

# Council

## Open Agenda



Notice is hereby given that an ordinary meeting of Matamata-Piako District Council will be held on:

**Date:** Wednesday 14 February 2018  
**Time:** 9:15am  
**Venue:** Council Chambers  
35 Kenrick Street  
TE AROHA

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### Membership

#### Mayor

Jan Barnes, JP

#### Councillors

Donna Arnold  
Teena Cornes  
Paul Cronin  
Neil Goodger  
Brian Hunter  
Peter Jager

James Sainsbury  
Ash Tanner  
Kevin Tappin  
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Adrienne Wilcock

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**1 Meeting Opening**

**2 Apologies**

At the close of the agenda no apologies had been received.

**3 Leave of absence**

At the close of the agenda no requests for leave of absence had been received.

**4 Urgent Additional Business**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
  - (i) The reason why the item is not on the agenda; and
  - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
  - (i) That item is a minor matter relating to the general business of the local authority; and
  - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

**5 Declaration of interest**

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

**6 Confirmation of minutes**

Minutes, as circulated, of the Ordinary Meeting of Matamata-Piako District Council, held on 13 December 2017

**7 Matters Arising**

**8      Announcements**

**9      Notices of Motion**

# Hauraki Rail Trail - Funding Agreement

Trim No.: 1976297

## Executive Summary

This report is to update Council on the progress made in developing a new Hauraki Rail Trail funding agreement between the Hauraki Rail Trail Charitable Trust and the settlor councils (Hauraki District, Thames-Coromandel District and Matamata-Piako District councils). The Trust will present its three year business case to the Council at a future meeting.

Council is a stakeholder and funder for the Hauraki Rail Trail with the Hauraki District Council and Thames Coromandel District Council. The trail is managed by the Hauraki Rail Trail Charitable Trust. Council's operational funding for the trail has previously been determined by way of an underwriting agreement. There are two substantial extensions underway or proposed for the trail.

In 2016 it was considered appropriate to review the underwriting agreement to take account of the trail extensions.

## Recommendation

That:

1. **That the report be received**
2. **That the Council provides feedback to staff to continue to undertake negotiations with the settlor councils and the Hauraki Rail Trail Charitable Trust on the Funding Agreement**

## Content

### Background

The Hauraki Rail Trail (HRT) is managed by the Hauraki Rail Trail Charitable Trust (the Trust).

Hauraki District Council (HDC) was the main driver of the trail and funded the development with Thames Coromandel District Council (TCDC) and Matamata Piako.

Council's involvement was linked to increasing visitor numbers in the district and to realise the economic benefits that would follow.

It was the intention that the trail would become self-funding through commissions and non-Council revenue.

The three Councils invested capital into the trail with this Council's share being \$500,000. The Councils also entered into a 5 year underwriting agreement to provide financial certainty for the Trust. The time-frame was expected to allow the trail to transition to a self-funded position.

The Underwriting Agreement provided that:

- the Trust must provide a report to the councils prior to 31 August each year;
- in addition to providing a report, the Trust can ask the councils to contribute funding to cover any shortfall in the Trust's finances;

- each council's liability to contribute funding to cover the shortfall is limited to specified monetary amount (which changes each year), based on the length of the Rail trail within each District;
- the arrangement would only last for five years;
- the Trust will have an obligation to maximise its income and minimise any shortfall; and
- if a council is unsatisfied with the information provided by the Trust or by its efforts to minimise its funding shortfall, the council can defer making a payment to the Trust until the issues are resolved or, in specific circumstances decline to make payment.

At the December 2016 Council meeting a report was presented on the developing a new Hauraki Rail Trail funding agreement. The members were advised of the current funding model towards the operation and maintenance of the trail apportioned between the three councils. Approval was sought that seven principles be incorporated into a new agreement between the three councils to underpin the funding of the Rail Trail.

The following resolution was passed,

*THAT the Council agrees to the following seven principles to underpin the funding of the Hauraki Rail Trail, as follows:*

- 1) *That the Hauraki Rail Trail is recognised by the settlor councils (Hauraki District, Thames-Coromandel District and Matamata-Piako District councils) as shared local infrastructure, and one activity across the three Council boundaries, based on the Hauraki Rail Trail boundary being Kaiaua and Thames to the north, Waihi to the east and Matamata to the south (i.e. the current Trail, Kopu to Kaiaua and the proposed Te Aroha to Matamata trail).*
- 2) *That the settlor councils and the Hauraki Rail Trail Charitable Trust recognise that the Hauraki Rail Trail as a whole delivers shared benefits to the Hauraki, Thames- Coromandel and Matamata-Piako communities.*
- 3) *That the Hauraki Rail Trail must be managed, developed and maintained in a prudent and cost effective manner and to a standard required for it to be included in the New Zealand Cycle Trails Nga Haerenga national cycleway network.*
- 4) *That as the settlor councils support the Hauraki Rail Trail Charitable Trust as an appropriate governance model for the Hauraki Rail Trail and as such, if the Trust is unable to generate sufficient income to meet its management and operational obligations, the settlor councils agree to reasonably contribute to the fixed underwriting costs associated with the Trust being a going concern.*
- 5) *That strategic and overhead cost associated with operating the Hauraki Rail Trail funded by the settlor councils are apportioned equally amongst the three councils in recognition of the co-development and benefit approach between the three councils and support of the Trust model.*
- 6) *That other proportionate costs associated with operating the Hauraki Rail Trail funded by the settlor councils are apportioned, where possible, based on the length of Trail within each district council boundary.*
- 7) *That above the strategic, overhead and proportionate costs, each settlor council will, where possible, contribute to and facilitate the enhancement and promotion of the Trail for their local areas (i.e. the local urban area defined as within the 70km speed zone) for example, car parking, signage, drinking fountains.*

The draft funding agreement has been developed and is attached to this report for Council's information.

