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## Council (Draft 10-Year Plan 2018-28)

### OPEN MINUTES

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Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Wednesday 6 December 2017 at 9.40am.

#### PRESENT

Chairperson	Mayor A King
Deputy Chairperson	Deputy Mayor M Gallagher
Members	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr D Macpherson
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr P Southgate
	Cr G Taylor
	Cr L Tooman
	Vacancy

In Attendance:

- Richard Briggs – Chief Executive
- Lance Vervoort – General Manager Community
- David Bryant – General Manager Corporate
- Sean Hickey – General Manager Communications and Strategy
- Kelvyn Eglinton – General Manager Growth
- Chris Allen – General Manager Infrastructure
- Sean Murray – General Manager Venues, Tourism and Major Events
- Blair Bowcott – Executive Director Special Projects
- Stephen Halliwell – Accounting Manager
- Brett Brinkworth – Senior Corporate Project Accountant
- Sarah Ward – Programme Manager, Corporate Planning
- Paul Gower – Programme Manager, Growth and Assets
- Andy Mannering – Manager, Social Development
- Nick Chester – Social Development Advisor
- Luke O'Dwyer – Economic Growth and Planning Unit Manager
- Chelsey Stewart – Project Manager (Strategy)
- Helen Paki – Business and Planning Manager
- Robyn Denton – Acting Transportation Manager
- Andrew Parsons – City Development Manager
- Sarah Wilson – Corporate Project Accountant
- Jen Baird – Communications Unit Manager
- Emily Botje – Facilities Unit Manager
- Eeva-Liisa Wright – Business Manager, City Infrastructure
- Bridget Morgan – Water Asset Manager
- Russell Hynd – Finance Manager
- Dan Finn – People, Safety and Wellness Manager

Maria Barrie – Parks and Recreation Manager  
Maire Porter – City Waters Manager  
Rebecca Whitehead – Libraries Director  
Alice Morris – City Planning Policy Team Leader  
Nigel Ward – Communications Team Leader  
Matthew Bell – Revenue Manager  
Karen Saunders – Group Business Manager – City Growth  
Debbie Lascelles – Community Services Manager

Governance Staff: Lee-Ann Jordan – Governance Manager  
Becca Brooke – Governance Team Leader  
Brendan Stringer – Legal Services and Governance Officer  
Rebecca Watson and Amy Viggers – Committee Advisors

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*Tame Pokaia carried out a blessing and bible reading to open the meeting.*

*Mayor King issued an apology to the General Manager City Growth and the Economic Growth and Planning Unit Manager for unfair comments he made during the 5 December 2017 Growth and Infrastructure Committee Meeting in relation to Item 18 (Hamilton City Council's Submission to Te Awa Lakes Proposed Plan Change-Perry's Group).*

**1. Apologies**

There were no apologies.

**2. Confirmation of Agenda**

Cr Pascoe requested that Item 10 (Housing Infrastructure Fund) be taken ahead of Item 9 (Draft 10-Year Plan Budget 2018-28). A number of Elected Members raised concerns regarding the proposed process/sequencing for discussing matters in the agenda.

**Resolved:** (Mayor King/Cr Gallagher)

That the agenda be confirmed noting the following:

- Item 9 (*Draft 10-Year Plan Budget 2018-28*) has been circulated under separate cover,
- Item 10 (*Housing Infrastructure Fund*) has been circulated under separate cover,
- Item 10 (*Housing Infrastructure Fund*) Attachment 4 appendices has been circulated under separate cover (electronically)
- Item 7 (*Waikato Means Business Contribution to Economic Development*) will now be taken together with Item 9 (*Draft 10-Year Budget 2018-28*)
- An additional (late) Item 12 – (Recommendation from the 5 December 2017 Growth and Infrastructure Committee Meeting concerning Regional Petrol Tax) has been added to the agenda. The Item is late due to recent information received from Central Government on the matter and to allow for a full consultation process to be undertaken.
- The agenda order may need to be flexible to accommodate availability of presenters.

The following corrections and clarifications are noted for the 10-Year Plan Report (*as circulated to Elected Members and as attached to this run sheet*):

- Waipa Council Rates, pg 21
- Hamilton Gardens Proposal, pg 292
- Recommendation for Community Infrastructure, pg 8
- Growth Capital Figures, pg 27-29
- Operating and Maintenance Costs for River Plan Extension, pg 76
- Strategies and Plans – CCTP, pg 262

*(information and replacement pages will be available to the public via the website after the meeting.)*

### **Cr Pascoe Dissenting.**

*Mayor King advised Elected Members that questioning would be limited to 3 minutes per Elected Member for each matter.*

### **3. Declarations of Interest**

Cr Pascoe declared that his wife is a volunteer at Citizens Advice Bureau in relation to page 322 (part 2) of the Council Agenda.

### **4. Public Forum**

1) **Matthew Cooper (Sport Waikato)** - *Speaking to 10YP (2nd Indoor Court - Sport Waikato).*

Mr Cooper spoke in support of the proposed second Indoor Court facility which he believed was necessary in order to meet the increasing needs of the community.

2) **Alister Jones (Waikato University)** – *Speaking to 10YP (2nd Indoor Court - Sport Waikato and Gallagher Performing Arts Partnership).*

Senior Deputy Vice-Chancellor Professor Alistair Jones spoke in support of the proposed Second Indoor Court facility which the University felt would help to meet the needs of the community. He also raised concern around the proposal to not continue the partnership between the Council and the Gallagher Performing Arts Centre. He hoped the Council would reconsider its position on this matter.

3) **Natasha Hemara (Principal of Rototuna Senior High School) and Megan Campbell (Rototuna High School Board Chair & PEAK Trust Member)** - *Speaking to 10YP (2nd Indoor Court - Sport Waikato).*

Ms Hemara and Ms Campbell spoke in support of a second Indoor Court Facility which they felt was required to better meet the needs of the community and the school.

4) **Sonia Fursdon (Go Eco Manager)** - *Speaking to the 10YP (investment in cycle infrastructure, waste and restoration).*

Ms Fursdon urged the Council to recycle all plastics, with glass separated, and to include food waste bins for organic waste. She encouraged the Council to continue supporting cycling infrastructure and asked that some of the projects be brought forward in the plan so work could begin sooner.

5) **Angela Cumings** - *Speaking to the 10YP (Destination Playgrounds)*

Ms Cumings spoke against reduced funding for playgrounds, in particular not including any provision for future destination playgrounds.

6) **Max Johns** – *Speaking to the 10YP (Destination Playgrounds)*

Mr Johns spoke against the reduced funding for playgrounds, in particular not including any provision for future destination playgrounds.

- 7) **Vanessa Williams (Hamilton Central Business Association)** – *Speaking to 10 YP (business as usual and renewals budgets)*  
Ms Williams asked the Council to continue with much needed renewals and improvements in the CBD including lighting. She stressed the importance of keeping up with these business as usual functions.
- 8) **Virginia Graham (Friends of the Gardens)** – *Speaking to 10 YP (Hamilton Gardens)*  
Ms Graham spoke against the proposed charge for non-residents to the Hamilton Gardens.
- 9) **Max Christofferson** – *Speaking to 10 YP (Rates Rise Proposal)*  
Mr Christofferson spoke against the proposed rates rise.
- 10) **Diana Wood (Rototuna Community Trust)** – *Speaking to 10 YP (Rototuna Development)*  
Ms Wood spoke in support of the development of a Rototuna Town Centre for which provision was proposed in the 10-Year Plan.
- 11) **Bruce Clarkson (Environmental Research Institute of the University of Waikato and the Waiwhakareke Advisory Group)** - *Speaking to 10 YP (priority order of funding)*  
Professor Clarkson urged the Council to consider placing a higher priority on environmental considerations and proposals such as Waiwhakareke and Gully Restoration. He supported the Waiwhakareke unfunded proposal and supported a modified version of options 1 and 2 for the Hamilton Zoo, particularly with the connection between the Zoo and Waiwhakareke.
- 12) **Dr Amy Van-Wey Lovett** – *Speaking to 10 YP (Pools)*  
Dr Van-Wey Lovett spoke against the privatisation of the pools.
- 13) **Brian Main** – *Speaking to 10 YP (Proposed Hamilton Gardens Charge)*  
Mr Main spoke against charging non-residents for entry to the Hamilton Gardens.
- 14) **Deborah Fisher** – *Speaking to 10 YP (Rates Rises)*  
Ms Fisher spoke against rate payers having to bear the costs of growth and also raised concerns around lack of consultation for user pays rubbish systems. She noted that rates increases should be no more than the cost of living.
- 15) **Anna Casey-Cox** - *Speaking to 10 YP (Living Wage)*  
Dr Casey-Cox spoke in support of a living wage for all Council employees and contract workers and asked that the Council implement a living wage policy.
- 16) **Helen Jarman – (240 Victoria St Body Corp Rep)** – *speaking to the Victoria on the River Proposal*  
Ms Jarman raised concerns around the Victoria on the River Proposal and the level of transparency concerning purchasing property and notifying affected parties to this proposal. She was concerned that a promenade was being proposed with no regard for current apartment owners in the vicinity.

17) **Penny Evans** – *Speaking to the 10 YP (Hydro Therapy Pool)*

Ms Evans spoke against privatisation of the pools as an option under consideration as part of the 10 YP.

5. **Recommendation from the Growth and Infrastructure - Approval of the Access Hamilton Business Case**

**Resolved:** (Crs Macpherson/Casson)

That the Council:

- a) approves the Access Hamilton Programme Business Case; and
- b) endorses the Hamilton City Council full programme of works attached to this report as a basis for the Access Hamilton Taskforce prioritising a draft programme of works to be recommended to and considered by Council at its meeting of 6 December 2017 to develop the proposed 2018-28 10 Year Plan.

*Crs Taylor and Southgate left the meeting (11.07am) during the above item. They were not present when the matter was voted on.*

6. **Recommendation from Community and Services Committee meeting 31 October 2017 - Community Assistance Policy**

**Resolved:** (Crs Bunting/Casson)

That the Council approve the Community Assistance Policy.

*Crs Taylor and Southgate re-joined the meeting (11.10am) at the conclusion of the above item. They were not present when the matter was voted on.*

*As noted in the Confirmation of the Agenda, the late item – Recommendation from Growth and Infrastructure Committee meeting, 5 December 2017 – Petrol Tax was taken next. Item 7 (Waikato Means Business Contribution to Economic Development) would now be taken together with Item 9 (Draft 10-Year Budget 2018-28).*

12. **(Late Report) Recommendation from Growth and Infrastructure Committee Meeting, 5 December 2017 – Petrol Tax.**

The Chief Executive introduced the item. The Executive Director Special Projects advised Elected Members that the recommendation from Growth and Infrastructure Committee Meeting on 5 December 2017 had since been updated by staff to reflect further information received from Central Government concerning the proposal. Staff responded to questions from Elected Members concerning negotiations with Central Government, the process of implementing a petrol tax, and the financial benefits that the tax would provide to Council.

