



**ROTORUA**  
**LAKES COUNCIL**

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**LONG-TERM PLAN 2024-2034**

17 October 2023

# AGENDA

- Recap
- Community Outcomes
- Part 1 - Projects in progress
- Part 2 – Projects for consideration



# OUTCOME OF THE SESSION

Commence creating a picture (towards a draft LTP) that focusses on establishing what council is committed to (ie current contracts) + the stewardship role of looking after what currently exists (asset renewals) + providing direction on what "new" initiatives are to be added in order to progress achieving community outcomes.



# RECAP – LTP JOURNEY SO FAR

- Workshop 1 – Setting the scene
  - Overview of the LTP development
- Workshop 2 – Council priority areas – economy and housing
  - Looking at what has been done to date, what is currently being delivered and what is possible moving forward
- Workshop 3 – Council priority areas – community and infrastructure
  - Looking at what has been done to date, what is currently being delivered and what is possible moving forward
- Visioning/Community Outcomes – Council opportunity to extend the current priorities towards a longer term view of what is the Council focus, what is shall achieve over the ten years



# COMMUNITY OUTCOMES

Help to describe what the council is here to achieve?

To consider what will make the lives of the people who live here better

Should look to cover the perspectives of social, cultural, environmental and economic



## **ACTIVE**

The accessibility of our lakes, forests, open space networks and the quality of our facilities create opportunities for everyone to be active throughout their lives

## **SAFETY**

Our communities, businesses and visitors feel safe across our district



# **TANGATA WHENUA ASPIRATIONS**

We recognise and support the aspirations of Tangata Whenua and partner to grow economic and social opportunities and benefits for everyone

## **HOUSING**

All residents have access to a range of housing options that ensures they can live in quality, homes that are safe and healthy.



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## **EMPLOYMENT & ECONOMY**

We enable businesses to grow with confidence through increasing investment opportunities.

There are employment options across a range of sectors.

## **TOURISM**

We are a world class destination, with a vibrant inner city and a positive reputation.



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## **ENVIRONMENT – MAURI WAI**

We are committed to protecting and improving our lakes, waterways and forest environments.

## **CONNECTED AND RESILIENT**

Our communities are prepared for the effects of climate change and natural hazards and we invest in safe and reliable infrastructure.



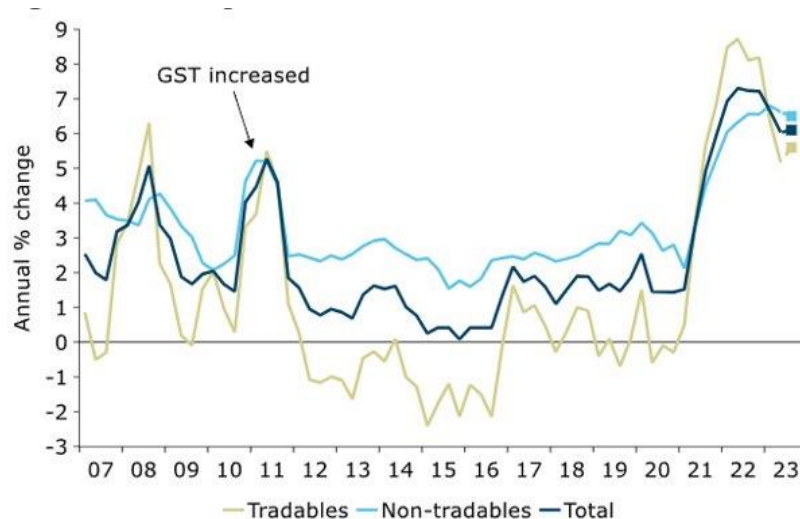
# ARTS AND CULTURE

Rotorua's unique cultural identity is the foundation for attracting and delivering a diverse range of multi-cultural events, increasing activity and driving economic benefits within our facilities and for our district.