Hauraki Rail Trail Charitable Trust and the settlor councils (Hauraki District, Thames-Coromandel District and Matamata-Piako District councils) have worked together in developing the funding agreement and reported the draft document to their respective Councils in December, where no issues were raised with the draft document by the other two councils.



## Issues

### The need for a cost share\underwriting agreement

As noted in the attached HDC report it is intended that the Trail will eventually become self-funding.

One of the key focuses for the Trust Manager will be to generate additional funding and strive to achieve the self-funding goal.

Two of the risks associated with the HRT are:

- The trail does not generate sufficient visitor numbers and revenue to become self-funding
- It takes longer than expected to become self-funding

Council's long term plan includes provision for depreciation, interest and operating costs for the Te Aroha to Matamata trail extension. There was no offset included for any revenue.

This is a conservative position given the goal for the HRT to be self-funding.

It is prudent that Council consider the risks and determine how it will mitigate or accept the risk.

The Hauraki Rail Trail has Great ride status which increases the potential to realise economic benefits and attract funding.

A cost share\underwriting agreement across the three Councils is an appropriate option to mitigate the risk to the viability of the trail.

### Funding Agreement timeframes

The proposed term of the agreement is fourteen (14) years from 1 July 2017 and will expire on 30 June 2031. This has been intended to align with the current leases of land from KiwiRail. Council will need to consider whether the term is appropriate.

## Analysis

### Options considered

Approve the recommendations in the report

Reject the recommendations

### Legal and statutory requirements

All legal issues will be reviewed before any agreement is signed.

### Impact on policy and bylaws

There are no impacts on Council policy and bylaws.

### Consistency with the Long Term Plan / Annual Plan

The proposal is consistent with Council's long term plan.

### Impact on Significance and Engagement Policy

As the potential costs of the HRT and extension have been included in the long term plan, the matter is not considered significant.

### Timeframes

The other Councils have considered the funding agreement in December 2017.

The Trust is scheduled to present its three year business case to the Council at a future meeting. It is noted that under the proposed agreement, the original date will need to be updated and this three year plan should in the future be provided in September of each three yearly cycle.

### Financial Impact

#### i. Cost

At this stage Council has included approximately \$135,000 of funding in each year of the Long Term Plan to support the on-going operation and development of the current Hauraki Rail Trail, allocation of this funding would be subject to the terms of the Funding Agreement being met by the Trust. Additional funding has been identified for extensions to the Rail Trail through the Long Term Plan.

#### ii. Funding Source

The contributions for the HRT will be funded from general rates.

### Attachments

A. Funding Agreement

### Signatories

Author(s)	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
Approved by	Manaia Te Wiata <b>Group Manager Business Support</b>	
	Don McLeod <b>Chief Executive Officer</b>	

## Regional Theatre - Regional Council Targeted Rate

Trim No.: 1976272

### Executive Summary

Council feedback is sought in relation to the Waikato Regional Theatre Proposal funding option of a Regional Council targeted rate that has been considered by the Waikato Regional Council. A response from Council is requested by 18 February 2018.

Momentum Waikato Community Foundation (Momentum Waikato) has requested for the 'Waikato Regional Theatre' proposal (the proposal), requesting \$5 million from Waikato Regional Council towards the \$72.9 million capital cost of the project on the assumption Hamilton City Council contributes \$25 million, and requesting an additional \$300,000 for operating costs (starting year 3 of the LTP 2018-28) through the Community Facilities Funding framework approved by the Waikato Mayoral Forum.

The proposed Regional Council targeted rate model is based upon collecting the majority of the funding via a Regional Council targeted rate from Hamilton, Waipa, Waikato and Matamata-Piako District Council ratepayers which are considered to be the primary beneficiaries.

A copy of the letter from Waikato Regional Council is attached to this report which includes a brief summary of the proposal. A copy of the report to Waikato Regional Council and Regional Community Facilities Funding Framework is also attached.

### Recommendation

That:

1. The information be received.
2. Council confirm its response to the proposed 'Waikato Regional Theatre' Regional Council targeted rate model as outlined in the letter from Waikato Regional Council dated 1 February 2018.

### Content

#### Background

Founders Theatre is a significant Hamilton City Council asset on the fringe of their Central Business District. The theatre was closed in March 2016 due to concerns about the safety of the flying system used to hoist scenery and lighting above its stage. A Detailed Seismic Assessment has revealed the building is deemed to be earthquake prone. In June 2016 Hamilton City Council asked the community what should be done with Founders Theatre. There was overwhelming support for a performing arts theatre in Hamilton.

At the same time, Momentum Waikato approached Hamilton City Council with a proposal on the design, development and construction of a new theatre. Hamilton City Council agreed to help fund work on the proposal and has agreed to include \$25 million towards the project in its draft Long Term Plan 2018-28. Momentum Waikato is co-ordinating raising funding of \$30 million from community organisations and will oversee delivery of the new theatre.

On 11 May 2016 (former) Hamilton Mayor Julie Hardaker and Chief Executive Richard Briggs presented to Council to provide information and speak about Founders Theatre. The agenda for this meeting records that "Hamilton City Council is aware that there is a lot of interest in what the future will be for the Founders Theatre. "The theatre has been identified as a regional asset (Waikato Creative Infrastructure Plan) and Council are keen to ensure whatever decision is made, Waikato has a regional theatre."

The presentation indicated that as part of the public engagement process Hamilton City Council was seeking feedback from people of Matamata-Piako as over 50% of theatre attendees are from out of Hamilton City. As part of this presentation, Councillors asked a number of questions including if there would be a financial contribution from Council. The Hamilton City Council representatives noted that the Claudelands Arena is unsuitable as a theatre venue (comparable to Founders) due to its configuration, acoustics, space etc.

Between 25 October and 26 November 2017 Hamilton City Council undertook consultation on the future of Founders Theatre with three options – Complete Demolition, Partial Demolition and Re-use or Reinstall for Community Use. In total 336 responses were received.