**Resolved:** (Mayor King/Cr Macpherson)

That the Council:

- a) requests the Government includes the Hamilton City Council in a new local fuel tax scheme that would permit an additional 10c per litre (11.5c per litre including GST) to be levied by the Council on all fuel sold in the City as soon as possible after 1 July 2018, noting that this would be in addition to the existing Local Authority Petroleum Tax scheme;

- b) consults on the proposal to levy a new fuel tax on all fuel sold in the City for implementation as soon as possible after 1 July 2018, as part of the draft 2018-2028 10-Year Plan; and
- c) delegates the Mayor and Chief Executive to conduct any negotiations and discussions to progress the levying, administration and collection of a new local fuel tax for Hamilton City Council (including any necessary legislation or regulation changes) with all key stakeholders including the Government, Government representatives and fuel company providers.

***The meeting adjourned 11.17am – 11.36am during the discussion of the above item.***

**8. Submission to Ministry of Education regarding Richmond Park School site**

The General Manager Community introduced the report and provided an update on the matter. Staff responded to questions from Elected Members concerning options to be considered for the future use of the site and the Ministry of Education's consultation with the community regarding this.

**Resolved:** (Crs Macpherson/Casson)

That the Council:

- a) receives the report;
- b) requests staff include in the Council Submission on the Richmond Park School site, to be sent to the Ministry of Education, the following:
  - i. reference to the fact that Hamilton City Council contributed funding to the school hall, and that there was a need for bookable hall space in the Melville Community, and a willingness on the part of the community to manage this facility;
  - ii. reference to the fact that a number of community organisations in Hamilton are seeking premises that the school buildings could be useful for; and
- c) that the Council urgently engage with the new Minister of Education on the need to look past previous Ministry Of Education policy when considering the future of Richmond Park School, including their strategic thinking of Education Facilities in the South West of Hamilton.

*Following the discussion of the above Item, the Council decided to hold the vote until after the lunch adjournment (2.00pm – 2.45pm). The meeting resumed with Item 9 (Draft 10-Year Plan Budget 2018 – 28 prior to the adjournment.*

## Item 9 – Draft 10-Year Plan Budget – 2018-28

### Mayor’s Recommendations

The Mayor introduced his draft 10 Year Plan Budget 2018-28 which set out his priorities and associated financial plan for the next decade.

He asked Elected Members to help identify options to limit rates increases and welcomed proposals around this for further consideration.

He outlined the following key focus areas:

- Embracing Growth
- Creating a Sustainable Financial Legacy
- Looking After What We’ve Got
- Improving Liveability
- Reimagining Local Government.

The General Manager Strategy and Communications outlined the proposed process for working through the Draft 10-Year Plan Budget Proposals.

*Deputy Mayor Gallagher asked that it be noted that he would be seconding Mayor King’s recommendations and proposals as a matter of form in his capacity as Deputy Mayor.*

### FORECASTING ASSUMPTIONS

Elected Members discussed the following:

- The impact of growth as a key driver and the need for a strong economy
- The accuracy of growth projections and financial figures
- Financial strategy measures
- Proposed rates increase figure.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receives the report;
- b) approves, for the purposes of developing the Consultation Document, the significant forecasting assumptions used in the development of the draft 2018-28 10-Year Plan set out in Section 1: Attachment 2 (subject to being updated as a consequence of decisions at this meeting);
- c) approves the following financial strategy measures for the 2018-28 10- Year Plan:
  - i. Debt to revenue ratio (calculated as described in this report);
  - ii. Balancing the books (calculated as described in this report);
  - iii. Rates increase limit (expressed as the percentage increase to existing ratepayers); and
  - iv. Rates limit (expressed as a maximum portion of the rateable capital value of the city).
- d) approves a maximum debt to revenue ratio target of 230% for the 2018-28 10-Year Plan;

***The meeting adjourned 2.00pm – 2.45pm.***

*The meeting commenced with voting for Item 8 ( Submission to Ministry of Education regarding Richmond Park School site) as recorded above. Item 9 (Draft 10-Year Plan Budget 2018-28) was then resumed.*

## **OPERATING BUDGET**

Elected Members discussed opportunities for savings within the operating budget including:

- The impact of introducing a living wage
- Development Contributions Revenue
- Rate increase projections
- Personnel costs
- Ensuring that the operating budget remained lean
- The impacts of CBD Parking on resources and revenue.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

- d) approves the Fees and Charges Schedule in Section 2, Attachment 12 of this report; and

### **Cr Macpherson Dissenting.**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

- e) approves the draft operating expenditure budget for the 2018-28 10-year Plan, excluding any rates increase and subject to any decisions on other recommendations in this report which may materially impact this resolution.

### **The Motion was put.**

**Those for the Motion:** Mayor King, Councillors Gallagher, Pascoe, Mallett, Tooman, Macpherson, Bunting, Casson and Henry.

**Those against the Motion:** Councillors O'Leary, Southgate and Taylor.

### **The Motion was declared carried.**

*An extension of time was moved at 4.30pm during discussion of the above motion.*

**Resolved:** (Mayor King/Cr Casson)

That the meeting continue past 6 hours as per Standing Order 3.2.7

***The meeting adjourned from 4.52pm – 5.13pm.***

## **RENEWALS AND COMPLIANCE/BUSINESS IMPROVEMENT CAPITAL PROGRAMME**

Elected Members ask questions of staff and discussed the following:

- Council Building Renewals e.g. earthquake strengthening the Water Treatment Plant
- Gullies and storm water networks
- Infrastructure projects and priorities
- IT upgrades and priorities
- Efficiencies and cost saving options.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

- g) approves funding provision in the draft 2018-28 10-Year Plan of \$495.035m capital expenditure for Renewals; and
- h) approves funding provision in the draft 2018-28 10-Year Plan of \$78.79m capital expenditure for Compliance and Business Improvement and \$9.27m capital expenditure for community infrastructure not subject to a proposal.

**Crs Southgate and Henry Dissenting.**

## **GROWTH PROGRAMME**

Elected Members asked questions of staff and discussed:

- Growth projections
- The balance between growth scenarios and city liveable
- Options regarding the HIF and possible impacts
- Developers Contributions
- Libraries
- Growth Cells.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

- i) approves the Peacocke Scenario 4 as the preferred growth scenario, subject to the Council agreeing to a non-binding application to the Housing Infrastructure Fund, as the basis for preparing the draft 2018-28 10-Year Plan and 2018-2048 30-Year Infrastructure Strategy;
- j) approves capital expenditure of \$813.3m over the 10 year period of the draft 2018-28 10-Year Plan (including inflation and net of subsidies) for provision of growth infrastructure;
- k) notes that consequential operating expenditure to deliver the Peacocke Scenario 4 has been provided for in the draft 2018-28 10-Year Plan; and
- l) notes that work will continue with Central Government on alternative financial interventions to fund strategic growth infrastructure in addition to the Housing Infrastructure Fund.

**Crs O'Leary and Casson Dissenting.**

## **TRANSPORT IMPROVEMENT PROGRAMME**

Elected Members asked questions of staff and discussed:

- NZTA subsidies and where these would apply
- Targets, in particular zero fatalities on Hamilton roads
- Programme project and priorities
- Promoting sustainable transport options
- Congestion and future pressure on roading infrastructure
- The impact of deferrals.

**Motion:** (Cr Macpherson/Deputy Mayor Gallagher)

m) approves the funding provision in the draft 2018-28 10-Year Plan of \$220m (gross) over the 10-year period for the Prioritised Transport Improvement Programme included in Section 3c, Attachment 1.

***During the discussion of the above proposal, a procedural motion was resolved to adjourn the meeting.***

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

***That the meeting adjourn at 8.30pm, 6 December 2017, during the discussion of the above proposal. To be reconvened at 9.30am on 7 December 2017.***

***The meeting reconvened at 9.30am, 7 December 2017, starting with the continuation of the discussion of the Transport Improvement Programme Proposal.***

**TRANSPORT IMPROVEMENT PROGRAMME** *(continued)*

**Motion:** (Cr Macpherson/Deputy Mayor Gallagher)

m) approves the funding provision in the draft 2018-28 10-Year Plan of \$220m (gross) over the 10-year period for the Prioritised Transport Improvement Programme included in Section 3c, Attachment 1.

**Amendment:** (Crs Mallett/Casson)

m) approves the funding provision in the draft 2018-28 10-Year Plan of \$220m (gross) over the 10-year period for the Prioritised Transport Improvement Programme included in Section 3c, Attachment 1, subject to the following projects being deferred to start in the 2021-22 year period:

- Biking Plan - Biking Connectivity
- School Link Public Transport and Cycleway
- Te Awa South River Ride
- Biking Plan - Central City
- Biking Plan - City Wide Biking signage
- Biking Plan - University Route

**The Amendment was put.**

**Those for the Amendment:** Crs Mallett and Casson.

**Those against the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Henry, Taylor, Bunting, Macpherson, Pascoe, Tooman, and O'Leary.

**The Amendment was declared lost.**

**The Motion was then put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Henry, Taylor, Bunting, Macpherson, Pascoe, Casson, O'Leary.

**Those against the Motion:** Crs Mallett and Tooman.

**The Motion was declared carried.**

**Resolved:** (Cr Macpherson/Deputy Mayor Gallagher)

m) approves the funding provision in the draft 2018-28 10-Year Plan of \$220m (gross) over the 10-year period for the Prioritised Transport Improvement Programme included in Section 3c, Attachment 1.

***The meeting adjourned at 10.02am – 10.10am during the discussion of the above motion.***

*Following the adjournment and prior to the vote of the above matter, the Mayor moved Item C1 – (Rotokauri Park and Ride Land) to be taken in the open session of the meeting as there was no longer a need for it to be publicly excluded. The report for this item is attached to these minutes (Appendix 1)*

**Resolved:** (Mayor King/Cr Macpherson)

That Item C1 (Rotokauri Park and Ride Land) is moved into the open session of the meeting.

*Prior to the debate and vote of Item C1 (Rotokauri Park and Ride Land), the meeting went back to the debate and vote of the transport matter above.*

***The meeting adjourned at 11.14am – 11.30am following the vote for the Transport Improvement Programme matter.***

*Following the above adjournment, the meeting resumed with the discussion of item C1 (Rotokauri Park and Ride Land) below.*

## **C1. ROTOKAURI PARK AND RIDE LAND**

Elected Members discussed:

- Pressure of timing and the need for a futureproofed option
- Alternate options for a site
- Potential sub-regional partnership opportunities
- Funding and the risk of not getting Government subsidies.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receives the report;
- b) approves proceeding with the purchase of approximately 21,178 square metres of land at Rotokauri in accordance with the Agreement for Sale and Purchase approved at the 24 October 2017 Growth and Infrastructure Committee meeting to enable the future provision of a public transport park and ride facility;
- c) approves a project budget of \$6,400,000;
- d) delegates approval to the Chief Executive to make all payments in accordance with the already approved Agreement for Sale and Purchase; and
- e) requests the Chief Executive to report back to Council prior to October 2018 on options to on-sell the land if funding is not confirmed through the full process of the 2018-28 10-Year Plan.

