

[TIMARU_DMS_n563463_v1_Policy_and_Development_Committee_Meeting_Minutes_10_02_09.doc](#)

POLICY AND DEVELOPMENT COMMITTEE MEETING

on

Tuesday 10 February 2009

**Council Chamber
District Council Building
2 King George Place
Timaru**

TIMARU DISTRICT COUNCIL

Notice is hereby given that a meeting of the Policy and Development Committee will be held in the Council Chamber, District Council Building, 2 King George Place, Timaru on Tuesday 10 February 2009, at the conclusion of the District Services Committee Meeting.

Committee Members:

Clrs Bowan (Chairman), Barker, Bennett, Coughlan, Lyon and the Mayor.

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Committee members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table.

Warwick Isaacs
CHIEF EXECUTIVE

POLICY AND DEVELOPMENT COMMITTEE

10 FEBRUARY 2009

AGENDA

Item No	Page No	
1		Apologies
2		Identification of Items of Urgent Business
3		Identification of Matters of a Minor Nature
4		Chairman's Report
5	1	Confirmation of Minutes
6	5	Council Investments and Borrowing as at 31 December 2008
7	8	Orari Bridge Hall
8	15	Effects on Rates of Rateable Value Revaluations and Sector Differentials
9		Standing Committee Recommendations
10		Consideration of Urgent Business Items
11		Consideration of Minor Nature Matters
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3	<u>29</u>	Re-admittance of the Public

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**POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009**

Report for Agenda Item No 5

**Prepared by Peter Nixon
Assistant Chief Executive**

Confirmation of Minutes

Minutes of the Policy and Development Committee meeting.

Recommendation

That the minutes of the Policy and Development Committee meeting held on 25 November 2008, be confirmed as a true and correct record.

UNCONFIRMED

TIMARU DISTRICT COUNCIL

MINUTES OF A MEETING OF THE POLICY AND DEVELOPMENT COMMITTEE HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL BUILDING, KING GEORGE PLACE, TIMARU ON TUESDAY 25 NOVEMBER 2008 AT 11.45AM

PRESENT Clrs Bowan (Chairman), Barker, Bennett, Coughlan,
Lyon and the Mayor

IN ATTENDANCE Clrs Bradley, Jack, Kennedy, Mulvey and Oliver
Mr Wilson (Pleasant Point Community Board)
Chief Executive (W Isaacs), Assistant Chief Executive
(PH Nixon), Chief Financial Officer, Quotable Value
representatives Mr Fairbrother and Mr Bodger (for
Item 1), and Personal Assistant (CG Te Au)

1 QUOTABLE VALUE PRESENTATION

The Chief Financial Officer introduced Ian Fairbrother and Brendon Bodger of Quotable Value. Mr Bodger gave a presentation on how an accurate and fair rateable value is established. New valuations are to be sent to landowners commencing 26 November 2008. Landowners have to 9 January 2009 to object to the new valuations. The Timaru District is now worth \$9.37 billion. The average capital value is \$426,300. The average house is \$239,200. There is a 30% rise overall in capital value and a 52% rise overall in land value.

The Chairman thanked Mr Bodger and Mr Fairbrother for their presentation.

2 CHAIRMAN'S REPORT

The Chairman reported on various meetings he had attended and duties he had carried out since the last Policy and Development Committee meeting.

3 CONFIRMATION OF MINUTES

Proposed Clr Bennett
Seconded Clr Coughlan

"THAT the minutes of the Policy and Development Committee meeting held on 21 October 2008, be confirmed as a true and correct record."

MOTION CARRIED

4 TIMARU DISTRICT HOLDINGS LTD QUARTERLY REPORT (File F1/38)

Proposed Clr Barker
Seconded Clr Bennett

"THAT the Timaru District Holdings Ltd report for the period July to September 2008 be received and noted."