Various reports have been commissioned/completed on the theatre issue including a feasibility study and location analysis on where best to locate a new theatre facility. A copy of the reports can be made available to Councillors upon request. The issues have received media attention and public discussion since the closure of Founders Theatre in 2016.

Momentum Waikato is progressing with the Phase Two detailed design of the new Waikato Regional Theatre and this is scheduled to be completed in February/March 2018. A location for the proposed new theatre has been selected near the Waikato River, on Victoria Street in Hamilton City. Should this go ahead at the Victoria Street location Hamilton City Council still needs to decide what to do with Founders Theatre. This report does not address these wider issues and focuses only on the funding model outlined in the letter.

## Issues

### Council's existing contribution

Council has a Arts, Culture and Heritage Strategy to help provide the district with a clear direction for the arts sector, while the Active Recreation and Facility Strategy provides Council with set of priorities for enhancing existing recreation and active leisure facilities and/or development of new facilities across the district. The Arts, Culture and Heritage Strategy defined Council's role as 'facilitator, supporter, advocate for arts, culture and heritage but not deliverer'.

Council currently contributes to arts and/culture through various levels of financial support to the Wallace Gallery Morrinsville, theatre groups, and museums and by administering community grant schemes such as Creative Communities. The new Matamata-Piako Civic and Memorial Centre will also provide a venue for events and cultural activities. However the proposed theatre is on a much larger scale and will have a purpose-built auditorium.

### Community facilities funding framework

The framework has been applied to the proposal submitted by Momentum Waikato. The regional Community Facilities Funding Framework was workshopped with Council on 30 August 2017 and Council indicated agreement with it but has not been formally adopted.

### Funding issues

The attached report from Waikato Regional Council suggests the potential primary beneficiaries are drawn from four territorial authorities (Hamilton, Waikato, Waipa and Matamata-Piako Councils). Approximately 70% of the Waikato population are represented in these four territorial authorities. Using ticket sales by district the report shows a correlation between the level of

benefit, the proximity of the facility and the proportionate level of usage. On this basis, the contributions from Otorohanga, South Waikato, Waitomo, Taupo and Rotorua (part) ratepayers would be smaller than in Matamata-Piako District.

Council may wish to request further work be undertaken by Waikato Regional Council to establish the benefits to our district in order to justify a Regional Council targeted rate.

It is assumed the proposed Regional Council targeted rate would require consideration of Waikato Regional Council's Revenue and Financing Policy which triggers statutory requirements. It is unclear from the Waikato Regional Council if all of the necessary matters have been addressed. It may be that Waikato Regional Council will more fully consider these issues as part of its wider Long Term Plan process however Council may wish to include comment on this in its response.

In considering the funding model proposed, some useful economic concepts to keep in mind are:

- *incidence* – the distribution of the burden of rates. Two key things to distinguish are the legal incidence of the tax (who gets the bill) and the economic incidence (from whose pocket the money eventually comes)
- *the difference between income and wealth* – income is a flow concept. It measures the amount of money an individual receives from work or investment over a set period of time. Wealth, on the other hand is a stock concept and measures the level of financial and non-financial assets an individual has. Rates are a tax on one element of wealth
- *affordability, ability to pay, and willingness to pay* – this is the difference between 'can't pay' and 'don't want to pay'. Affordability is a measure an individual's true capacity to meet their contribution to community services. Willingness to pay relates more to the value an individual thinks they receive from council services
- *efficiency* – the degree to which local authority funding requirements affect production and consumption decisions
- *equity* – very much a subjective concept, equity relates to the 'fairness' of certain decisions
- *public/private goods* – a public good is an activity or service that is both non-rival (my consumption does not interfere with yours) and non-excludable (I cannot be prevented from consuming the service). Common examples in local government are civil defence and various planning functions. A private good is both rival and excludable.

When making funding policy Waikato Regional Council will need to work through the process and matters set out in section 101(3) of the LGA 2002, while having regard to the section 101(1) obligation to act prudently and in the interests of the community. These requirements provide local authorities with a list of matters to consider as part of the development of a transparent revenue system.

The legislative requirements for the Revenue and Financing Policy are firstly to set out any policies a Council has on the funding of operating and capital expenditure from the following sources:

- general rates (including the choice of valuation basis, differential rates and the use or otherwise of uniform annual general charges)
- targeted rates
- fees and charges
- interest and dividends from investments
- borrowing

- proceeds from asset sales
- grants and subsidies
- any other source.

The second part of the requirement is that the policy must also show how the selection of funding sources in the policy complies with the funding policy process in section 101(3). The section 101(3) requirements recognise that funding policy is more than just a device for raising revenue, but subject to the prudence test, is also one of the instruments that a Council may wish to use to promote community interests. While the results of section 101(3) analysis are presented in the revenue and financing policy they apply equally to other policies.

Specifically section 101(3) of the Local Government Act 2002 requires that the funding needs of a Council must be met from those sources that it determines to be appropriate, following consideration of:

- in relation to each activity to be funded
  - the community outcomes to which the activity primarily contributes; and
  - the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
  - the period in or over which those benefits are expected to occur; and
  - the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
  - the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- the overall impact of any allocation of liability for revenue needs on the community.

## Analysis

### Options considered

Options for funding are canvassed in the attached report to Waikato Regional Council

### Analysis of preferred option

There is no preferred option. Council is asked to consider the Regional Council targeted rate proposal from Waikato Regional Council and provide formal feedback.

### Legal and statutory requirements

There are no statutory issues at this stage.

### Impact on policy and bylaws

There is no impact on Council policies and Bylaws.

### Consistency with the Long Term Plan / Annual Plan

Council has included no funding in the Long Term Plan 2018-28

### Impact on Significance and Engagement Policy

There is a high level of public interest in the future of Founders Theatre and the new theatre facility.

The proposal at this stage is for funding via a Regional Council targeted rate, with no financial contribution sought from Council. Council would also not be the decision-maker in this instance. It is considered that providing a response to Waikato Regional Council on the proposed Regional Council targeted rate is not a significant issue for Council.