**Cr Mallett Dissenting.**

*Item 10 (Housing Infrastructure Fund – Draft Business Cases) was taken next.*

## **10. HOUSING INFRASTRUCTURE FUND – DRAFT BUSINESS CASES**

Economic Development and Planning Manager and Executive Director Special Projects introduced the report. They responded to questions from Elected Members concerning the financial modelling of various scenarios and specifics related to repaying the loan.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receives the report;
- b) approves the submission of a **non-binding** application to the Housing Infrastructure Fund, including approving the detailed business case, to advance lead strategic infrastructure funding for Peacocke;
- c) notes that the detailed business case will seek Housing Infrastructure Funding (through MBIE and NZ Transport Agency) for Peacocke of \$308.4m (inflation adjusted gross figure), consisting of a 10 year interest free loan of \$189.1m and a New Zealand Transport Agency funding assistance subsidy of \$119.3m;
- d) delegates to the Mayor and Chief Executive authority to sign all tender documentation associated with the proposal for formal submission to the Ministry of Business Innovation and Employment (MBIE) and NZ Transport Agency;
- e) delegates to the Chief Executive authority to conduct any necessary **non-binding** commercial negotiations with government representatives consistent with the Housing Infrastructure Fund proposal submitted to MBIE and NZ Transport Agency;
- f) approves the unbudgeted expenditure for the preparation of the detailed business case and financial analysis of the growth scenarios for the draft 10-Year Plan estimated at \$435,000 and note that this will be recorded in the Risks and Opportunities register; and
- g) delegates to the Chief Executive authority to continue to advocate with the Government for other funding tools and options to provide strategic infrastructure to enable more housing supply to the City.

**Cr O’Leary Dissenting.**

***The meeting adjourned 1.05pm to 1.50pm.***

*Following the adjournment, the meeting continued with Item 9 (Draft 10-Year Budget 2018/28) starting back with the proposals.*

***The meeting adjourned at 3.10 – 3.25pm and at 4.35pm – 4.50pm during the discussion of the proposals.***

*Following the above adjournment, Ian White Associates Landscape Architects presented to Council on a proposed Central City Park.*

***A motion to extend the meeting past 6 hours was moved at 5.00pm.***

**Resolved:** (Mayor King/Cr Mallett)

That the meeting be allowed to extend past 6 hours as per Standing Order 3.2.7.

## **PROPOSALS**

The Mayor's proposals and some additional proposals raised by councillors were discussed and debated. Staff responded to questions from Elected Members concerning the proposals and provided financial modelling for the various options discussed. Questions and debate on these matters can be viewed at <https://www.youtube.com/user/HamiltonCityCouncil/videos?view=0>

**n) approves the following proposals to be included in the draft 2018-28 10-Year Plan budget:**

### **River Plan Extension – Central City Park**

**Resolved:** (Crs Taylor/Henry)

That the Council approves funding provisions in the draft 2018-2-28 10-year plan for the development of a central city park between Victoria on the River and Embassy Park as follows:

- i. Total capital expenditure of \$12 m in the first five years of the 10-year plan (2018/19 to 2023/24);
- ii. Operating expenditure of \$300,000 in Year 1 (2018/19) for development of a master plan for the urban park;
- iii. Operating expenditure of \$1.8m in Year 2 (2019/20) and \$4.2m in Year 3 (2020/21) for removal of the buildings;
- iv. An allowance to write-off building assets of \$4.5m in Year 2 (2019/20) and \$8.45m in Year 3 (2020/21);
- v. Consequential operating expenditure of \$55,000 per annum from year 4 (2021/22) to maintain the new assets following completion of the project; and
- vi. That the overall budget for Community Infrastructure is reduced by \$12 million (\$8m capital expenditure and \$4 million operating expenditure).

**The Motion was put.**

**Those for the Motion:**

Mayor King, Deputy Mayor Gallagher, Crs Taylor, Macpherson, Henry, Bunting, Mallett.

**Those against the Motion:**

Crs Southgate, Casson, Pascoe, Tooman and O'Leary.

**The Motion was declared carried.**

## **Re-imagining Local Government**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves funding provision in the draft 2018-28 10-Year Plan of \$3m over years 1, 2 and 3 (2018/19, 2019/20 and 2020/21) for the 'Re-imagining Local Government' programme.

**The Motion was put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Macpherson, Taylor, Mallett, and Pascoe.

**Those against the Motion:** Crs Southgate, Henry, Bunting, Casson, Tooman and O'Leary.

**The Motion was declared equal.**

**The Mayor exercised his casting vote as Chair.**

**The Motion was declared carried.**

***The meeting adjourned from 6.35pm – 7.10pm.***

## **Rubbish and Recycling**

**Resolved:** (Crs Bunting/Southgate)

That the Council approves a rubbish and recycling service, with a net estimated expenditure of \$81.704m over the 10-Year Plan period, that is funded through general rates, and that the service delivered includes:

- i. wheeled bins for rubbish, recycling and food waste; and
- ii. weekly collection of food waste containers;
- iii. fortnightly collection of rubbish and recycling containers;
- iv. the cost of the Rubbish and Recycling Service be expressed as a separate charge on the rates invoice.

## **Playgrounds**

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council approve a revised approach to playgrounds development and approve the provision in the 2018-28 10-Year Plan of \$3m capital expenditure and \$1.27m operational expenditure to deliver new or upgraded playgrounds over 10 years.

**Amendment:** (Crs Pascoe/Bunting)

That the Council:

- a) approves a revised approach to playgrounds development and approve the provision in the 2018-28 10-year Plan of \$3m capital expenditure and \$1.27m operational expenditure to deliver new or upgraded playgrounds, following a community consultation process, over 10 years;
- b) approves that the 2018-2028 long term plan provide for 3 new playgrounds as follows:
  - i. 2 new destination playgrounds, one in year 3 and the other in year 5, and
  - ii. A destination playground in year 1 in Garden Place to coincide with the proposed redevelopment of Garden Place to be undertaken by local business,
- c) approves that \$2.75 m be allocated to fund these 3 parks as follows;
  - i. Up to \$750,000 for the Garden Place Playground if this venture is approved and does proceed (to be funded from Garden Place redevelopment budget), and
  - ii. Up to \$2,000,000 for the two destination playgrounds (to be offset against the Rototuna Town Centre budget).

**The Amendment was put.**

**Those for the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Henry, Taylor, Bunting, Casson, Pascoe, O’Leary, and Macpherson.

**Those against the Amendment:** Crs Mallet, Tooman.

**The Amendment was declared carried.**

**The Amendment was put as the Substantive Motion.**

**The Substantive Motion was declared carried.**

**Cr Mallett Dissenting.**

**Resolved:** (Crs Pascoe/Bunting)

That the Council:

- a) approves a revised approach to playgrounds development and approve the provision in the 2018-28 10-year Plan of \$3m capital expenditure and \$1.27m operational expenditure to deliver new or upgraded playgrounds, following a community consultation process, over 10 years;
- b) approves that the 2018-2028 long term plan provide for 3 new playgrounds as follows:
  - i. 2 new destination playgrounds, one in year 3 and the other in year 5, and
  - ii. A destination playground in year 1 in Garden Place to coincide with the proposed redevelopment of Garden Place to be undertaken by local business,
- c) approves that \$2.75 m be allocated to fund these 3 parks as follows;
  - i. Up to \$750,000 for the Garden Place Playground if this venture is approved and does proceed (to be funded from Garden Place redevelopment budget), and

- ii. Up to \$2,000,000 for the two destination playgrounds (to be offset against the Rototuna Town Centre budget).

### **Garden Place Upgrade**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves funding provision in the draft 2018-28 10-Year Plan for a community led upgrade of Garden Place as follows:

- a) capital expenditure of \$3.95m, including up to \$750,000 towards a Destination Playground, over the first two years (2018/19 and 2019/20);
- b) consequential operating expenditure of \$44,500 per annum from year three (2020/21) in addition to the existing Garden Place operating and maintenance costs, to maintain the new assets following completion of the project; and
- c) notes that a business case will be prepared and brought back to the Council for approval before the commencement of the project.

**The Motion was put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Henry, Macpherson, Bunting, Taylor and Pascoe.

**Those against the Motion:** Crs Southgate, Casson, Mallett, Tooman, and O'Leary.

**The Motion was declared carried.**

### **Hamilton Gardens Development**

**Resolved:** (Crs Taylor/O'Leary)

That the Council:

- a) approves funding provision in the draft 2018-28 10-Year Plan of \$9.3 million (\$7 million capital and \$2.3 million net operating expenditure) for the development of a minimum of 4 new gardens and associated infrastructure at Hamilton Gardens, and that the overall budget for community infrastructure is reduced by \$9.3 million; and
- b) continues the \$10 targeted rate throughout the 2018-28 Year Plan.

### ***Further Motion***

**Resolved:** (Crs Macpherson/Mallett)

That the Council approves an entry fee to the enclosed sector of Hamilton Gardens of \$10 for non-Hamilton residents over the age of 18, beginning in 2018/19 with an exemption for members of the Friends of the Gardens, and that the proceeds of the fee be added to the gardens budget.

**The Further Motion was put.**

**Those for the Motion:**

Mayor King, Deputy Mayor Gallagher, Crs Pascoe, Tooman, Macpherson and Mallett.

**Those against the Motion:**

Crs Southgate, Henry, Taylor, Bunting, Casson, and O'Leary.

**The Motion was declared equal.**

**The Mayor exercised his casing vote as Chair.**

**The Motion was declared carried.**

***At the conclusion of the above matter, a procedural motion was resolved to adjourn the meeting.***

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the meeting adjourned at 10.30pm, 7 December 2017 , to be re-convened at 12.00pm on Monday, 11 December 2017.

**The meeting re-convened at 12.15pm on 11 December 2017.**

Mayor King noted that debate would be limited to 2 minutes per Elected Member with an extension of 1 minute if needed.

Mayor King clarified statements he had made during questioning about the Garden Place redevelopment proposal at the 10-Year Plan Council meeting on 7 December 2018. Mayor King noted his comments were made in error, and incorrectly indicated Brian Squair, Board Chair and Director of Chow Hill Architects Ltd, endorsed the proposed design. Mayor King unreservedly apologised to Mr Squair and the Board of Chow Hill.

**Waikato Regional Theatre**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves funding provision in the draft 2018-28 10-Year Plan as follows:

- a) operating grant of up to \$25m (after an uncommitted \$5m contribution from Waikato Regional Council) spread over Years 1,2 and 3 (2018/19, 2019/20, 2020/21)  
for a grant towards the construction of the Waikato Regional Theatre;
- b) Council's funding will be met from:
  - i) a grant from VHT with Council instructing the board of VHT that Council wishes a \$6m grant is made to the theatre on Councils behalf;
  - ii) net proceeds from the sale of Waikato Innovation Park Ltd of an estimated \$6m;
  - iii) the remaining balance will be met from debt.
- c) an annual operating grant (for ongoing renewals and upgrades funding) for Momentum Waikato of \$1.1m per annum for 20 years to commence following the opening of the Waikato Regional Theatre in July 2021 (Year 4); and
- d) Council requests the CE to continue to work with the Regional Council to levy a Regional Council Target Rate to collect up to \$10m. (approximately 50% to be met by Hamilton ratepayers).

