensure the social, economic and cultural wellbeing of the Rotorua people and its communities are provided for and that the natural environment is enhanced.

Overall Comments:

- Support the Council decision to proceed with the proposed Tarawera wastewater reticulation scheme because, the water quality is declining.
- In 2021 septic tanks are not an acceptable way to dispose of wastewater and there is no other viable option for wastewater.
- Difficulty in accepting the terms of the scheme as outlined in the letter all ratepayers at Lake Tarawera received in early February.
- Tarawera residents have enthusiastically supported the reticulation project (this has been so all the time the project was talked about).
- The council has been very reluctant to make progress – even given the support for the project.
- The issue is finance and how the scheme will be funded – it is not equitable that Rotoiti had the option of a payment scheme and Tarawera has not had the same right. The Council been so discriminatory against Lake Tarawera ratepayers.
- The reticulation has become virtually a compulsory provision for the Lakeside communities and accordingly the Regional Council's rule book was re-written in 2008.
- Council should have made greater effort to sell the scheme to the property owners, rather than relying on local ratepayers associations or interested groups to which each and every member joins voluntarily.

Recommendation

Note that from 2017 all properties with existing septic tanks should have either connected to a reticulated system, or should have upgraded to an Aerated Wastewater Treatment System with Nitrogen Reduction (AWTS + NR). The discharge of treated domestic waste water into the land from an existing septic tank became a discretionary activity.

AN AWTS + NR which meets the requirements in the OSET Plan is estimated to cost \$28,000 to install. In addition, the ongoing consenting, operational, maintenance, repair and renewal costs of such system would be the owner's responsibility. Routine maintenance and servicing costs are estimated to be approximately \$500 per year.

That the committee continue to support the design and delivery of a reticulated sewerage scheme for Tarawera.

That a Tarawera sewerage scheme sub-committee is set up, consisting of council officers, Lakes Community Board members and appropriate representation of local residents of Tarawera to jointly develop a set of criteria that lays out clear guidelines on identifying those ratepayers that are not able to provide lump sum repayments at the completion of the scheme and develops

viable repayment options for them. Modelling the repayments has been based upon 75% residents being able to pay upfront. The outcomes of the sub-committee's work are reported to Council before adoption into the scheme's capital funding plan.

That the committee supports initial work to progress the detailed design and a scheme procurement process in year 1 of the LTP, bringing forward approximately \$2.5 million to provide the community with more certainty on the full project costs and the required household capital contribution.

That the committee supports bringing forward the project from year 5/6 into year 2-4 subject to continued community support, more accurate costings and the clearly defined repayment criteria after year one of the LTP.

Attachment 10: Westbrook Sports Precinct**Westbrook Sports Precinct discussion****Background**

- 1) Due to the poor condition of sports fields and the projected population growth across the district a proposal has been developed for a sports precinct in Westbrook.
- 2) Westbrook Sports Precinct project included into Long Term Plan 2021-31 budgets from year 7 onwards as a potential long-term project.
- 3) Discussions on the future of Springfield Golf Course initiated by surrounding neighbours in the area following Council releasing document on proposed sport precinct. (March 2020)
- 4) Council were invited to and attended a 'Save Springfield Golf Course' meeting on the 19th April 2021
- 5) A 'Save Springfield Golf Course' petition was received and presented to Council on 29 April.

The Save Springfield Golf Course petition has approximately 5000 signatures and request as follows:

Petition Request: That the *Rotorua District Council* recognise and declare the Springfield Golf Course to be a taonga (a treasure) to the people of Rotorua and that the land should continue to be leased to the Springfield Golf Club and used as a golf course.

Petition Reason: The *Rotorua District Council* has recently proposed turning the Springfield Golf Course into sports fields and a housing development. We, the undersigned, reject this proposal.

Analysis of Long Term Plan feedback

Total feedback on this topic	Support	Not In Support
28	1	27

Overall Comments:For:

- Demolish golf courses on council lands and build houses on them. There are more golf courses in Waikite Valley and Hamurana. The 'Not in My Backyard' mentality is detrimental to the growth of Rotorua and blocks the solution of the housing problem. Not developing this land will continue the shortage of house supply just to ensure the value of the existing homes are protected and ever growing.