MOTION CARRIED

5 COUNCIL INVESTMENTS AND BORROWING AS AT 30 SEPTEMBER 2008
(File F1/10)

The Committee considered a report from the Chief Financial Officer on Council's investments and borrowing as at 30 September 2008.

Proposed Clr Coughlan
Seconded Clr Lyon

"THAT the Council Investments and Borrowing report as at 30 September 2008 be received and noted."

MOTION CARRIED

6 PROPERTY LEASE – SIR BASIL ARTHUR PARK / WASHDYKE TRAINING FARM (File P10/3)

The Committee considered a report from the Assistant Chief Executive on options for the lease of the Washdyke Training Farm. TEC has reduced funding available to the farm and that decision has been appealed. There are two possible providers who are interested in taking over the farm as a going concern, however this will not be confirmed until the level of TEC's funding is known. If the training course does not continue this will result in redundancies for up to 4 ½ positions.

Proposed Clr Lyon
Seconded Clr Barker

"THAT the original Subcommittee of Clrs Bowan and Lyon, the Chief Executive and the Assistant Chief Executive, be delegated authority to approve a lease of the farm either:

By 19 December to a provider willing to purchase the farm training programme and continue the course, if not,

By 28 February 2009 to a farmer by tender on a standard farm lease for 3 years with a right of renewal for 3 years."

MOTION CARRIED

7 STANDING COMMITTEE RECOMMENDATIONS

The Community Development Committee recommended a guarantee against loss of up to \$10,000 sourced from the Economic Development Fund be offered to Triathlon New Zealand Inc. towards costs to bring the My Sport Triathlon series to Timaru, Sunday 29 January 2009.

Proposed the Mayor
Seconded Clr Bennett

"THAT it be **RECOMMENDED** to Council that a guarantee against loss of up to \$10,000 be allocated to Triathlon New Zealand Inc. towards the My Sport Triathlon series in Timaru on 27 January 2008, from the Economic Development Fund."

MOTION CARRIED

8 EXCLUSION OF THE PUBLIC

Proposed the Mayor
Seconded Clr Bennett

“THAT the public be excluded on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

Confirmation of Minutes
Section 7(2)(a)

The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.”

MOTION CARRIED

Note: Mr Wilson, Pleasant Point Community Board, left the meeting.

9 RE-ADMITTANCE OF THE PUBLIC

Proposed Clr Coughlan
Seconded Clr Barker

“THAT the public be re-admitted to the meeting.”

MOTION CARRIED

The meeting concluded at 12.20pm.

Chairman

General Funds Held as at 31 December 2008

Institution	Category	Invested	Maturity	Rate	Amount
Registered Banks 100% \$3million A1, \$7.5 million A1+ or better					
BNZ (A1+ short term)	General Funds	31/12/2008	Call	5.00	2,120,000.00
National Bank (A1+ short term)	General Funds	02/10/2008	05/01/2009	8.13	1,000,000.00
National Bank (A1+ short term)	General Funds	20/11/2008	20/01/2009	6.70	2,500,000.00
Total Registered Banks					5,620,000.00