**The Motion was put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Henry, Taylor, Macpherson, Pascoe, Tooman, and O'Leary.

**Those against the Motion:** Crs Bunting, Casson and Mallett.

**The Motion was declared carried.**

**Rototuna Town Centre – Community Facilities**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves provision in the draft 2018-28 10-Year Plan to fund construction of a Community Hub/Library and Public Square and select a private partner to construct and operate a swimming facility as follows:

- i. Capital expenditure of \$18m over Years 2, 3 and 4 (2019/20, 2020/21, and 2021/22) of the 10-Year Plan and associated opex of \$7.750m to plan, build and operate a Community Hub (with a library and community meeting space), carparks (with 2 hour free parking) and public square in the Rototuna Town Centre; and
- ii. preparation of a procedure for the selection of a private partner to construct and operate a 25 metre aquatic facility including at minimum, a Learn to Swim facility on the designated aquatics site.

**Crs Tooman and Mallett Dissenting.**

***The meeting adjourned (3.05pm - 3.30pm).***

**Immediate Transition to Capital Value Rating**

**Motion :** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft policy, approves changing to 100% capital value rating from Year-1 of the 10-Year Plan (2018/19).

**Amendment:** (Crs Southgate/Bunting)

That the Council, for the purposes of preparing a draft policy, approves changing to 50% capital value rating in Year 1 of the 2018-28 10-Year Plan, 75% capital value rating in Year 2 of the 2018-28 10-Year Plan and 100% capital value rating from Year 3 of the 2018-28 10-Year Plan.

**The Amendment was put.**

**Those for the Amendment:** Crs Southgate, Henry and Bunting

**Those against the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Taylor, Casson, Macpherson, Mallett, Pascoe, Tooman, O'Leary

**The Amendment was declared lost.**

**The Motion was then put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Taylor, Bunting, Macpherson, Pascoe and Tooman

**Those against the Motion:** Crs O'Leary, Mallett, Casson, Southgate and Henry

**The Motion was declared carried.**

**Resolved :** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft policy, approves changing to 100% capital value rating from Year-1 of the 10-Year Plan (2018/19).

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft policy, approves the introduction of a \$500 uniform annual general charge per separately used or inhabited part of a rating unit (SUIP) from Year-1 of the 10-Year Plan (2018/19).

**The Motion was put.**

**Those for the Motion:** Mayor King, Crs Taylor, Bunting, Casson, Mallet, Pascoe and Tooman.

**Those against the Motion:** Deputy Mayor Gallagher, Crs O’Leary, Southgate, Henry and Macpherson.

**The Motion was declared carried.**

***At the conclusion of the above matter, a procedural motion was resolved to adjourn the meeting.***

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the meeting be adjourned at 5.30pm, 11 December 2017 to be reconvened on 12 December 2017 at the conclusion of the items of business in the Agenda for the Council Meeting of 12 December 2017.

**Targeted Rate for Development Ready Land**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) approves renaming the rural differential as “other”; and
- b) approves changing the general rate, “other” differential, to be less than the residential rate by the estimated appropriate allocation of the water and wastewater portion of the general rate.

**Cr O’Leary Dissenting.**

**Development Contributions**

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft Development Contributions Policy, approves the removal of the CBD remission provision.

**Amendment:** (Crs Taylor/Henry)

That the Council, for the purposes of preparing a draft Development Contributions Policy, approves the phased removal of the CBD remission provision over 2 years. (50% reduction in year 1, and 100% in year 2).

**The Amendment was put.**

**Those for the Amendment:** Crs Henry, Taylor and Southgate.

**Those against the Amendment:** Mayor King Deputy Mayor Gallagher, Crs O’Leary, Bunting, Casson, Mallett, Pascoe, Tooman and Macpherson.

**The Amendment was declared lost.**

**The Motion was then put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Henry, Casson, Macpherson, Mallett, Pascoe and Tooman.

**Those against the Motion:** Crs Southgate, Taylor, Bunting and O’Leary.

**The Motion was declared carried.**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft Development Contributions Policy, approves the removal of the CBD remission provision.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft Development Contributions Policy, approves the removal of caps on development contributions charges.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council, for the purposes of preparing a draft Development Contributions Policy, approves the introduction of development contributions charges for strategic capital projects that have costs programmed outside the 10-Year Plan period.

### **Cr Southgate Dissenting.**

#### **Closure of i-SITE**

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) approves the closure of Hamilton i-SITE, ceasing delivery of the service, effective 1 July 2018;
- b) notes that all associated costs (primarily staff redundancy) will be met in the 2018/19 financial year; and
- c) notes that the CE will endeavour to re-deploy full time staff to vacant roles within the organisation, where there is an appropriate match of skills and positions.

**Amendment:** (Crs O'Leary/Casson)

That the Council:

- a) continue providing the Hamilton i-Site service; and
- b) requests that staff investigate new revenue opportunities and/or alternate business models and report back in 2018.

#### **The Amendment was put.**

**Those for the Amendment:** Crs Southgate, Casson, Pascoe, Tooman and O'Leary.

**Those against the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Mallett, Macpherson, Taylor, Henry and Bunting.

#### **The Amendment was declared lost.**

**Foreshadowed Amendment:** (Crs Bunting/Taylor)

That the Council:

- a) continues the current iSite service; and
- b) requests staff report back in 6 months on opportunities to restructure the service to return a break even result.

**The Foreshadowed Amendment was then put.**

**Those for the Foreshadowed Amendment:**

Crs Southgate, Henry, Taylor, Bunting, Pascoe, Tooman and O’Leary

**Those against the Foreshadowed Amendment:**

Mayor King, Deputy Mayor Gallagher, Crs Casson, Macpherson and Mallett.

**The Foreshadowed Amendment was declared carried.**

**The Foreshadowed Amendment was then put as the Substantive Motion and declared carried.**

**Resolved:** (Crs Bunting/Taylor)

That the Council:

- a) continues the current iSite service; and
- b) requests staff report back in 6 months on opportunities to restructure the service to return a break even result.

**Deputy Mayor Gallagher and Cr Mallett Dissenting.**

**Sale of Endowment Fund Property**

It was noted that regardless of the decision made in relation to this proposal, staff would still bring a further report to Council regarding the potential sale of the two properties.

***Procedural Motion***

**Resolved:** (Mayor King/Cr Pascoe)

That this item of business be adjourned for discussion at a future meeting of the Council prior to 31 August 2018.

***The meeting adjourned from 6.03pm – 6.45pm.***

## **Council Minimum Wage**

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves a minimum wage equivalent to an hourly rate of \$20.20 for all staff directly employed by Hamilton City Council, effective 1 July 2018, subject to agreement from unions that there will be no relativity increases.

**Amendment:** (Crs Southgate/O'Leary)

That the Council approves all staff employed by Hamilton City Council (including permanent, fixed term and casual staff), be paid a minimum wage of \$20.00 per hour, with a four-year implementation:

- 1 April 2018 – move to a minimum \$17.00 per hour
- 1 April 2019 – move to a minimum \$18.00 per hour
- 1 April 2020 – move to a minimum \$19.00 per hour
- 1 April 2021 – move to a minimum \$20.00 per hour

**The Amendment was put.**

**Those for the Amendment:** Crs Southgate, Henry, Taylor, Bunting, Casson, Pascoe, Tooman and O'Leary

**Those against the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Macpherson and Mallett.

**The Amendment was declared carried.**

**The Amendment was then put as the Substantive Motion and declared carried.**

**Resolved:** (Crs Southgate/O'Leary)

That the Council approves all staff employed by Hamilton City Council (including permanent, fixed term and casual staff), be paid a minimum wage of \$20.00 per hour, with a four-year implementation:

- 1 April 2018 – move to a minimum \$17.00 per hour
- 1 April 2019 – move to a minimum \$18.00 per hour
- 1 April 2020 – move to a minimum \$19.00 per hour
- 1 April 2021 – move to a minimum \$20.00 per hour

**Deputy Mayor Gallagher and Cr Mallett Dissenting.**

## **Pooches and Parks**

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves funding provision in the draft 2018-28 10-Year Plan for one new fenced dog exercise area and associated facilities as follows:

- a) capital expenditure of \$177,000 in the first year (2018/19); and
- b) consequential operating expenditure of \$13,000 per annum from year two (2019/20) onwards to maintain the new facilities.

**Amendment:** (Crs Taylor/Mallett)

That the Council approves funding provision in the draft 2018-2028 10-Year Plan for additional rubbish bins to be provided in dog exercise areas as follows:

- a) capital expenditure of \$14,000 in Year 1, \$2000 in Year 2 and \$6000 in Year 3; and
- b) consequential operating expenditure of \$5000 in Year 1, \$6000 in Year 2 and \$8000 from Year 3 to 10 to maintain these extra bins.

### **The Amendment was put.**

**Those for the Amendment:** Crs Taylor, Macpherson, Mallett and Pascoe.

**Those against the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Bunting, Henry, Casson, Tooman and O'Leary.

### **The Amendment was declared lost.**

**Foreshadowed Amendment:** (Crs Bunting/Southgate)

That the Council approves funding provision in the draft 2018-28 10-Year Plan for one new fenced dog exercise area and associated facilities as follows:

- a) capital expenditure of \$160,000 towards a fenced park and capital expenditure of \$17,000 towards extra bins, in the first year (2018/19); and
- b) consequential operating expenditure of \$13,000 per annum from year two (2019/20) onwards to maintain the new facilities.

### **The Foreshadowed Amendment was put.**

**Those for the Foreshadowed Amendment:** Mayor King, Crs Southgate, Henry, Taylor, Bunting, Pascoe, Tooman and O'Leary.

**Those against the Foreshadowed Amendment:** Deputy Mayor Gallagher, Crs Casson, Macpherson and Mallett.

### **The Foreshadowed Amendment was declared carried.**

**The Foreshadowed Amendment was then put as the Substantive Motion and declared carried.**

**Resolved:** (Crs Bunting/Southgate)

That the Council approves funding provision in the draft 2018-28 10-Year Plan for one new fenced dog exercise area and associated facilities as follows:

- a) capital expenditure of \$160,000 towards a fenced park and capital expenditure of \$17,000 towards extra bins, in the first year (2018/19); and
- b) consequential operating expenditure of \$13,000 per annum from year two (2019/20) onwards to maintain the new facilities.

**Crs Macpherson and Mallett Dissenting.**

#### **Sale of Old St Peters Hall**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves the sale of Old St Peters Hall.

**Crs O'Leary and Southgate Dissenting.**

#### **ArtsPost Revenue**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves a reduction in the commission for ArtsPost shop and gallery sales from 46% to 25% for Hamilton-based artists producing unique artworks, effective 1 July 2018.