Against:

- Do not support the use of Springfield Golf Course's mature wooded park for sports fields.
- This would have a negative impact on residents and community, including heritage flora and fauna, roading access, clean water and Utuhina stream and storm water issues, air quality and carbon emissions (trees), open spaces in relation and proportion to increasing housing development. The loss to golfers and sports people who currently use the golf course and reserve.
- We need to keep big green spaces with their large established trees.
- Destroying Springfield Golf Club would mean there would be no Golf Clubs in the Rotorua city area.
- Springfield Golf course is not the place for housing and a sports precinct.
- Springfield Golf Club lease the land, pay rates and pay RLC through charges.
- Council must have land elsewhere that can be subdivided for housing without cutting up parks.
- A green belt and green corridors are so important.
- Not happy that Council want to put 155 houses on the Springfield golf course.
- The Tree Trust is a regular user of the Springfield Golf Course.

Recommendation

That the committee supports the ongoing work to address the challenges in the District's provision for quality open space, sports fields development and housing.

That the committee notes that if Council proceeds with the concept of a future sports it is most likely to be a key community discussion on the options within the next Long-term Plan review (2024-2027).

That the committee acknowledge the requests within the 'Save Springfield Golf Course' petition to:

- 1. Declare the Springfield Golf Course a taonga**
- 2. Continue leasing the land to the Springfield Golf Club.**

That the committee directs officers to consult directly with the organisers around any proposal relating to the Springfield Golf Course.

That the committee note that the current lease for the Springfield Golf Course does not expire until 2027.

That the committee acknowledge the submissions to the LTP with respect to the Westbrook Sport Precinct and directs officers to include these comments as feedback to any proposal relating to the Springfield Golf Course.

That the committee note any commitment made by Council to develop a future sports precinct will be subject to the development of a full business case and community wide consultation.

That the committee defer any decision with respect to the lease at the Springfield Golf Course until a decision has been made following receipt of a full business case and community wide consultation.

Attachment 11: Rates increases

Rates increases

What has been proposed?

To deliver the proposals set out in the consultation document for the Long-term Plan 2021-2031 Council has considering a 9.2% average rates increase in year one of the plan. An average annual rates increase of 3.75% is forecast for the following nine years.

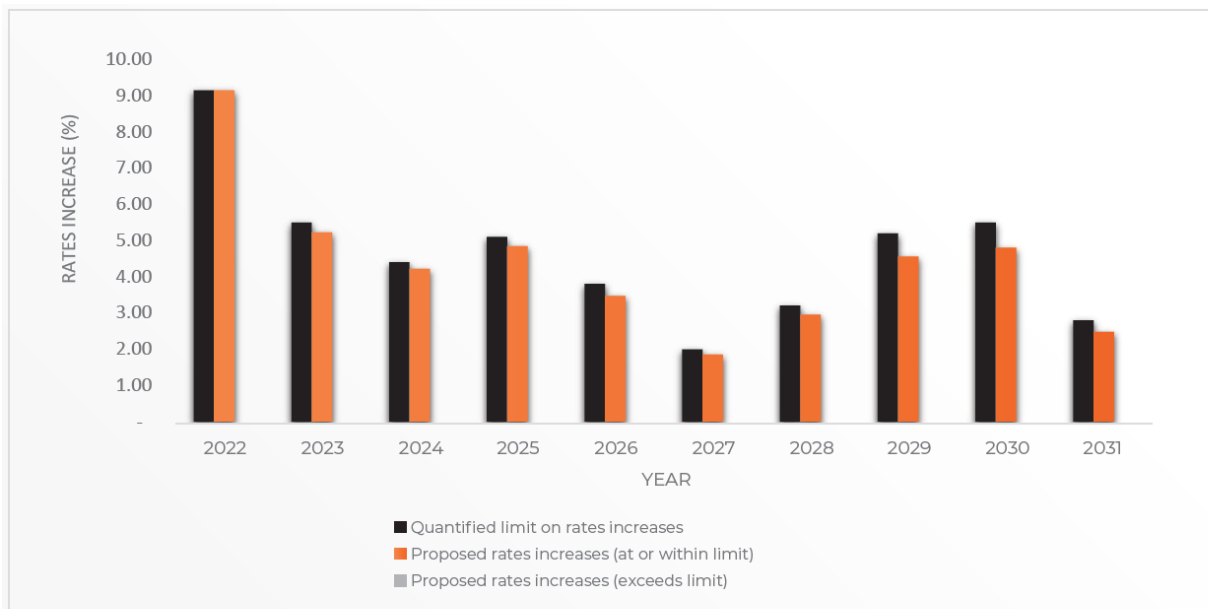
The rates increases, particularly during the first five years, are being driven by Council's ongoing commitment to delivering Vision 2030 projects and Council's key priority areas (housing and thriving communities, safety, economic development, climate change and infrastructure).