# CURRENT ECONOMIC ENVIRONMENT

- Uncertainty on Local Government and 3 waters reform – likely stop
- Regulatory and compliance pressure continue to increase
- Contractor and Labour shortages
- Higher interest rate environment
- Annual inflation still tracking above 6% - impacting both opex and capex



Source: Stats NZ, Macrobond, ANZ Research



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# RATE AND DEBT IMPACT ASSUMPTION OF PROPOSALS

Rates impact based on:

- \$1.25M equals a 1% rate increase
- 30,000 ratepayers
- 1% increase or \$1.25M divided by 30,000 ratepayers equals \$42 per ratepayer

Borrowing:

- 6% interest rate
- Average term of borrowing 20 years
- \$1 million borrowed = a finance and repayment cost of \$90,000 at 6%
- Which equates to \$3 per ratepayer rate impact for 20 years



# **PART ONE**

# **PROJECTS IN PROGRESS**



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# PROJECTS IN PROGRESS

- Waste Water Treatment Plant
- Tarawera Sewerage Scheme
- Rotoiti/Rotoma Sewerage Scheme
- Stormwater Masterplan projects (IAF)
- Eastside Stormwater Planning (CIP)
- Organic Waste Collection
- Te Whare o Te Arawa – Rotorua Museum
- Renewals

*Note: numbers shown as uninflated*



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# PROJECTS IN PROGRESS

## Waste Water Treatment Plant

Project Description	Current state	Completion
<p>The current WWTP resource consent and the consent to use the forest for effluent disposal are expiring. The WWTP needs to be upgraded to treat to consented nutrient levels without the forest and to have capacity for future growth demand and meet freshwater protection regulations</p>	<ul style="list-style-type: none"><li>• Preliminary works are under way. Detailed design will be completed by Dec 23 with site works (preparation) underway. Construction is due to start in early 2024.</li><li>• The design and build contract has been signed with Trility to a value of approximately \$59 million</li></ul>	<p>Construction estimate completion early 2026</p>



# PROJECTS IN PROGRESS

## Waste Water Treatment Plant

Yr0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
\$25 million	\$27,5 million	\$7,5 Million								

- Total Project Cost: \$60 million
- Funded through:
  - Debt: \$60 million

\* Dollars are rounded



# PROJECTS IN PROGRESS

## Tarawera Sewerage Scheme

Project Description	Current state	Completion
<p>This project delivers the design and construction of a reticulated scheme that will transfer all wastewater from Tarawera residences back to the Waste Water Treatment Plant in Rotorua for processing</p>	<p>Stage 1 is under way which entails the construction of pump stations and installation of main reticulation lines and boundary assemblies. Stage 2 - Onsite installations is currently out for tender</p>	<p>Estimated completion: Stage 1 - June 2024 Stage 2 - end 2025</p>



# PROJECTS IN PROGRESS

## Tarawera Sewerage Scheme

Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
\$12.6 million	\$6.2 million	\$6.3 million								

Total cost of the project: \$28 million (estimated)

- Funded through:
  - Debt: \$20.75 million
  - External Funding: \$7.25 million
- A targeted rate is required to recover RLC debt funding over 20 years

# PROJECTS IN PROGRESS

## Rotoiti/Rotoma Sewerage Scheme

Project Description	Current state	Completion
Construction and connection of properties to a new Waste Water Treatment Plant in Rotoiti/Rotoma	Final stage underway with onsite Biolytix installations with approximately 70% completed	Estimated substantial completion Dec 2023 and Maori Whenua by June 24



# PROJECTS IN PROGRESS

## Rotoiti/Rotoma Sewerage Scheme

Total cost of the project: \$55.5 million

- Funded through:
  - Debt: \$29.5 million
  - External Funding: \$26 million (secured); (excludes \$10 million outcome currently unknown)
- A targeted rate is to be instated to recover RLC debt funding over 20 years



# PROJECTS IN PROGRESS

## Stormwater Masterplan Projects

Project Description	Current state	Completion
<p>Stormwater masterplan development in the western and central catchments of Rotorua to enable housing and flood risk mitigation. This is significantly funded by the Infrastructure Acceleration Fund (\$85 mil)</p>	<p>Feasibility is currently underway across a number of locations to be followed by detailed design and construction</p>	<p>Dec-28</p>



# PROJECTS IN PROGRESS

## Stormwater Masterplan Projects

Yr0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
\$2 million	\$7 million	\$28 million	\$44 million	\$24 million	\$1 million					

Total cost of the project: \$106 million

- Funded through:
  - Debt: \$21 million (RLC Debt and DCs)
  - External Funding: \$85 million