**The Motion was put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Casson, Bunting, Tooman, Macpherson and Mallett.

**Those against the Motion:** Crs Pascoe, O'Leary, Taylor, Henry and Southgate.

**The Motion was declared carried.**

## **Digitise City News**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)  
That the Council approves the digitisation of City News and ceases publication of the hardcopy newspaper in July 2018.

### **The Motion was put.**

**Those for the Motion:** Mayor King, Crs Taylor, Bunting, Casson, Macpherson, Mallett and Tooman.

**Those against the Motion:** Deputy Mayor Gallagher, Crs Southgate, Henry, Pascoe and O'Leary.

### **The Motion was declared carried.**

*Item 7 (Waikato Means Business Contribution to Economic Development) was taken next.*

## **7. Waikato Means Business contribution to Economic Development**

General Manager City Growth introduced the report. He responded to questions from Elected Members concerning the purpose of the contribution to the model and the benefits it would bring for Hamilton.

**Resolved :** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receives the report;
- b) approves an annual contribution of \$140,000 to Waikato Means business for regional economic development commencing in 2018/19 within the 10-Year Plan 2018-28;
- c) approves a pro-rata amount for support during the 2017/18 year once confirmation of the model is received, to a maximum of \$90,000, with proportionate funding from other Local Authorities and other funding sources, covering the period to 30 June 2018; and
- d) notes that approval of b) and c) above is subject to satisfying the Council resolution of the 21 September 2017 Council Meeting on this matter, including provision of feedback from the Mayoral Forum, finalisation of funding, an operating and governance model and a draft agreement which includes Council's funding contribution.

### **Cr Mallett Dissenting.**

*Deputy Mayor Gallagher and Cr Taylor left the meeting (9.18pm) during the debate of the above item. They were not present when the matter was voted on. They re-joined the meeting (9.20pm) during the below adjournment.*

***The meeting adjourned 9.28pm - 9.53pm at the conclusion of the above proposal.***

### **New Indoor Recreation Facility**

**Resolved:** (Crs Macpherson/O’Leary)

That the Council:

- a) approves staff to enter into further discussions with the University of Waikato to develop a comprehensive business case for a partnership arrangement to enable the construction of a new indoor recreation facility, subject to the business case being approved by Council;
- b) approves \$2m operating expenditure to be included in year 4 (2021/22) of the draft 2018-28 10-Year Plan, and \$2m operating expenditure to be included in year 5 of the Plan for a grant towards the construction of a new indoor recreation centre (subject to c) below being agreed);
- c) proposes to the Waikato Mayoral Forum and the Waikato Regional Council that a further \$2m be collected from regional ratepayers in Year 4 of the Plan via the regional facilities funding framework; and
- d) notes that staff will report back to Council on the business case and final partnership arrangement for consideration and approval.

**Crs Henry and Mallett Dissenting.**

### **Funding for the Gallagher Performing Arts Centre**

**Motion:** (Crs Southgate/Casson)

That the Council continue funding the Gallagher Performing Arts centre through the 10-Year Plan 2018-28 of up to \$140,000 per year.

**The Motion was put.**

**Those for the Motion:** Cr Southgate.

**Those against the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Henry, Taylor, Bunting, Casson, Macpherson, Mallett, Pascoe, and O’Leary.

**The Motion was declared lost.**

### **Library Network – Capacity and Optimisation**

**Motion:** (Crs Southgate/Henry)

That the Council approves \$160,000 capital expenditure in year 1 and \$1,560,000 capital expenditure in year 2 and \$400,000 net consequential opex over 10 years of the 10-Year Plan 2018-28 for improvements to the Central Library to improve engagement with Garden Place, and use of the front space in the library.

**The Motion was put.**

**Those for the Motion:** Crs Southgate, Henry, Bunting, Pascoe, O’Leary and Macpherson.

**Those against the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Taylor, Casson, Tooman, and Mallett

**The Motion was declared equal.**

**The Mayor exercised his casting vote as Chair and the Motion was declared lost.**

**Resolved:** (Crs Southgate/Henry)

That the Council requests staff investigate lease/rent options for the space that was previously used by Visique to generate some revenue.

**Crs Casson and Tooman Dissenting.**

**Motion:** (Crs Southgate/Henry)

That the Council approves \$355,000 capital expenditure in year 3 and \$744,000 capital expenditure in year 6 and \$683,000 net consequential opex over 10 years of the 10-Year Plan 2018-28 to allow for improvements to the Hillcrest library, and \$70,000 in year 6 and \$75,000 net consequential opex for improvements to the Chartwell library.

**The Motion was put.**

**Those for the Motion:** Deputy Mayor Gallagher, Crs Southgate, Henry, Macpherson, Pascoe and O’Leary.

**Those against the Motion:** Mayor King, Crs Bunting, Taylor, Casson, Mallett and Tooman.

**The Motion was declared equal.**

**The Mayor exercised his casting vote as Chair and the Motion was declared lost.**

**Waiwhakareke Natural Heritage Park**

**Resolved:** (Deputy Mayor Gallagher/Cr Southgate)

That the Council approves capital funding of \$760,000 in 2018/19 and associated consequential opex of \$2.025m over 10 years to complete projects required to open Waiwhakareke Park to the public; including a loop track, viewing platforms, toilet installation and basic signage, fencing and bridges.

**Crs Mallett and Taylor Dissenting.**

***The following extension of time was moved at 11.15pm.***

**Resolved:** (Mayor King/Cr Casson)

That the meeting be extended beyond 10.30pm as per Standing Order 3.2.7 (for 1 hour from 11.15pm).

**Crs Tooman, Pascoe and Southgate Dissenting.**

**REEP**

**Motion:** (Crs Pascoe/O'Leary)

That Council does not approve funding for the REEP project, estimated at \$350,000 in year 3 and \$350,000 in year 4 and ongoing annual costs of \$150,000 in year 1 and \$50,000 for the following 9 years of the 2018-28 10-Year Plan.

***During the discussion of the above proposal, a procedural motion was resolved to adjourn the meeting.***

**Resolved:** (Crs Southgate/Henry)

That the Council adjourn the meeting at 11.56pm on 12 December 2017 to be reconvened at 2.30pm, 13 December 2017.

***The meeting was reconvened at 2.40pm on 13 December 2017.***

*The meeting commenced with the Social Housing Fund Proposal prior to continuing with the REEP Proposal.*

**Social Housing Fund**

**Motion:** (Crs Macpherson/Deputy Mayor Gallagher)

That the Council:

- a) approves that \$2m of the \$18.5m to be repaid in March 2019 by Accessible Properties Ltd be allocated to a contestable Social Housing Fund; and
- b) approves that the balance of \$16.5m be used to repay debt.

**The Motion was put.**

**Those for the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Macpherson and Mallett.

**Those against the Motion:** Crs Southgate, Henry, Taylor, Bunting, Casson, Pascoe, Tooman and O'Leary.

**The Motion was lost.**

**REEP**

**Motion:** (Cr Pascoe/Cr O'Leary)

That Council withdraw funding for the REEP project estimated at \$385,000 in year 2, and \$385,000 in year 3, and ongoing annual costs of \$150,000 in year 1 and \$50,000 for the following nine years (total funding \$1,370,000) until such time as:

1. the project reports formally to Council on its progress to date, and
2. advises its targets going forward, and
3. advises how the REEP project will spend the \$1,370,000

**Amendment:** (Mayor King/Deputy Mayor Gallagher)

That the Council remove all funding for the REEP project from year 4 through to year 10.

**The Amendment was put.**

**Those for the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Macpherson, Mallett and Tooman.

**Those against the Amendment:** Crs Southgate, Henry, Taylor, Bunting, Casson, Pascoe and O'Leary.

**The Amendment was declared lost.**

**The Motion was then put.**

**Those for the Motion:** Crs Southgate, Henry, Taylor, Bunting, Casson, Pascoe, Mallett and O’Leary.

**Those against the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Macpherson and Tooman.

**The Motion was declared carried.**

**Resolved:** (Cr Pascoe/Cr O’Leary)

That Council withdraw funding for the REEP project estimated at \$385,000 in year 2, and \$385,000 in year 3, and ongoing annual costs of \$150,000 in year 1 and \$50,000 for the following nine years (total funding \$1,370,000) until such time as:

1. the project reports formally to Council on its progress to date, and
2. advises its targets going forward, and
3. advises how the REEP project will spend the \$1,370,000

**River Plan**

**Motion:** (Crs Southgate/Bunting)

That the Council:

- a) allocates \$300,000 capital expenditure in year 1 and \$3,000,000 capital expenditure in year 2 of the LTP for better activation of the rear of the Museum and connectivity to key funded aspects of The River Plan; and
- b) requests that the master plan for the Central City Park includes connectivity from the VOTR site to the rear of the Museum and Ferry Bank precinct.

**Amendment:** (Crs Macpherson/Deputy Mayor Gallagher)

That the Council:

- a) considers the proposal below for the 2019/20 (year 2) Annual Plan:
  - i. that the Council allocates \$300,000 capital expenditure in year 2 and \$3,000,000 capital expenditure in year 3 of the LTP for better activation of the rear of the Museum and connectivity to key funded aspects of The River Plan; and
- b) requests staff to report back to the Council on this matter during the 2018 calendar year.

**The Amendment was put.**

**Those for the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Henry, Taylor, Macpherson and O’Leary.

**Those against the Amendment:** Crs Tooman, Pascoe, Bunting, Casson, Southgate and Mallett.

**The Amendment was declared equal.**

**The Mayor exercised his casting vote as Chair and the Amendment was declared carried.**

**The Amendment was put as the Substantive Motion.**

**Those for Substantive Motion:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Henry, Taylor and O’Leary.

**Those against the Substantive Motion:** Crs Tooman, Pascoe, Bunting, Casson, Macpherson and Mallett.

**The Substantive Motion was declared equal.**

**The Substantive Motion was declared carried on the casting vote of the Chair.**

**Resolved:** (Crs Macpherson/Deputy Mayor Gallagher)

That the Council:

- a) considers the proposal below for the 2019/20 (year 2) Annual Plan:
  - i. that the Council allocates \$300,000 capital expenditure in year 2 and \$3,000,000 capital expenditure in year 3 of the LTP for better activation of the rear of the Museum and connectivity to key funded aspects of The River Plan; and
- b) requests staff to report back to the Council on this matter during the 2018 calendar year.

***The meeting adjourned 4.35pm – 4.50pm during the discussion of the above proposal.***

***The meeting adjourned 5.11pm -6:00pm at the conclusion of the above proposal.***

### **Financial Strategy**

**Resolved:** (Crs Mallett/Macpherson)

That the Council:

- a) approves the definition within the Financial Strategy of the Balancing the Books measure “Other Items not considered normal operating expenses”, such that any large items from expenditure that are:
  - i. debt funded; and
  - ii. have an intergenerational benefit,are excluded by Council resolution.
- b) notes that the measure to ensure that the intent of everyday costs being covered by everyday revenues is maintained; and
- c) approves (in accordance with (a) above) the exclusion of the following projects from expenditure in the 10-year Plan Financial Strategy balancing the books:
  - i. Funding for the construction of the Waikato Regional Theatre.
  - ii. Funding for the construction of an indoor recreation centre with Waikato University.