On average we estimate each residential household will pay \$7.70 per day, or around \$2,793* per year to deliver the proposals set out in this consultation document (this excludes GST and is the Rotorua Lakes Council portion only).

Rates for individual properties vary depending on a range of factors including:

- changes to the value of your property (including improvements or changes you've made to your property);
- the services your property is rated for
- whether the property is used for business, residential or farming purposes; and,
- changes to the amount we charge for those rate

To provide certainty to ratepayers regarding their rates, increases will be at a rate that matches the increase to Council's cost base. Changes to Council's cost base are mainly driven by the expectations to deliver on solutions to the district's confronting challenges, increases in compliance and regulation, inflation and depreciation related to capital expenditure in the 10 year plan.



Rates limits/increases are an average across existing ratepayers. Increases to individual ratepayers may be impacted by future changes to property valuations and the introduction of any new-targeted rates such as those for new sewerage schemes.

Analysis of feedback points

The sum of the overall rates increase is a direct reflection of the proposals contained in the consultation document. There is a general feeling from the community that council must continue to deliver and in fact there is an expectation for council to do more. The counter to balance peoples' expectation is the associated increase in rates.

Although there were not specific options as to the average rates increase it could be interpreted that people often responded to rates in general through the conversations on UAGC, Fees and Charges and therefore how it would affect them from a personal perspective, as opposed to the district as a whole.

Hence, feedback on the two mentioned topics may need to be considered when deliberating on the rates increase.

UAGC

While the options on the UAGC affect the distribution of where the General Rate is gathered from, and not the overall rate take/increase, people often gave an answer that would suit their personal circumstances e.g. "I own a lower valued home. I would choose option 2 as this would give me a lower rates increase".

Total feedback on this topic	Option 1 – Decrease \$50	Option 2 – Decrease \$75	Option 3 – Status Quo
289	109	130	50

Fees and charges

While the options on fees and charges have a potential effect on the General Rate (or not), people often gave an answer that would suit their personal circumstance e.g. "Increase fees and make it user pays. I would choose option 2 as this would give me a lower rates increase".

Total feedback on this topic	Option 2 - Fees and Charges adjust/increase	Option 1 - Rates increase
355	299	56

Other feedback on Rates

This is feedback received that commented on other aspects of rates including the rates increase.

Total feedback on this topic	Support Rates Proposal	Do not support Rates Proposal	Other Feedback
70	1	69	4

Overall Comments on Rates:Support Rates Proposal

- I'm not sure about rates increases. But if they do go up please use the money on infrastructure.

Do not support Rates Proposal

- This would cause a lot of hardship for people suffering from effects of COVID-19.
- The proposed rates increase is unaffordable for many, this is the most unpalatable for those least able to afford.
- The rates on our family home are estimated to increase about 17%. This is a massive increase.
- Proposed rates increases for 2021 in the previous LTP were to be limited to 3.03 per cent. To see a proposed average increase of more than 9 per cent is a kick in the guts.
- The rates increase for rural residential is not fair.
- If your property is worth more, you do expect rates to increase but the increase this year is a very large increase.
- Rates are too high, 9.2% rates increase is extraordinary. This is well above CPI and then every year after comes a 3% increase.

Other feedback

- Houses that are used solely for air bnb should have a greater rates charge, to discourage this and free up housing for rentals.
- Business should pay more, possibly have a targeted rate.
- Meter and charge all households for water.

Recommendation as per the consultation document

That the committee supports Council in the delivery of the proposals set out in the consultation and in order to delivery acknowledge that a 9.2% average rates increase is required in year one (2021/22) and average annual rates increases of 3.75% forecast for the following nine years.

Attachment 12: Other Feedback

To be circulated separately