\* Dollars are rounded

# PROJECTS IN PROGRESS

## Eastside Stormwater Planning (Wharenui Retention Ponds)

Project Description	Current state	Completion
Construction of 2 stormwater detention dams in Morey Street and a wetland to promote growth within Ngati Whakaue Tribal Lands. This is funded by Crown Infrastructure Partners (\$15 mil)	Design of the dams have been completed with construction contracts awarded with construction well underway	Jun-24 for CIP supported projects



# PROJECTS IN PROGRESS

## Eastside Stormwater Planning (Wharenui Retention Ponds)

Yr0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
\$7,7 million										

Total cost of the project: \$15 million

- Funded through:
  - External Funding: \$15 million

\* Dollars are rounded



# PROJECTS IN PROGRESS

## Organic Waste Collection

Project Description	Current state	Completion
<p>Introduction of kerbside collection in the Rotorua urban area to divert organic materials from the landfill. This service is driven by new or emerging regulations driving up landfill costs, large organic waste volumes in our current collections, environmental impacts and a circular economy</p>	<p>Currently out for tender to find a preferred supplier of the service</p>	<p>Rollout - July 2025</p>



# PROJECTS IN PROGRESS

## Organic Waste Collection

Total cost of the project:

- Tender: gross estimate cost \$2.5 mil
  - Offset by savings: \$1.2 million (landfill avoidance)
  - Net cost of \$1.3 mil per year
- A targeted rate will be required to cover the operating costs of this service

*Note: These figures are subject to tender outcomes*



# PROJECTS IN PROGRESS

## Te Whare o Te Arawa – Rotorua Museum

Project Description	Current state	Completion
The vision of this project is to deliver a safe, fit for purpose, regenerated Te Whare o Te Arawa - Rotorua museum that shares Rotorua stories, and delivers social, financial, direct and indirect benefits now and for future generations.	Building Governance Board established and endorsed by Infrastructure and Environment Committee. New procurement strategy being implemented	Estimate completion End 2026



# PROJECTS IN PROGRESS

Te Whare o Te Arawa – Rotorua Museum

Total cost of the project: \$81.4 million

Funded through:

- Debt: \$15.5 million
- External Funding: \$38 million under contract.

Fundraising is underway to close the shortfall gap

\* Dollars are rounded up to nearest million



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# CURRENT PROJECTS – RENEWALS

- Renewals are capital works replacing assets as they reach the end of their useful lives
- 2024 Renewals budget = \$44 million
- Rates fund depreciation which pays for renewals
- Asset values have increased substantially over the last few years
- 2024 additional depreciation was above rates funding available (\$6 million)



# **PART TWO PROPOSALS FOR CONSIDERATION**



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# PROPOSALS FOR CONSIDERATION

- Council identified 87 ideas/suggestions/projects/initiatives that could contribute to the delivery of community outcomes
- Ideas were clustered into themes based on support for an idea etc
- Ideas were progressed as a proposal to be considered based on majority support from Councillors



# PROPOSALS FOR CONSIDERATION

- Process
  - High level description of the proposal
  - Options
  - Rates impacts
  - Today need majority direction on proposals in order to proceed and be modelled towards a draft LTP
  - Decision time comes when you decide to go out for consultation – April
  - Final decision making on any/all proposals comes after public consultation – June 2024





# PROPOSALS – FOR CONSIDERATION

## 13 Themes identified

- Community Safety
- Growth
- Inner City Revitalisation
- Reputation Rebuild / Rotorua NZ
- Pensioner Housing
- Community Funding
- Premier parks/reserves
- Parks, Active Recreation and Sportsfields Strategy (PARSS)
- Environmental Strategy
- Strategic Property
- Rating Policy
- New User Charges
- Devolved funding