### Communication, consultation and decision making processes

Two consultations have already been undertaken regarding Founders Theatre by Hamilton City Council.

Feedback on the proposed targeted rate is being sought by Waikato Regional Council. There are no consultation issues for Council.

It is expected Waikato Regional Council would consult on the targeted rate through the Long Term Plan 2018-28 and Council could submit on the proposals (amongst the other Regional Council projects/proposals) as part of its Long Term Plan consultation process.

### Consent issues

There are no consent issues.

### Timeframes

A response to Waikato Regional Council is requested by 18 February 2018.

While the Momentum Waikato proposal for a new Waikato Regional Theatre continues to proceed, the Regional Council targeted rate will not be certain until the 2018-2028 Long Term Plans are adopted by Waikato Regional Council and Hamilton City Council around June 2018 and all further funding required has been secured by Momentum Waikato.

### Contribution to Community Outcomes

Council has set a new vision for the LTP 2018-28: *Matamata-Piako – The Place of Choice Lifestyle. Opportunities. Home.* Some of the relevant community outcomes are below:

Connected Infrastructure	Economic Opportunities	Vibrant Cultural Values
<b>Infrastructure and services are fit for purpose and affordable, now and in the future.</b>	We provide leadership and advocacy is provided to enable our communities to grow.	We promote and protect our arts, culture, historic, and natural resources.
<b>Quality infrastructure is provided to support community wellbeing.</b>		
<b>We have positive partnerships with external providers of infrastructure to our communities.</b>		

### Financial Impact

#### i. Cost

The funding approach would result in a cost to Matamata-Piako ratepayers who would bear a higher rate than some other districts within the Waikato Region as outlined in the letter from Waikato Regional Council.

#### ii. Funding Source

The funding source is via a Regional Council targeted rate. Additional funding for the Theatre is being sought/obtained from Hamilton City Council and other organisations.



## Attachments

- A. Letter from Waikato Regional Council re Waikato Regional Theatre - 1 February 2018
- B. Waikato Regional Council Agenda report - 30 January 2018
- C. Community Facilities Funding Framework

## Signatories

Author(s)	Niall Baker <b>Acting Senior Policy Planner</b>	
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Approved by	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
	Don McLeod <b>Chief Executive Officer</b>	



## Te Manawhenua Forum Membership

Trim No.: 1960750

### Executive Summary

This report is to advise Council that

- Shelley Turner will no longer be the alternate member for Ngati Rahiri-Tumutumu
- Weka Pene will no longer be the alternate for Ngati Haua

on Te Manawhenua Forum mo Matamata-Piako. Neither iwi have advised of a replacement yet.

### Recommendation

That:

1. The information be received.

### Attachments

- A. Resignation of S Turner from Te Manawhenua Forum

### Signatories

Author(s)	Vicky Oosthoek <b>Corporate Strategy Administration Officer</b>	
Approved by	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
	Don McLeod <b>Chief Executive Officer</b>	



## Documents Executed Under Seal

Trim No.: 1975336

### Executive Summary

The schedule of documents executed under Council Seal is attached.

### Recommendation

That the report of the schedule of documents executed under Council Seal December 2017 and January 2018 be received.

### Attachments

A. Schedule of Executed Documents - December 2017 - January 2018

### Signatories

Author(s)	Vicky Oosthoek <b>Corporate Strategy Administration Officer</b>	
Approved by	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
	Don McLeod <b>Chief Executive Officer</b>	



## Staff Long Service Presentation

Trim No.: 1962733

### Executive Summary

10.15am There will be a presentation to Tania Scott for 25 years service.

### Recommendation

That:

1. The information be received.

### Attachments

There are no attachments for this report.

### Signatories

Author(s)	Vicky Oosthoek <b>Corporate Strategy Administration Officer</b>	
Approved by	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
	Don McLeod <b>Chief Executive Officer</b>	



## Power Co - Easement Request - Centennial Drive, Matamata

Trim No.: 1963539

### Executive Summary

Council has received a request from Power Co. to grant an easement for electricity over land owned by Council in Matamata, as show on the survey plan, maps and certificates of title attached to this report. The land is the Centennial Drive reserve.

### Recommendation

That:

1. The information be received; and
2. Council resolve whether or not to grant an easement to Power Co. over Centennial Drive Reserve;
3. Council resolves to classify Centennial Reserve as Recreation Reserve in terms of Section 16 of the Reserves Act 1977;

### Content

#### Background

##### Easement request

Council has received a request from Power Co. to grant an easement for electricity over land owned by Council in Matamata, as show on the survey plan, maps and certificates of title attached to this report. The land is the Centennial Drive reserve. The process for granting an easement involves:

- Entry in to a binding agreement to grant an easement;
- Completion of physical works by;
- Completion and lodgement with LINZ of a survey plan identifying the easement area;
- Completion, execution and lodgement of the easement instrument;
- Payment of compensation and costs (if any);
- Confirmation of completion of registration of the easement by Power Co.

### Powerco – Browne St to Tower Rd, Matamata – New 33kV Cable Circuit

Powerco has two substations which currently supply the Matamata Township.

The Tower Road substation supplies the eastern side of Matamata and surrounding rural area, whilst the Browne Street substation supplies the western side of Matamata, including part of the CBD and the rural area toward Cambridge.

Consumers supplied by these substations are presently subject to the following network constraints:

- Single 33kV circuits to each of the substations with only an 11kV connection (resulting in 'below security' class switching times);
- Both circuits are on the same poles initially as they leave the Transpower Hinuera station, which increases the risk of supply to the Matamata area;
- Planned maintenance outages;
- Potential loss of supply at the substation from an unplanned transformer failure;
- Limited 'backfeed' capability from either substation through the 11kV distribution network during a network failure contingency.

These constraints result in both the Tower Rd and Browne St substations not meeting Powerco's required AA and AA+ security classes.