Following the above resolution of part of the financial strategy proposal, the Mayor asked Elected Members for any matters they would like re-debated to be raised. The following proposals were re-considered and voted on under Standing Order 3.8.3 Revocation or alteration of resolution at same meeting. Under this Standing Order, a resolution can only be revoked or altered with the consent of 75% of the members then present and voting.

### **Waiwhakareke**

**Motion:** (Crs Taylor/Casson)

That the Council alters the following resolution, resolved in this Meeting:

*That the Council approves capital funding of \$760,000 in 2018/19 and associated consequential opex of \$2.025m over 10 years to complete projects required to open Waiwhakareke Park to the public; including a loop track, viewing platforms, toilet installation and basic signage, fencing and bridges; and*

to be:

That the Council approves capital funding of \$760,000 in 2022/23 and associated consequential opex of \$1.35m over 6 years to complete projects required to open Waiwhakareke Park to the public; including a loop track, viewing platforms, toilet installation and basic signage, fencing and bridges

**The Motion was put.**

**Those for the Motion:** Crs Taylor, Bunting, Casson

**Those against the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Henry, Macpherson, O'Leary, Tooman, Pascoe, Mallett and Southgate.

**The Motion was declared lost.**

### **Garden Place Upgrade**

**Motion:** (Crs Tooman/Taylor)

That the Council revokes the following resolution, resolved in this Meeting:

*That the Council approves funding provision in the draft 2018-28 10-Year Plan for a community led upgrade of Garden Place as follows:*

- a) capital expenditure of \$3.95m, including up to \$750,000 towards a Destination Playground, over the first two years (2018/19 and 2019/20);*
- b) consequential operating expenditure of \$44,500 per annum from year three (2020/21) in addition to the existing Garden Place operating and maintenance costs, to maintain the new assets following completion of the project; and*
- c) notes that a business case will be prepared and brought back to the Council for approval before the commencement of the project.*

**The Motion was put.**

**Those for the Motion:**

Crs Taylor, Bunting, Casson, Henry  
O’Leary, Tooman, Pascoe, and Southgate

**Those against the Motion:**

Mayor King, Deputy Mayor Gallagher, Crs  
Macpherson and Mallett.

**The Motion was declared lost.**

*A concern was raised retrospectively at the 2 February 2018 Council Meeting by some Elected Members that they misunderstood the intent of the Central City Park alteration motion (below) when voting. It was accepted that the outcome of the vote would not have changed.*

**Central City Park**

**Motion:** (Crs Henry/Bunting)

That the Council alters the following resolution, resolved in this Meeting:

*That the council approves funding provisions in the draft 2018-2-28 10-year plan for the development of a central city park between Victoria on the River and Embassy Park as follows:*

- i. Total capital expenditure of \$12 m in the first five years of the 10-year plan (2018/19 to 2023/24);*
- ii. Operating expenditure of \$300,000 in Year 1 (2018/19) for development of a master plan for the urban park;*
- iii. Operating expenditure of \$1.8m in Year 2 (2019/20) and \$4.2m in Year 3 (2020/21) for removal of the buildings;*
- iv. An allowance to write-off building assets of \$4.5m in Year 2 (2019/20) and \$8.45m in Year 3 (2020/21);*
- v. Consequential operating expenditure of \$55,000 per annum from year 4 (2021/22) to maintain the new assets following completion of the project; and*
- vi. That the overall budget for Community Infrastructure is reduced by \$12 million (\$8m capital expenditure and \$4 million operating expenditure.*

to be:

That the Council approves funding provisions in the draft 2018-2-28 10-year plan for the development of a central city park between Victoria on the River and Embassy Park as follows:

- i. Total capital expenditure of \$12 m in the first five years of the 10-year plan (2018/19 to 2023/24);*
- ii. Operating expenditure of \$300,000 in Year 2 (2019/20) for development of a master plan for the urban park;*
- iii. Operating expenditure of \$1.8m in Year 3 (2020/21) and \$4.2m in Year 4 (2021/22) for removal of the buildings;*
- iv. An allowance to write-off building assets of \$4.5m in Year 3 (2020/21) and \$8.45m in Year 4 (2021/22);*
- v. Consequential operating expenditure of \$55,000 per annum from year 5 (2022/23) to maintain the new assets following completion of the project; and*

- vi. That the overall budget for Community Infrastructure is reduced by \$12 million (\$8m capital expenditure and \$4 million operating expenditure).

**The Motion was put.**

**Those for the Motion:** Crs O’Leary, Tooman, Casson, Bunting, Taylor and Henry.

**Those against the Motion:** Mayor King, Deputy Mayor Gallagher, Crs Southgate, Macpherson, Mallett and Pascoe.

**The Motion was declared lost**

*The meeting continued with the remainder of the Financial Strategy Proposals.*

**FINANCIAL STRATEGY**

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council approves the draft 2018-28 10-Year Plan budget including:

**Average rates increase to existing ratepayers of:**

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
16.0%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%

**Amendment:** (Crs Macpherson/Pascoe)

That the Council:

- a) approves the draft 2018-28 10-Year Plan budget including:

**Average rates increase to existing ratepayers of:**

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
9.5%	9.5%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%

- b) requests the Chief Executive to pursue the option of a fuel tax with Government, with the intent that any additional revenue achieved from this tax be applied to reducing rates from Year 2 (2019/20) onwards.

**The Amendment was put.**

**Those for the Amendment:** Mayor King, Deputy Mayor Gallagher, Crs Henry, Bunting, Casson, Macpherson, Pascoe and Mallett

**Those against the Amendment:** Crs Southgate, Taylor, Tooman, O’Leary

**The Amendment was declared carried.**

**The Amendment was put as the Substantive Motion**

**Those for the Substantive Motion:** Mayor King, Deputy Mayor Gallagher, Crs Henry, Bunting, Casson, Macpherson, Pascoe and Mallett

**Those against the Substantive Motion:** Crs Southgate, Taylor, Tooman, O’Leary

**The Substantive Motion was declared carried.**

**Resolved:** (Crs Macpherson/Pascoe)

That the Council:

- a) approves the draft 2018-28 10-Year Plan budget including:

**Average rates increase to existing ratepayers of:**

2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
9.5%	9.5%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%

- b) requests the Chief Executive to pursue the option of a fuel tax with Government, with the intent that any additional revenue achieved from this tax be applied to reducing rates from Year 2 (2019/20) onwards.

***The meeting adjourned 7:10pm – 7:30pm during the discussion of the above proposal.***

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) notes that staff will report back to the Council as part of the confirmation of the 2018-28 10-Year Plan on the changes to processes, delegations and reporting that would assist in the efficient delivery of the 2018-28 10-Year Plan capital programme. Changes would include but may not be limited to:
- i. implementing a 3-year portfolio approach and timeframe for the delivery of capital projects; and
  - ii. managing and reporting the capital programme in categories that are under HCC control and capital expenditure that is dependent on a third party.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) approves the addition of pre-formal engagement activity via the engagement approach outlined in paragraphs 133-138 of the staff report; and
- b) approves the proposed consultation period of 29 March 2018 to 30 April 2018; and
- c) requests the Chief Executive to prepare a draft Consultation Document on the basis of the approved draft 2018-28 10-Year Plan, noting that further budget adjustments will be made to reflect relevant Council decisions made prior to 27 March 2018.

***The Mayor requested that Crs O’Leary, Bunting and Macpherson work with staff in the development of the Consultation Document.***

**The Meeting was declared closed at 8:15pm.**

# Council Report

**Committee:** Council **Date:** 06 December 2017  
**Author:** Chris Allen **Authoriser:** Chris Allen  
**Position:** General Manager City Infrastructure **Position:** General Manager City Infrastructure  
**Report Name:** Rotokauri Park and Ride Land

<b>Report Status</b>	<i>This report is taken as a publicly excluded item to maintain legal professional privilege; AND to enable Council to carry out commercial activities without disadvantage; AND to enable Council to carry out negotiations.</i>
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## Purpose

1. To seek a decision from the Council on whether it wishes to proceed with the unconditional purchase of land at Rotokauri to enable the future development of a park and ride facility for both bus and rail based public transport.

## Staff Recommendation

2. That the Council:
  - a) receives the report; and  
**either**
  - b) approves proceeding with the purchase of approximately 21,178 square metres of land at Rotokauri in accordance with the Agreement for Sale and Purchase approved at the 24 October 2017 Growth and Infrastructure Committee meeting to enable the future provision of a public transport park and ride facility; and
  - c) approves a project budget of \$6,400,000; and
  - d) delegates approval to the Chief Executive to make all payments in accordance with the already approved Agreement for Sale and Purchase; and
  - e) requests the Chief Executive to report back to Council prior to October 2018 on options to on-sell the land if funding is not confirmed through the full process of the 2018-28 10-Year Plan  
**or**
  - f) requests the Chief Executive to advise Hamilton Porter JV Company Ltd that it does not wish to proceed with the Agreement For Sale and Purchase of 21,178 square metres of land at Rotokauri to enable the future provision of a public transport park and ride facility.

## **Executive Summary**

3. The Growth and Infrastructure Committee at its 24 October 2017 meeting delegated approval to the Chief Executive to enter into a conditional Agreement for Sale and Purchase of approximately 2.1ha of land at Rotokauri to enable the future provision of a public transport park and ride facility.
4. The Council is required to confirm by 12 December 2017 if it does not wish this Agreement to become unconditional.
5. The purchase is unfunded and would need to be included in the 2018-28 10-Year Plan.
6. Staff were requested to bring a report to the Council meeting of 6 December 2017 when the draft 2018-28 10-Year Plan was being considered, so Council could make a more informed decision. The funding to allow the purchase to proceed is included in the Transport Improvement programme being considered by Council on 6 December 2017.
7. If the purchase does not proceed there is no other land available in the general proximity to establish a park and ride and the opportunity will be lost.
8. If the Council decides to proceed with the purchase, staff will bring a report back to the Council prior to October 2018 ahead of the substantive payment being required for the land.
9. At this time the option will exist to prepare the land for on-selling if funding is not confirmed in the 2018-28 10-Year Plan on 30 June 2018.
10. Staff seek the Council's direction on whether they wish to proceed with the purchase or not.
11. Staff consider the decision in this report to have medium significance and that the recommendations comply with the Council's legal requirements.