# PROPOSAL 1 – COMMUNITY SAFETY

## Community Safety 2023-2024 - Plan on a Page

Objective	Now	End 2023	July 2024
1. Provide governance oversight of short-term delivery and longer-term consultation and planning.	<ul style="list-style-type: none"> <li>Establish bi-monthly Governance meetings which include the Mayor, Police and Regional Commissioner (AoG).</li> <li>Identify project team and establish weekly steering group meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Undertake community consultation to identify neighborhood improvements to improve safety and/or amenity.</li> </ul>	<ul style="list-style-type: none"> <li>Begin implementation of local neighborhood improvements included in LTP.</li> </ul>
2. Provide visible indicators of change.	<ul style="list-style-type: none"> <li>Establish a high-profile inner-city safety hub.</li> <li>Agree regular visible Police and Council staff presence.</li> <li>Rebrand Council vehicles as having a community safety function.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	
3. Implement a refreshed model for inner city Guardians.	<ul style="list-style-type: none"> <li>Define role, training, selection, supervision, and brand for inner city Guardians.</li> <li>Review and determine future complementary deployment model for private security and inner-city Guardians.</li> </ul>	<ul style="list-style-type: none"> <li>Implement the refreshed model for inner city Guardian's and revised deployment models.</li> </ul>	
4. Make environmental changes which increase perceptions of safety.	<ul style="list-style-type: none"> <li>Ensure graffiti removal, shopping trolley removal, inner city maintenance and green space maintenance are optimal and result in a neat, clean and attractive environment.</li> </ul>	<ul style="list-style-type: none"> <li>Undertake CIPTED assessment of inner-city open spaces and develop a prioritized list of interventions for inclusion in the LTP.</li> </ul>	<ul style="list-style-type: none"> <li>Implement prioritized open space developments.</li> </ul>
5. Provide an integrated and responsive system of responding to safety concerns.	<ul style="list-style-type: none"> <li>Define integrated deployment and information sharing model between Police and Council staff.</li> <li>Review community safety camera monitoring, technology, and coverage.</li> </ul>	<ul style="list-style-type: none"> <li>Implement revised deployment and information sharing model between Police and Council staff.</li> <li>Review effectiveness and responsiveness of Council regulatory services and identify needed resourcing, system, and process changes to improve these.</li> <li>Include community safety camera system upgrade in LTP.</li> <li>Review current regulatory tools and bylaws to address anti-social behavior more effectively.</li> </ul>	<ul style="list-style-type: none"> <li>Implement approved changes and monitor changes in responsiveness and effectiveness.</li> <li>Begin community safety camera upgrades according to priorities.</li> <li>Implement regulatory changes as identified.</li> </ul>
6. Promote community safety and support community initiatives.	<ul style="list-style-type: none"> <li>Engage with inner-city businesses on the 2023-24 plan.</li> <li>Prepare information and support pack for inner-city businesses.</li> </ul>	<ul style="list-style-type: none"> <li>Re-engage with inner-city businesses, provide support pack and update on progress.</li> <li>Commence facilitation of block safety plans.</li> <li>Announce community safety fund to support community safety initiatives and aligned programs.</li> </ul>	



# PROPOSAL 1 – COMMUNITY SAFETY

- Phase 1 – 3x CCTV operators, 1 additional guardian, bus coordinator, community safety hub, mobile patrol (RFP) – underway
- Phase 2 in to LTP –
  - CCTV network review and camera expansion
  - additional graffiti clean up
  - city cleaning / trolleys (Visual prompters)
  - inner city lighting (link to inner city strategy)
  - CIPTED assessments
- Phase 3 – Public space safety improvements & continuous process review – testing impacts



# PROPOSAL 1 – COMMUNITY SAFETY

What you said	Current State	Options	LTP Impact	Cost per Ratepayer (Year 1)
Look into installing CCTV cameras in Rural and Eastside locations	Currently hold budget of \$300,000 per year for CCTV expansion. An Active working group of internal stakeholders will collect and evaluate information to inform new CCTV rollouts. Aim to enable at least 4 new locations per year.	1.) Keep funding and CCTV process at status quo	1.) Funding of \$300,000 per year Capex (debt increase by \$300,000 per year)	\$1 per Annum 0.02% Increase
		2.) Keep funding at current levels but prioritise rural and outer CBD expansion	2.) Funding of \$300,000 per year Capex (debt increase by \$300,000 per year) and \$80,000 Opex	\$4 per Annum 0.08% Rates Increase
		3.) Increase funding by \$150,000 and continue with current expansion process	3.) Funding of \$450,000 per year Capex (debt increase by \$450,000 per year) and \$80,000 Opex	\$4 per Annum 0.09% Rates Increase
		4.) Increase funding by \$150,000 and prioritise rural and outer CBD expansion	4.) Funding of \$450,000 per year Capex (debt increase by \$450,000 per year) and \$80,000 Opex	\$4 per Annum 0.09% Rates Increase

# PROPOSAL 2 – GROWTH

## Future Development Strategy (FDS)

promotes long term strategic planning by setting out how Council intends to:

- Achieve well-functioning urban environments in their existing and future urban areas.
- Provide at least sufficient development capacity over the next 30 years to meet expected demand.