The solution is to create a secure 33kV sub-transmission ring between the Transpower Hinuera station and the Tower Road & Browne Street substations. This would mean that if there was an outage on an existing sub-transmission circuit, then supply can be maintained by the second sub-transmission circuit.

To enable this, an underground 33kV cable link is required between the Tower Road and Browne Street substations.

### **Issues**

#### Route Options

Analysis of two route options has been undertaken by Powerco.

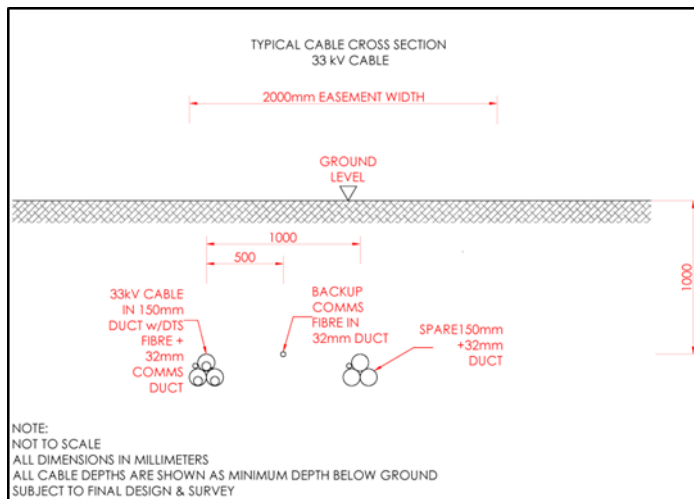
- Option 1 is an underground cable down Tower Road, on to Broadway, through Centennial Drive and onto Farmers Road.
- Option 2 (highlighted in Green) is a similar route and heads south from Tower Road Substation, on to Broadway then Hohaia Street, west onto Tamihana Street, down Tainui Street and finally onto Farmers Road.





### Proposed Works

The proposed works would comprise installation of a 33kV underground cable and fibre communications cable as well as a spare duct and a backup fibre communications cable. This would be at a depth of approximately 1.0 metres, and would follow the existing carriageway, although this would be subject to final design and survey of tree roots or any other services in the locality. A two metre wide easement is being requested. The proposed works would likely be installed in mid-2018, subject to approvals.



### The impact of the works on the Reserve

Council staff have assessed the proposed works. As the cables will be underground, staff are of the view that the Reserve is not likely to be materially altered or permanently damaged and the rights of the public in respect of the Reserve are not likely to be permanently affected by the establishment and lawful exercise of the easement.

Staff have noted some minor amendments to the easement is needed in discussion with PowerCo from a more technical/practical horticultural point of view, including a more detailed plan of the easement area, for example to where practicable, avoid excavating under the dripline of existing trees.

#### Easement agreement

Council will need to consider whether to agree to grant the easement and the terms on which it is prepared to do so.

Discussion on Council's legal requirements under the Reserves Act 1977 and the offer of compensation are set out further in this report.

## **Analysis**

### **Options considered**

Council could:

- Agree to the grant of easement;
- Decline to grant the easement.

### **Analysis of preferred option**

Staff are of the view that it is open to Council to grant the easement, staff do not have a specific recommendation on whether Council should seek compensation for the value of the easement.

### **Legal and statutory requirements**

#### Status of the reserve

There is currently no title in existence for the reserve, there is however a number of gazette notices. In order to clarify the status of the reserve and obtain title (which would make registration of the easement more straight forward) the following is recommended should Council consent to the easement going ahead:

- Recovery and checking as to registration of reservation and appointment Gazette notices;
- Recovery and checking as to registration of Gazette notice taking part of Section 155 for road
- Preparation, arranging execution and publication of a classification Gazette notice;
- Preparation and registration of a new title order and subsequent notifications.

There is no Department of Conservation involvement in the raising of title nor the grant of an easement by Council under section 48 of the Reserves Act 1977. PowerCo have agreed to cover the cost of the above work (approx. \$2,600).

#### Reserves Act 1977

The Reserves Act 1977 sets out the requirements for making decision in respect of reserves.

Under section 48 of the Reserves Act 1977, in the case of reserves vested in Council, with the consent of the Minister of Conservation and on such conditions as the Minister thinks fit, Council may grant rights of way and other easements over any part of the reserve for... an electrical installation or work, as defined in section 2 of the Electricity Act 1992.

The Minister of Conservation has delegated to all councils (by way of delegation dated 12 July 2013) the ability to consent to easements under section 48 of the Reserves Act 1977 where the reserve is vested in Council, this means that despite the wording of the Reserves Act 1977, Council does not require Ministerial consent prior to making a decision on whether or not to grant the easement.

Before granting a right of way or an easement under part of a reserve vested in it, the Reserve Act 1977 specifies that the Council is required to give public notice specifying the easement intended to be granted, and give full consideration to all objections and submissions received in respect of the proposal. However, public notice requirements are not required where the reserve:

- is vested in Council; and
- is not likely to be materially altered or permanently damaged; and
- the rights of the public in respect of the reserve are not likely to be permanently affected by the establishment and lawful exercise of the easement.

The Centennial Drive Reserve is not vested in Council. Council holds an 'appointment to control and manage' the Reserve derived from the appointment of the Matamata Town Board in 1908. As 'control and management' was granted prior to 1980, Section 26A of the Reserves Act potentially applies. This means that if Council resolves to classify the land as Recreation Reserve or Local Purpose Reserve under Section 16 of the Reserves Act 1977 the land could potentially be vested in MPDC by default under Section 26A(1). If Council wishes to classify the Reserve, Recreation Reserve would be the most appropriate category based on the Department of Conservation Reserves Act Guidelines. It is recommended that Council considers this as it would enable Council to make a range of decisions affecting the Drive without requiring consent from the Minister of Conservation. The administrative procedures required to effect this on the title would cost in the region of \$2,600 (including GST). Council may wish to seek compensation for the costs involved in this process from the applicant. If Council does not wish to pursue this option, Council would need to obtain consent to the easement from the Minister of Conservation.