## **Background**

12. The Growth and Infrastructure Committee received a report at its 24 October 2017 Committee meeting recommending approval to purchase approximately 2.1ha of land at Rotokauri to future proof the opportunity to develop a park and ride facility in close proximity to the future public transport and rail facility proposed in the District Plan at Rotokauri.
13. The Committee were advised that while the Council had previously considered that a decision on designation and/or land purchase in the area could wait until the 2018-28 10-Year Plan, development had accelerated in recent months and that all land will be sold before then.
14. The Committee was also advised that the time taken to designate the land to protect it for future transport purposes rules designation out as a viable future proofing option leaving land purchase as the only option that will achieve future proofing.
15. The owner of the land had indicated that the Council needed to make a decision by the end of October 2017 as they had significant other interest in the land.
16. The proposed Agreement for Sale and Purchase included the following payment commitments
  - a) On signing of the conditional agreement, payment of a \$3,000 non-refundable deposit
  - b) Following a 2 month due diligence period, payment of a 10% deposit \$635,340 (including the \$3,000 non-refundable deposit)
  - c) The balance payment of \$5,718,000 on 4 December 2018.
17. Staff recommended that while there was no funding in the current 10 Year Plan and no certainty at that time in October 2017 about the 2018/28 10 Year Plan the risks could be managed by:

- a) Deferral of Tasman Road upgrade works in the 2017/18 year to offset any cost that will be incurred in 2017/18 (the 10% deposit) if the Council approves the land purchase;
- b) A deferred settlement date of 4 December 2018 allowing time to refine concept designs for a park and ride;
- c) The ability to on-sell the land post December 2018, by which time the outcome of the 2018-28 10-Year Plan will be known.

18. The resolution of the Growth and Infrastructure Committee:

- a) delegates the Chief Executive to enter into a conditional Agreement For Sale and Purchase of 21,178 square metres of land from Hamilton Porter JV Company Ltd described as being more or less shown in the proposed sub-division Scheme Plan S1160/141/2 (attached to this report as Attachment 2) being part of the land currently comprised and described in Identifiers 760666, 760667, 776205, 776210, 776206, 776207, 776209, 783109, 776204, 776208 ( South Auckland Registration District); the purchase area being made up of:

Lot Number	Area (Square Meters)
Lot 27	4844
Lot 28	5187
Lot 29	5379
Lot 30	5768

on the basis that the Chief Executive brings a report to the Council meeting of 6 December 2017 meeting seeking Council approval:

- i. for a project budget of \$6,400,000 to allow for the land purchase and associated legal costs together with some preliminary work to develop a concept plan for a park and ride facility on the land prior to the settlement date for the land;
  - ii. for the sale and purchase agreement to become unconditional.
- b) notes that:
  - i. an initial non-refundable deposit of \$3000 is required on execution of the conditional sale and purchase agreement.
  - ii. on execution of the conditional sale and purchase agreement, HCC as the purchaser has a period of 2 months due diligence prior to the sale and purchase agreement going unconditional and that a specific item of due diligence is for the purchaser to be entirely satisfied with the property following an investigation of the overall financial suitability of the Purchasers proposed investment in the property

- iii. a deposit (inclusive of the initial deposit) equal to a total of 10% of the purchase price will be required upon the sale and purchase agreement going unconditional with the balance being required on 4 December 2018 when titles are expected to be available.
- c) approves the deferral of \$682,000 of budget from CE 15090 Rooding Upgrades and Development- Rotokauri Stage 1 from 2017/18 to 2018/19 in order to offset any expenditure required for the land purchase and concept work in the 2017/18 financial year; and
- d) requests the Chief Executive to report back to Council prior to October 2018 on options to on-sell the land purchased under this decision if funding has not been confirmed in the 2018-28 10-Year Plan.

### Discussion

- 19. Subsequent to the meeting and in accordance with Committee resolutions, the Chief Executive has entered into the conditional Agreement for Sale and Purchase of the Hamilton Porter JV Company land as set out in the resolutions of Committee.
- 20. Signing of this conditional agreement committed the Council to an initial non-refundable deposit of \$3,000 and initiated a period of due diligence which ends on 12 December 2017 (slightly longer than indicated in the previous report to suit Council meeting dates).
- 21. The Council must decide by 12 December 2017 latest if it wishes to withdraw from the Agreement for Sale and Purchase.
- 22. If the Council decides to withdraw, then its exposure is the \$3,000 non-refundable deposit.
- 23. If the Council chooses to proceed, or does not take any action, then the Agreement for Sale and Purchase becomes unconditional and Council is committed to the full purchase with the financial implications set out in the Financial Considerations part of this report.
- 24. The report to Growth and Infrastructure Committee on 24 October 2017 set out the strategic linkages that support the purchase of this land for future Park and Ride.
- 25. Since the September 2017 central government elections there has been very little announcement of policy to support the very strong election support by the coalition partners for passenger rail and specifically a Hamilton to Auckland passenger service.
- 26. The Minister of Transport has however released advice to the Regional Transport Committees about its priorities and advised that Ministry officials have been requested to revise the Government Policy Statement (GPS) on transport to reflect this advice (refer Attachment 4).
- 27. This advice includes giving higher priority to public transport in cities and expanding the public transport system to support new housing and interregional commuting. The advice also supports increasing the use of rail to enable efficient passenger and freight use.

### Options

- 28. Staff have assessed that there are two reasonable and viable options for the Council to consider. This assessment reflects the level of significance (see paragraph 52).
- 29. Option 1 is to agree to the Agreement for Sale and Purchase of the Hamilton Porter JV land to become unconditional.
- 30. Option 2 is to not agree to the Agreement for Sale and Purchase of the Hamilton Porter JV land to become unconditional.

31. As the outcome of the Council's deliberations on the 2018-28 10-Year Plan at its 6 December 2017 meeting is unknown at the time of writing this report, no recommendation to the Council has been made.
32. If the Council approves Option 1, it will be required to pay the 10% deposit (inclusive of the \$3,000 non-refundable deposit) immediately, and the balance of cost by 4 December 2018.
33. Staff will report back to the Council prior to October 2018 with options for utilisation of the 4 titles of land amounting to 2.1 ha. It will be open to the Council at that time to decide to retain all or some of the titles for park and ride facilities, and/or to on-sell some of the titles as it wishes.
34. If the Council approves Option 2, the Chief Executive will formally withdraw from the Agreement for Sale and Purchase.

## Financial Considerations

35. The total cost to complete this land purchase is \$6,400,000 of which \$682,000 is required in 2017/18 to be offset by the deferral of funding in Project CE 15090; Roading Upgrades and Development; Rotokauri Stage 1. The balance of \$5,718,000 is currently unfunded and will form part of the draft 2018-28 10-Year Plan if Council agrees to the sale becoming unconditional.
36. The Growth and Infrastructure Committee were advised that the Access Hamilton Taskforce was considering a programme of works in response to the current transport challenges facing the city for potential inclusion in the 2018-28 10-Year Plan, and that its provisional programme included funding for future proofing the PT facility.
37. The Transport Improvement programme, which still includes the balance of the land purchase costs, has been confirmed by the Taskforce and is included in the draft 10-Year Plan budget being considered by the Council on the 6 December 2017.
38. The Transport Improvement programme has made an assumption that all projects will receive a 51% NZ Transport Agency subsidy. This can't be confirmed at this time as government policy is still being developed around rail.
39. It is normal to only apply for a subsidy on land at the time that the facility for which the land is required is built ie a retrospective subsidy.
40. If the Council approves the land purchase staff will endeavour to take advantage of any emerging policy and make a subsidy application.

Type of Costs		2017/18 Year		Future Years
				2018/19
<b>Capital Expenditure</b>	Approved budget	Costs incurred	Unfunded	
Land Purchase	\$0	\$0	\$635,400	\$0
Legal and miscellaneous costs	\$0	\$0	\$46,400	\$0
Balance of land purchase	\$0	0	\$0	\$5,718,000
<b>Total Capex</b>	<b>\$0</b>	<b>\$0</b>	<b>\$682,000</b>	<b>\$5,718,000</b>
<b>Operating Expenditure</b>				
HCC rates	\$0	\$0	\$0	\$60,000
HCC maintenance	\$0	\$0	\$0	\$2,400

Waikato Regional Council rates	\$0	\$0	\$0	\$4,000
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<b>Total Opex</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,400</b>
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## Legal and Policy Considerations

41. Tomkins Wake have reviewed the agreement and confirmed that it can be signed and completed.

## Cultural Considerations

42. There are no known cultural considerations related to this decision.

## Sustainability Considerations

43. The option to proceed with the purchase has a good fit with the following sustainability principle adopted by Council.

*Council Promotes walking, cycling, public transport and other low carbon transport options.*

## Risks

44. There is a risk in approving Option 1 that the funding to complete the land acquisition is not confirmed through the 2018-28 10-Year Plan following community engagement.
45. This risk is mitigated by the fact that the Council can chose to put the land back up for sale and largely recover its costs.
46. There is an extreme risk that if the Council does not approve Option 1 it will be unable to purchase any other undeveloped land for a park and ride facility to complete a PT Facility in Rotokauri.
47. There is a risk that the Council is unable to acquire the TGH Land required for the PT Facility between Tasman Road and the rail corridor.
48. This risk will be mitigated by engaging with TGH over the period to 4 December 2018 when the land title for the park and ride is available and the balance of payment is required, to also secure an enduring agreement with TGH.
49. It may be necessary to stop part of Tasman Road to enable the park and ride to function safely and efficiently. Stopping of roads requires public consultation. There may be a risk in this process.
50. There is a risk that NZTA subsidy will not be approved for this land purchase.

## Significance & Engagement Policy

### Significance

51. Staff considered the following factors under the Significance and Engagement Policy:

- Commencing a Service
- Level of Financial Consequence
- Ability to reverse a decision
- Levels of Public Interest known

52. Based on these factors, staff have assessed that the Option1 has medium significance.

## **Engagement**

53. Given the medium level of significance and noting the opportunity to engage with the Community through the 2018-28 10-Year Plan, staff recommend that no specific engagement on this matter is required.
54. The Council has the option to on-sell this property if it chooses when a report is brought back prior to October 2018.