FDS identifies additional land opportunities – addresses demand and encourage industrial relocation (REQUIRED by NPS-UD).

If no growth not needed.



# PROPOSAL 2 – GROWTH

District Plan needs to be fit-for-purpose, a review will be required:

- Research and analysis (10 year review & required changes?)
- Natural hazards (flooding & geothermal)
- Industrial Land Strategy & Industrial Plan Change
- Further green field provisions
- Urban Centres Strategy & Commercial Zone Plan Change

Current funding levels maintained. Consider funding policy for integrated planning & Development (consents, building & policy)



# PROPOSAL 3 - INNER CITY REVITALISATION (MASTERPLAN)

- 3 proposals brought forward that will contribute to a revitalised Inner City:
  - a.) Inner City Revitalisation Masterplan
  - b.) Lakefront to Inner City Connection
  - c.) Wayfinding Masterplan
- Recognise significant gains can be made with identified renewals for CBD/inner city and LOS (parking, street cleaning, graffiti, gardens, activations, safety)



# PROPOSAL 3A - INNER CITY REVITALISATION (MASTERPLAN)

- The revitalisation of the inner city is critical to the success of Rotorua not only as an attractive place to live but also as leading tourist destination.
- Legacy under-investment in CDB by both Council and private sector
- A Master Plan is being prepared for the inner city and while the plan is expected to be completed in the next few months, public engagement around this may take longer.
- Action also required for Fenton Street.





# PROPOSAL 3A - INNER CITY REVITALISATION (MASTERPLAN)

- Alongside the master planning process, it is essential that key projects identified in previous studies are further scoped for example:
  - public realm upgrades
  - safety enhancements
  - retail space improvements
  - bi-cultural wayfinding signage
  - activations aimed at attracting locals and visitors into the inner city and restoring their confidence in the inner city as a place to shop and be entertained.
- Fenton Street treatments also need to be identified



# PROPOSAL 3A - INNER CITY REVITALISATION (MASTERPLAN)

What you said	Current State	Options	LTP Impact	Cost per Ratepayer
Revitalise the CBD and Fenton Street	Current draft Inner City Strategy development and Inner City Masterplan development underway	1.) Continue to develop Inner City Strategy and Masterplan for inclusion in 2027 LTP	\$100k increase in Opex budget	\$3.30 per Anum 0.08% Rates Increase
		2.) Continue to develop Inner City Strategy and Masterplan with immediate focus on the Tutānekai Spine upgrades	Increase to current budgets of \$700k Opex and \$10m Capex	\$52 per Anum 1.25% Rates Increase
		3.) Continue to develop Inner City Strategy and Masterplan with full implementation of Inner City masterplan	Increase to current budgets of \$750k Opex and \$18.75m Capex	\$77 per Anum 1.85% Rates Increase

# PROPOSAL 3B – INNER CITY REVITALISATION (LAKEFRONT CONNECT)

- Lakefront Redevelopment – significant transformational project
- Focus has been on lakes edge
- Seamless and active link between the lakefront and inner city required
- Current pathway in need of repair
- Eat Street roundabout difficult for pedestrians to cross
- A new cycle/walkway and 3 way intersection is aimed at significantly improving the connection between the lakefront and the inner city



# PROPOSAL 3B – INNER CITY REVITALISATION (LAKEFRONT CONNECT)

A number of projects have been identified:

- Cycleway connection from lakefront to Eat Street/inner City (\$2.5m Capex)
- Intersection Upgrade – removal of roundabout (\$5m Capex)
- Extension of delivery zones in Whakatau and Pukaki Streets (\$50k Capex)
- Total Costs = \$7.55m Capex