It is considered that because the services are to be located underground next to existing lines that they will not materially alter or permanently damage the reserve nor permanently affect the public's rights in respect of the reserve.

### **Impact on policy and bylaws**

#### The Reserve Management Plan

Council's General Policies Reserve Management Plan 2009 contemplates the use of reserves for the placement of utility services assets by network utility operators provided that such use is compatible with the proper functioning of the reserve and does not unduly detract from the amenity values or purposes of the reserve. The policy also contemplates compensation for the easement.

#### District Plan Considerations

Underground electrical cables and ancillary electrical equipment are listed as a Permitted Activity in Public Reserves under the Council's Operative District Plan.

There are no other policy or bylaw considerations.

### **Consistency with the Long Term Plan / Annual Plan**

This matter is operational and does not affect the Long Term Plan/Annual Plan.

### **Impact on Significance and Engagement Policy**

This issue is not considered significant.

### **Communication, consultation and decision making processes**

The land is not currently leased; there are therefore no consultation issues.

### **Consent issues**

There are no consent issues.

### **Timeframes**

Power Co would like to progress this matter as quickly as possible.

## **Financial Impact**

### **i. Cost**

It is normal when requesting an easement to pay compensation for the easement value. This compensates the land owner for the loss of the unfettered enjoyment and use of the land. Council has in previous decisions waived its right to negotiate compensation (e.g. electricity easements with Power Co) on the basis that the community was gaining a specific benefit from an improved/more resilient service.

Staff understand that Power Co are currently undertaking a valuation.

Power Co has agreed to pay all costs of the easement (survey etc.), and reasonable legal costs in processing the request for easement.

If Council wished to do so, the cost of classification to clarify vestment and amend the title is likely to be \$2,600 (including GST).

### **ii. Funding Source**

No funding source has been identified, it is proposed that all costs will be met by Power Co.

## **Attachments**

There are no attachments for this report.

## **Signatories**

Author(s)	Michelle Staines-Hawthorne	
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	<b>Corporate Strategy Manager</b>	
	Mark Naude <b>Parks and Facilities Planner</b>	
Approved by	Don McLeod <b>Chief Executive Officer</b>	



# Proposed Private Plan Change 50 - Hobbiton Movie Set Development Concept Plan

Trim No.: 1974653

## Executive Summary

Proposed Private Plan Change 50 – Hobbiton Movie Set Development Concept Plan has been proposed by Rings Scenic Tours (“RST”). The Plan Change seeks to “overlay” the site’s current zoning with a customised Development Concept Plan (“DCP”). Under the proposed DCP, expansion of the site will be subject to site-specific development controls that reflect the actual activity and the management of its effects, rather than to rely on the more generic underlying zoning controls and the resource consents process.

The plan change application sets out the proposed DCP, as well as the background to the proposed plan change, including the Section 32 assessment.

Planning staff assisted by external planning consultant Marius Rademeyer have reviewed the plan change application under the statutory requirements.

The attached report summarises staff’s review and recommends that Council accepts the plan change request for public notification.

## Recommendation

### That:

- 1) That Council resolves to accept “Proposed (Private) Plan Change 50 – Hobbiton Movie Set Development Concept Plan” in accordance with clause 25(2)(b) of Part 2 of Schedule 1 of the Resource Management Act 1991.
- 2) That Council resolves to publicly notify “Proposed (Private) Plan Change 50 – Hobbiton Movie Set Development Concept Plan” for submissions in accordance with clause 26 of Part 2 of Schedule 1 of the Resource Management Act 1991, as soon as practicable.

## Content

### Background

Section 73(2) and clause 21(1) of the First Schedule of the Resource Management Act (RMA) 1991 permit any person to request a change to a district plan. The application for the proposed Plan Change seeks to provide a suitable regulatory framework that would provide for the integrated resource management for the applicant’s site, while ensuring an appropriate degree of certainty to justify sustained long-term investment in the future development and expansion of the site.

A draft copy of the plan change request has been pre-circulated to all Councillors. A hard copy of the request will be tabled at the upcoming Council meeting.



## PRIVATE PLAN CHANGE

The RMA requires that a private plan change request must explain the purpose of, and reasons for, the proposed plan change and contain an evaluation report prepared in accordance with section 32. Where environmental effects are anticipated, the request must describe those effects in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the plan change.

The local authority must have particular regard to the predicted effects of the plan change on the environment; its consistency with relevant planning documents and the RMA; and the Section 32 analysis which considers the alternatives, benefits and costs of the proposed plan change.

Under the RMA, there are four options open to Council to deal with this request. These options are:

- Reject the request;
- Decide to process the request as if it were a resource consent;
- Accept the request; or:
- Adopt the request and take on the Plan Change as if it were the Council's own proposed plan.

The Council "Consideration of Request for Private Plan Change" report is attached to this report. Due to its size, RST's full proposed Plan Change request has been pre-circulated to Councillors and will be tabled at the meeting.

If Council accepts Proposed Private Plan Change 50, it agrees that it can proceed to notification inviting submission. It remains a private plan change with Council administering the legal process and the costs are borne by the applicant. Following notification inviting submissions, then further submissions, Council will hold a public hearing (if required), then issue its decision. This decision is subject to a 30 working day appeal period.

## Analysis

### Impact on policy and bylaws

If accepted the proposed plan change will lead to amendments to the District Plan, namely inclusion of the site in "Schedule 5: Sites subject to Development Concept Plans", incorporation of the "Proposed (Private) Plan Change 50 – Hobbiton Movie Set Development Concept Plan" in the District Planning Maps, and amendments to the Planning Maps to reflect the boundaries of the area subject to the DCP provisions.

### Impact on significance and engagement policy

The acceptance of this application will not trigger the Significance Policy.

## Financial Impact

### i. Cost

It is recommended that the Council accepts Plan Change 50 as a private plan change that is privately funded by the applicant on a full cost-recovery basis.