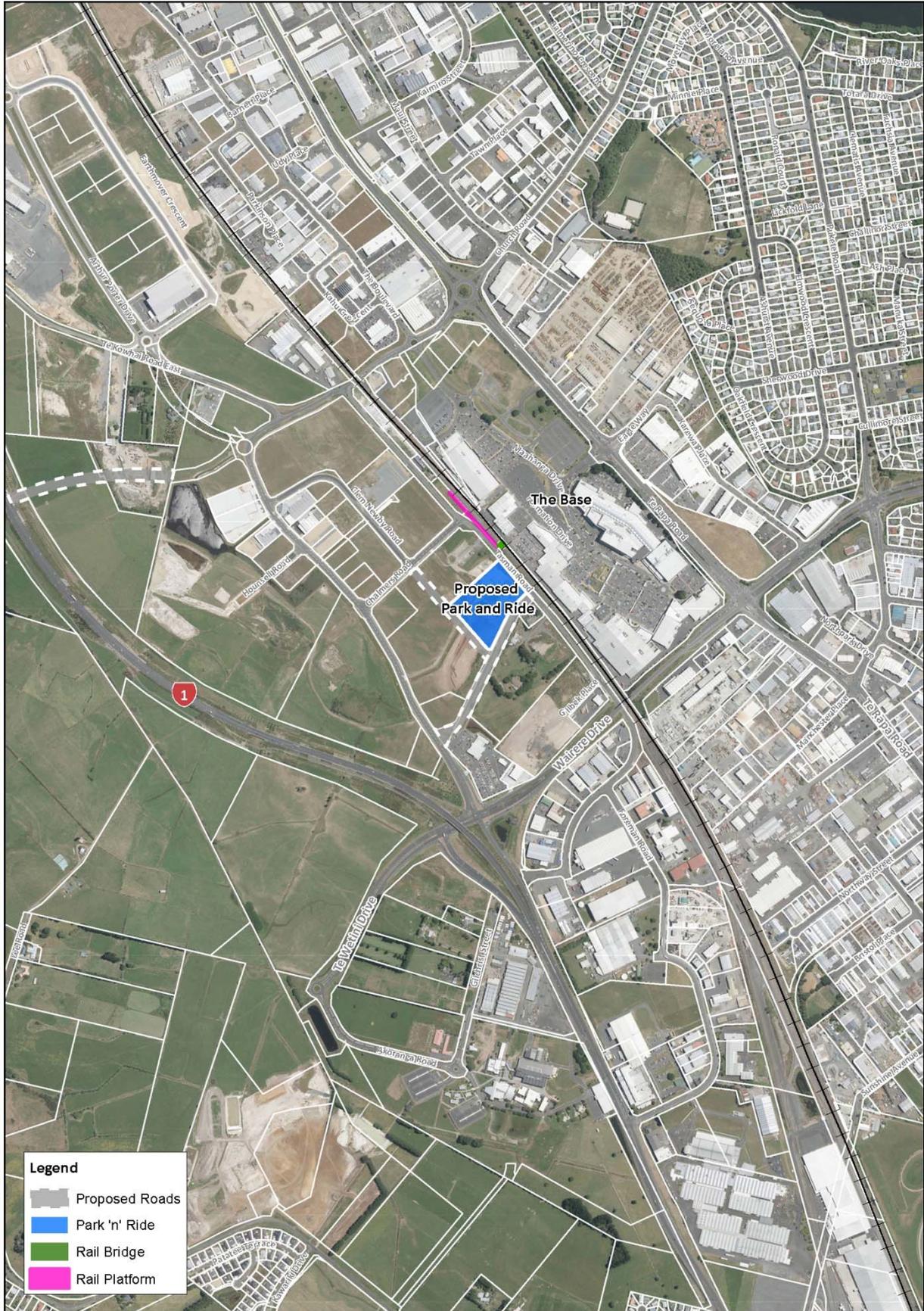
## **Attachments**

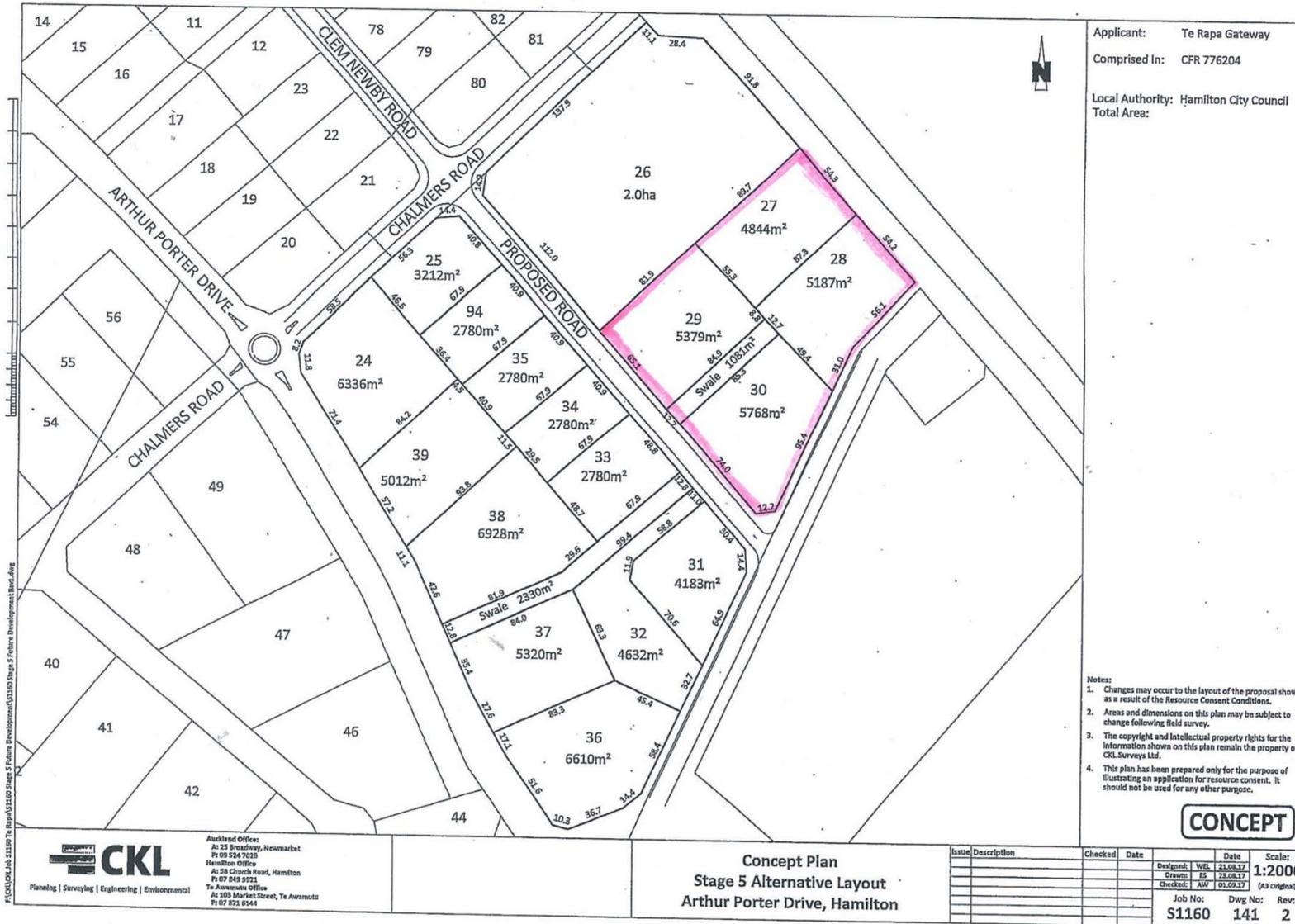
Attachment 1 - Locality Plan

Attachment 2 - Land to be Acquired

Attachment 3 - Park and Ride Concept Plan

Attachment 4 - Government Direction for Transport .





Applicant: Te Rapa Gateway  
Comprised In: CFR 776204  
Local Authority: Hamilton City Council  
Total Area:

- Notes:
- Changes may occur to the layout of the proposal shown as a result of the Resource Consent Conditions.
  - Areas and dimensions on this plan may be subject to change following field survey.
  - The copyright and Intellectual property rights for the information shown on this plan remain the property of CKL Surveys Ltd.
  - This plan has been prepared only for the purpose of illustrating an application for resource consent. It should not be used for any other purpose.

**CONCEPT**



Auckland Office:  
A: 25 Breakway, Newmarket  
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Hamilton Office:  
A: 58 Church Road, Hamilton  
P: 07 849 9923  
Te Awamutu Office:  
A: 303 Market Street, Te Awamutu  
P: 07 873 6444

**Concept Plan  
Stage 5 Alternative Layout  
Arthur Porter Drive, Hamilton**

Issue	Description	Checked	Date	Date	Scale:	
				Designed: WEL 21.08.17	1:2000 (As Original)	
				Drawn: ES 23.08.17		
				Checked: AW 01.09.17		
				Job No: S1160	Dwg No: 141	Rev: 2





ISO A1 594mm x 841mm



Last saved by: EVANS/CD/2017-10-11, Last Printed: 2017-10-11  
Filename: WIZ/2/AM/1/P/001/PROJECT/60343024/CAO25-SKETCHES/60343024/SKE-006.DWG

# AECOM

PROJECT  
**Rotokauri Park & Ride**

CLIENT



CONSULTANT  
AECOM New Zealand Pty Ltd  
www.aecom.com

REGISTRATION

PROJECT MANAGEMENT INITIALS

CE	BW	-
DESIGNER	CHECKED	APPROVED

ISSUE/REVISION

IR	DATE	DESCRIPTION
A	11.10.2017	FOR CLIENT REVIEW

KEY PLAN

PROJECT NUMBER  
**60343024**

SHEET TITLE  
**Rotokauri Park & Ride  
Option F  
470 Car Parks**

SHEET NUMBER  
**SKE-006**

This drawing is confidential and shall only be used for the purpose of this project. The signing of this title block confirms the design and drawing of this project have been prepared and checked in accordance with the AECOM quality assurance system to ISO 9001:2000.

## Hon Phil Twyford

MP for Te Atatu

Minister of Housing and Urban Development

Minister of Transport



20 NOV 2017

Tēnā koutou,

Thank you for your engagement with the Ministry of Transport over the past 18 months to help inform the development of the Government Policy Statement on land transport 2018 (GPS).

I understand that you are currently developing your Regional Land Transport Plans (RLTP), and the direction of the GPS is key to this process. It is a high priority of mine to ensure the GPS is reviewed quickly and reflects this Government's policies so that you have the certainty you need to finalise your RLTPs.

The priorities of this Government, which I have asked Ministry officials to revise the GPS to take account of, include:

- giving public transport greater priority in cities and expanding the public transport system to support new housing and interregional commuting
- increasing the use of rail to enable efficient passenger and freight use
- supporting regional development
- increasing support for active modes – walking and cycling
- delivering health, safety and environmental improvements
- reducing the environmental impact of transport
- mode neutrality in freight transport planning.

Many of these priorities can be reflected within the current GPS framework, and I have asked the Ministry of Transport to work to achieve this as soon as possible.

I am expecting a revised GPS by the end of 2017, and this will be made available as an engagement draft for you all to consider in early 2018.

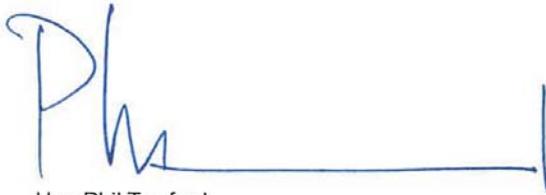
There are some priorities that may require more fundamental changes to the scope of the GPS, and also result in changes to local, regional and national planning processes. For example, exploring how rail investment is incorporated within the GPS and the National Land Transport Fund will be the focus of ongoing work.

The process for any fundamental changes to the scope of the GPS is still to be determined, but won't form part of GPS 2018 that will be released next year.

I am conscious of the need to issue a GPS as soon as practicable, given its importance in influencing transport investment. To help you advance your RLTP development in advance of the GPS 2018 being released, I suggest you consider the areas of Government focus listed above to guide your thinking.

The importance of central and local government collaborating with regards to investment in our transport system cannot be understated and I look forward to working with you as we implement an integrated, multi modal transport system.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Phil Twyford', with a long horizontal line extending to the right.

Hon Phil Twyford  
**Minister of Transport**