# PROPOSAL 3B - INNER CITY REVITALISATION (LAKEFRONT CONNECT)

What you said	Current State	Options	LTP Impact	Cost per Ratepayer (Year 1)
Investigate a link between the lakefront and inner city/Eat Street	Current planning underway for a cycleway/walkway and 3 way stop replacing the current roundabout on the lakefront side of Eat Street	1.) Continue with detailed design but do not commence the projects in the next 3 years	No impact on current budgets or the LTP	Nil
		2.) Continue with walkway/cycleway construction but do not commence roundabout improvements	Increase to current budgets of \$2,500,000 Capex	\$7 per Annum 0.17% Rates Increase
		3.) Continue with complete suite of improvements to walkway/cycleway, roundabout and loading zones	Increase to current budgets of \$7,550,000 Capex	\$22 per Annum 0.52% Rates Increase

# PROPOSAL 3C - INNER CITY REVITALISATION (WAYFINDING STRATEGY)

- Destination Management Plan identified wayfinding signage as a key deliverable in 2021.
- Wayfinding strategy currently in development through collaboration between RLC and RNZ staff
- give effect to RLC's commitment to ensure that wayfinding signage includes Reorua and reflects Te Arawa/Te Arawatanga.
- In addition – development on cultural narratives that will be incorporated into signage or appropriate locations with QR codes, artworks etc



# PROPOSAL 3C - INNER CITY REVITALISATION (WAYFINDING STRATEGY)

- The first phase of the implementation of the wayfinding signage and cultural narratives project will be in the inner city including Tutānekai Street, Te Kuirau Park, Government Gardens & entranceway to Ohinemutu. Project excludes signage for the lakefront which is covered under the lakefront redevelopment project.
- Timeline: 12 months – Initial implementation of wayfinding signage, 12 – 36 months – roll out of cultural narratives in various forms
- Estimated costs: \$150k (Opex), \$2.5mil (Capex)



# PROPOSAL 3C - INNER CITY REVITALISATION (WAYFINDING STRATEGY)

What you said	Current State	Options	LTP Impact	Cost per Ratepayer (Year 1)
Investigate promotion of bi-cultural signage	Development of a draft Wayfinding Strategy in underway in collaboration with RLC and RNZ.	1.) Continue with strategy development but do not continue with roll out	No impact on current budgets or the LTP	Nil
		2.) Continue with strategy development and continue with roll out of signage and other various forms	Increase to current budgets of \$150,000 Opex and \$2,500,000 Capex	\$12 per Annum 0.29% Rates Increase





# PROPOSAL 4 - ROTORUANZ

- Destination management plan and reputation campaign
- Ultimately seeking more funding for RotoruaNZ to undertake sustained marketing plan to improve destination reputation (domestic & international)
- Propose that could increase funding to RotoruaNZ of between \$500k to \$1.0mil to focus on this



# PROPOSAL 5 – PENSIONER HOUSING

- RLC owns and manages 152 Pensioner Housing units
- Current challenges with maintaining housing stock:
  - Cost of \$1,3mil per year
  - Inability to provide wrap around services for tenants
  - Inability to respond to growing needs for Pensioner Housing
- Council cannot respond adequately to above challenges because cannot register as a community housing provider (CHP) and therefore tenants cannot claim income related rent subsidy



# PROPOSAL 5 – PENSIONER HOUSING

- Direction received to investigate and develop options for the future management and/or ownership of the Pensioner Housing portfolio that would achieve the following objectives:
  - Ensure ongoing housing security for existing tenants.
  - Provide greater support services for vulnerable tenants.
  - Ensure that the portfolio is financially sustainable including not requiring ratepayer funding to meet capital and operational maintenance costs.
  - Create opportunities for growth in the portfolio in the future.



# PROPOSAL 5 – PENSIONER HOUSING

Current options identified:

1. Status quo (challenges with getting units quickly to healthy homes requirements)
2. Increase current funding (\$1.2m costs to \$1.8m)
3. Sell the pensioner housing portfolio – a number of constraints (not recommended)
4. Establish a new community housing provider trust entity
5. Lease the pensioner housing portfolio to a community housing provider (preferred option - subject to IRRS decision & consultation)