<Insert text>



## Attachments

- A. PC 50 - Hobbiton: Consideration of request for private plan change

## Signatories

Author(s)	Mark Hamilton <b>Environmental Policy Planner</b>	
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Approved by	Dennis Bellamy <b>Group Manager Community Development</b>	
	Ally van Kuijk <b>District Planner</b>	



# Proposed Private Plan Change 52 - Development Concept Plan Milk Processing Factory, SH 26, Tatanui

Trim No.: 1974663

## Executive Summary

Proposed Private Plan Change 52 - Milk Processing Factory, SH 26, Tatanui has been proposed by Tatanui Cooperative Dairy Company Ltd (Tatanui). The Plan Change seeks to update the site's current Development Concept Plan ("DCP"), which was introduced in 1996, with a revised DCP to cater for growth in operations at the site. Under the proposed DCP, expansion of the site will be subject to site-specific development controls that reflect the actual activity and the management of its effects, rather than to rely on the more generic underlying zoning controls and the resource consents process.

The plan change application sets out the proposed DCP, as well as the background to the proposed plan change, including the Section 32 assessment.

Planning staff assisted by external planning consultant Marius Rademeyer have reviewed the plan change application under the statutory requirements.

The attached report summarises staff's review and recommends that Council accepts the plan change request for public notification.

## Recommendation

That:

1. That Council resolves to accept "Proposed (Private) Plan Change 52 – Milk Processing Factory, SH26, Tatanui" in accordance with clause 25(2)(b) of Part 2 of Schedule 1 of the Resource Management Act 1991.
2. That Council resolves to publicly notify "Proposed (Private) Plan Change 52 – Milk Processing Factory, SH26, Tatanui" for submissions in accordance with clause 26 of Part 2 of Schedule 1 of the Resource Management Act 1991, as soon as practicable.

## Content

### Background

Section 73(2) and clause 21(1) of the First Schedule of the Resource Management Act (RMA) 1991 permit any person to request a change to a district plan. The application for the proposed Plan Change seeks to provide a suitable regulatory framework that would provide for the integrated resource management for the applicant's site, while ensuring an appropriate degree of certainty to justify sustained long-term investment in the future development and expansion of the site.

A draft copy of the plan change request has been pre-circulated to all Councillors. A hard copy of the request will be tabled at the Council meeting.

## PRIVATE PLAN CHANGE

The RMA requires that a private plan change request must explain the purpose of, and reasons for, the proposed plan change and contain an evaluation report prepared in accordance with section 32. Where environmental effects are anticipated, the request must describe those effects in such detail as corresponds with the scale and significance of the actual or potential environmental effects anticipated from the plan change.

The local authority must have particular regard to the predicted effects of the plan change on the environment; its consistency with relevant planning documents and the RMA; and the Section 32 analysis which considers the alternatives, benefits and costs of the proposed plan change.

Under the RMA, there are four options open to Council to deal with this request. These options are:

- Reject the request;
- Decide to process the request as if it were a resource consent;
- Accept the request; or:
- Adopt the request and take on the Plan Change as if it were the Council's own proposed plan.

The Council "Consideration of Request for Private Plan Change" report is attached to this report. Due to its size, Tatua's full proposed Plan Change request has been pre-circulated to Councillors and will be tabled at the meeting.

If Council accepts Proposed Private Plan Change 52, it agrees that it can proceed to notification inviting submissions. It remains a private plan change with Council administering the legal process and the costs being borne by the applicant. Following notification inviting submissions, then further submissions, Council will hold a public hearing (if required), then issue its decision. This decision is subject to a 30 working day appeal period.

## Analysis

### Impact on policy and bylaws

If accepted the proposed plan change may lead to amendments to the District Plan, namely inclusion of the site in "Schedule 5: Sites subject to Development Concept Plans", incorporation of the Milk Processing Factory's Development Concept Plan in the District Planning Maps, and amendments to the Planning Maps to reflect the Noise Emission Control Boundary and the boundaries of the area subject to the DCP provisions.

### Impact on significance and engagement policy

The acceptance of this application will not trigger the Significance Policy.

## Financial Impact

### i. Cost

It is recommended that the Council accepts Plan Change 52 as a private plan change that is privately funded by the applicant on a full cost-recovery basis.

## Attachments

A. PC 52 - Tatua - Plan Change request Report

## Signatories

Author(s)	Mark Hamilton <b>Environmental Policy Planner</b>	
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Approved by	Dennis Bellamy <b>Group Manager Community Development</b>	
	Ally van Kuijk <b>District Planner</b>	



## Plan Change 47 - Plan Your Town: Part decision

Trim No.: 1974788

### Executive Summary

Plan Change 47 reviews the parts of the District Plan relating to the planning rules and zoning for each of our three towns and the areas around them. Following public notification, and prior to the public hearing in May 2017, the Plan Change was divided into two parts to allow the majority of the plan change to progress while a smaller portion underwent further work. The majority of Plan Change 47 was heard at the hearing in May 2017 while the balance, the proposed rezoning at Horrell and Kuranui Roads was deferred while Council worked with the New Zealand Transport Agency.

The proposed rezoning at Horrell Road was withdrawn in December 2017 and consensus has now been reached with the Transport Agency about Kuranui Road. Council have now completed discussions and no submitters wish to be heard in relation to Kuranui Road. A Council resolution is now sought for a decision on this part of Plan Change 47.

Council, in accordance with clause 10 of Schedule 1 of the Resource Management Act 1991, needs to make a decision on the provisions of the proposed plan change and on the matters raised in submissions. This decision once notified will then be subject to a 30 working day appeal period. Should no appeals be received, the plan change can then be made operative by Council.

### Recommendation

That:

1. **Pursuant to Clause 10 of Schedule 1 of the Resource Management Act 1991, Council accept the part of Plan Change 47, as relates to Kuranui Road:**
  - **for the reasons outlined in the Decision Report;**
  - **and accept or reject the submissions received as outlined in Part 4.5 of the Decision Report.**

### Content

#### Background

Plan Change 47- Plan Your Town was initiated to examine the planning standards for Matamata, Morrinsville and Te Aroha and to also ensure there is sufficient land zoned for residential purposes and to accommodate new business or industrial activities.