Special Funds Held as at 31 December 2008

<u>Institution</u>	<u>Percentage</u>	<u>Category</u>	<u>Invested</u>	<u>Maturity</u>	<u>Rate</u>	<u>Nominal amount</u>	<u>Amount</u>
Local Authorities (Limit 60% of portfolio, \$2m per issuer)							
Auckland City Council		Stock	15/11/2007	15/11/2011	8.50	500,000	499,915.27
Franklin District Council		Stock	23/06/2006	27/05/2009	7.10	1,000,000	998,835.41
Total Local Authorities	8.80%					1,500,000	1,498,750.68
Registered Banks (Limit 60% of portfolio, \$5m A+ rating per issuer)							
ANZ	A+	Stock	30/06/2008	18/04/2013	9.02	1,000,000	1,022,116.80
ANZ	A+	Stock	18/04/2008	18/04/2013	9.66	500,000	499,862.21
ANZ	A+	Stock	11/09/2006	17/02/2011	6.98	500,000	498,193.04
ASB	A+	Stock	8/08/2006	15/06/2011	7.06	1,000,000	999,283.53
ASB	A+	Stock	4/12/2008	16/07/2013	6.56	500,000	537,926.33
BNZ	AA-	Stock	27/05/2008	27/05/2013	8.54	1,000,000	1,000,582.45
BNZ	AA-	Stock	31/10/2008	27/05/2015	7.98	1,000,000	1,034,438.99
BNZ	AA-	Stock	30/06/2008	27/05/2013	8.56	500,000	499,930.36
Deutsche Bank	A+	Stock	2/11/2004	16/06/2009	6.820	1,000,000	1,001,320.65
Deutsche Bank	A+	Stock	19/11/2004	16/06/2009	6.820	500,000	500,615.90
Total Registered Banks	44.60%					8,500,000	7,594,270.26
Regional Health Entities (Limit 30% of portfolio, \$3m A+ rating per issuer)							
Total Regional Health Entitie	0.00%					0	0.00
SOE'S (Limit 60% of portfolio, \$3m A+ rating per issuer)							
Meridian Energy Ltd	BBB+	Stock	26/04/2002	7/02/2009	7.51	1,000,000	999,629.99
New Zealand Post	AA-	Stock	15/11/2006	15/11/2011	7.10	500,000	499,940.65
Total SOEs	8.81%					1,500,000	1,499,570.64
Corporates (Limit 60% of portfolio, \$3m A+ rating per issuer)							
Auckland International Airport	A	Stock	11/08/2006	7/11/2015	7.000	1,000,000	1,013,287.20
Bank of America	AA	Stock	12/03/2007	8/03/2012	7.550	500,000	499,640.79
Bank of America	AA	Stock	28/06/2007	8/03/2012	8.210	500,000	490,557.13
Fonterra Co-op Group	AA-	Stock	30/05/2005	21/04/2011	6.870	500,000	497,522.28
Fonterra Co-op Group	AA-	Stock	30/05/2005	21/04/2014	7.000	500,000	496,872.86
Fonterra Co-op Group	AA-	Stock	30/06/2008	21/04/2014	8.740	500,000	460,694.27
Merrill Lynch European Inv Tst	A+	Stock	29/09/2004	2/09/2009	7.01	1,000,000	1,000,121.03
Morgan Stanley	AA-	Stock	1/11/2006	6/09/2012	7.33	1,000,000	984,947.25
Powerco	BBB	Stock	11/05/2004	29/03/2011	6.669	1,000,000	990,670.42
Total Corporates	37.79%					6,500,000	6,434,313.23
Total Special Funds	100.00%					18,000,000	17,026,904.81
Totals							
Stock							17,026,904.81
Special Funds							-
							17,026,904.81

**POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009**

Report for Agenda Item No 7

**Prepared by Peter Nixon
Assistant Chief Executive**

Orari Bridge Hall (File P9/6)

The Geraldine Community Board at its meeting on 28 January 2009 considered a report from the Property Manager on the future of the Orari Bridge Hall, copy attached, and comments presented by the Orari Bridge Hall Committee at the public forum.

The Hall Committee has no legal status so the property cannot be transferred to it.

Options

1. The Council sells the property and keeps the entire proceeds.
2. The Council sells the property and shares the proceeds with the Geraldine Projects Trust as proposed in the staff report.
3. The Orari Bridge Hall Committee sells the property and lodges the net proceeds with the Geraldine Projects Trust.

Recommendation

That the Committee considers the options.

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EXTRACT FROM GERALDINE COMMUNITY BOARD MINUTES, 28 JANUARY 2009

1 PUBLIC FORUM

Orari Bridge Hall Committee

Jack Ellery and Suzanne Cleveland, representatives of the Orari Bridge Hall Committee addressed the Board on the proposal to sell the Orari Bridge Hall, which is the subject of a report on the meeting agenda. Mr Ellery gave a brief history of the establishment of the hall, explaining that the hall was built through the efforts of the local community, however the hall committee did not receive the certificate of title for the property. The Geraldine County Council obtained the certificate of title five years after the hall was built.