Plan Change 47 has worked through the consultation process set out in Schedule 1 of the Resource Management Act 1991 ('The Act'). The proposed plan change was publicly advertised inviting submissions on 10 December 2016. Further submissions were invited on 18 March 2017.

A decision was made in May 2017 to defer the rezoning of Horrell and Kuranui Roads to allow time for Council's advisors to progress their discussions with the New Zealand Transport Agency

on transport related matters, but not to delay the Plan Change 47 hearing later that month as it concerned many other parts of the district. The plan change decision was notified in September 2017 while an appeal to the decision, concerning zoning at Banks Road, Matamata, was received in October.

In December 2017, Council resolved to withdraw the proposed rezoning and notice of requirement at Horrell Road. In January 2018, the Transport Agency confirmed that its concerns in relation to Kuranui Road had been settled. Council has contacted all submitters who had referred to Kuranui Road in their submissions and none of them now wish to be heard at a hearing. Subsequently, Council, in accordance with clause 10 of Schedule 1 of the Act, now needs to make a decision on the provisions of the proposed plan change and on the matters raised in submissions.

The decision report for the part of Plan Change 47 related to Kuranui Road is attached and sets out the matters raised in submissions, decisions on each matter, and the reasons for the decisions.

A copy of the District Plan changes which highlights all the alterations as a result of this plan change are shown in Appendix 1 of the decision report.

## Attachments

- A. Plan Change 47- Kuranui Road Decision Report

## Signatories

Author(s)	Mark Hamilton <b>Environmental Policy Planner</b>	
Approved by	Dennis Bellamy <b>Group Manager Community Development</b>	
	Ally van Kuijk <b>District Planner</b>	



## Plan Change 47 - Plan Your Town. Request to make plan change part-operative.

Trim No.: 1974803

### Executive Summary

Plan Change 47 reviews the parts of the District Plan relating to the planning rules and zoning for each of our three towns and the areas around them. Following public notification and prior to the hearing, Plan Change 47 was divided into two parts to allow the majority of the plan change to progress while a smaller portion underwent further work. The majority of Plan Change 47 was heard at a Council hearing while the balance of the proposed rezoning was deferred while Council worked with the New Zealand Transport Agency.

The appeal period closed with only one appeal received, from Calcutta Farms Limited, for proposed rezoning in the Banks Road area. Given that the area under appeal can be clearly demarcated, a Council resolution is now sought for a decision to make the rest of Plan Change 47 operative, with the exception of Kuranui Road.

### Recommendation

That:

1. Pursuant to Clause 17 of Schedule 1 of the Resource Management Act 1991, Plan Change 47 is approved in part, (excluding Kuranui Road, and the Banks Road Appeal area) sealed with the seal of Council, and signed by the Mayor and Chief Executive Officer; and
2. Pursuant to Clause 20 of Schedule 1 of the Resource Management Act 1991, Plan Change 47 become operative, in part, on 6<sup>th</sup> April 2018.

### Content

#### Background

Plan Change 47- Plan Your Town was initiated to examine the planning standards for Matamata, Morrinsville and Te Aroha and to also ensure there is sufficient land zoned for residential purposes and to accommodate new business or industrial activities.

Plan Change 47 has worked through the consultation process set out in Schedule 1 of the Resource Management Act 1991 ('The Act'). The proposed plan change was publicly advertised inviting submissions on 10 December 2016. Further submissions were invited on 18 March 2017.

A decision was made in May 2017 to defer the rezoning of Horrell and Kuranui Roads to allow time for Council's advisors to progress their discussions with the New Zealand Transport Agency on transport related matters, but not to delay the Plan Change 47 hearing later that month as it concerned many other parts of the district. The plan change decision was notified in September

2017 while an appeal to the decision, concerning zoning at Banks Road, Matamata, was received in October.

In December 2017, Council resolved to withdraw the proposed rezoning and notice of requirement at Horrell Road. Subsequently, Council may now decide whether to make Plan Change 47 operative in part, excluding Kuranui Road and the land subject to appeal at Banks Road, Matamata.

### **Issues**

Council may now make a decision on the plan change and whether to make the plan change operative in part.

### **Legal and statutory requirements**

Under Clause 17 of Schedule 1 of the Resource Management Act 1991, Council may approve the plan change and this is given effect to by affixing the seal of the Council to the proposed plan change.

### **Impact on policy and bylaws**

Once the plan change is operative the District Plan will be amended to reflect the proposed changes. With the exception of those rules and provisions that deal expressly with Kuranui Road and the land under appeal at Banks Road, the rules of the plan change are already being treated as operative in accordance with the provisions of the Act.

### **Consistency with the Long Term Plan / Annual Plan**

There is no impact on the Long Term Plan or Annual Plan.

### **Impact on significance policy**

This will not have an effect on the significance policy.

### **Communication, consultation and decision making processes**

Under clause 20 of Schedule 1 of the Resource Management Act 1991, Council is required to publicly notify the date on which the plan change will become operative in part. This will be through "Council in Focus" in the *Piako Post* and the *Matamata Chronicle*.

### **Consent issues**

There are no consent issues

### **Timeframes**

The operative date must be at least 5 working days after the date on which the Council has publicly notified its intention to make the plan change operative. In this case, the public notice will be run on Wednesday 21<sup>st</sup> February 2018, and the operative date will be Friday 6<sup>th</sup> April 2018.

### **Financial Impact**

The costs of notifying and updating the District Plan will be from existing budgets.

## Attachments

There are no attachments for this report.

## Signatories

Author(s)	Mark Hamilton <b>Environmental Policy Planner</b>	
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Approved by	Dennis Bellamy <b>Group Manager Community Development</b>	
	Ally van Kuijk <b>District Planner</b>	