The hall committee believes that the report by the Property Manager is a satisfactory appraisal of the situation, except for the recommendation regarding proceeds of the sale, in particular the suggestion that the land portion be credited to the Council's land account, with only the improvements portion being allocated to a community project in the Geraldine ward. The hall committee believes that the committee has a moral right to the entire proceeds of the sale, given that the local community built and maintained the hall.

The committee is happy for Council to handle the disposal of the property.

2 ORARI BRIDGE HALL (File P9/6)

The Board considered a report by the Property Manager on the future of the Orari Bridge Hall, as well as the comments presented by the Orari Bridge Hall Committee representatives at the public forum.

The Chairman advised that she had contacted the Inland Revenue Department and ascertained that proceeds from the sale of the hall could be vested in the Geraldine Projects Trust until a suitable project is identified, as long as the Orari Bridge Hall Committee was happy with the project. A check now needs to be made with the Charities Commission.

The Community Board supported the hall committee's view that due to the building of the hall by the community and the many hours of effort and community input from the locals, it would be fair and reasonable for **all** the proceeds from the sale to be put towards a Geraldine community project.

Proposed M Simpson
Seconded D Gresham

"THAT it be recommended to the Policy and Development Committee that:

- a) The property be offered for sale on the open market,
- b) The Chief Executive be granted the authority to action the disposal, and
- c) The entire proceeds be allocated to a new special fund for a community project in the Geraldine Ward."

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MEMORANDUM of TERMS OF SALE AND PURCHASE from WILLIAM FORD

(hereinafter called "the vendor") to ORARI BRIDGE HALL COMMITTEE
(hereinafter called "the purchaser").

1. The vendor sells and the purchaser purchases the landed property of the vendor situate at ORARI BRIDGE containing by admeasurement One acres - roods - perches, be the same a little more or less, being (a)

(a) Here state name of property or sufficient particulars as to situation and names of adjoining owners to identify it.

for the sum of TWENTY POUNDS (\$-----) per acre of which the sum of TWENTY POUNDS (\$ 20 : - : -) has been paid and is hereby acknowledged and the balance time being of the essence of the contract is to be paid free of exchange at the office of FYNE, GOULD, GUINNESS LTD., as follows:

On date of Possession

2. Possession shall be given and taken on the first day of August 1922 up to which date all outgoing including insurance premiums and rates of every description shall be paid by the vendor and from which date all such outgoing including insurance premiums and rates shall be paid by the purchaser and if necessary for the purposes of this condition the same shall be apportioned between the parties hereto and the purchaser shall from the said date pay interest by equal half yearly payments time being of the essence of the contract at the rate of _____ per cent. per annum on all purchase money for the time being unpaid.

3. The property is sold with and subject to all easements belonging thereto or to which the same is now subject.

4. Upon payment of the remainder of the purchase money and interest as hereinbefore provided the vendor shall execute to the purchaser a proper conveyance or transfer of the property free of encumbrances except as otherwise herein expressly provided such conveyance or transfer to be prepared and completed at the expense of the purchaser and it shall not be incumbent on the vendor to furnish any particulars of title other than appear in this agreement.

2

5. If any error or misstatement shall have been made in the description of the property the same shall not vitiate the sale but a reasonable compensation or equivalent, the purchase money being the measure of value, shall be given or taken as the case may require.

6. Should the purchaser neglect or fail to comply with any of the terms of this agreement the vendor shall be at full liberty either to enforce the sale or to resell the property at such time and place and in such manner as he shall think fit without the necessity of tendering any transfer and in case of resale the increase (if any) in the purchase money shall be retained by the vendor and the deficiency (if any) and all costs and expenses shall be made good by the purchaser and be recoverable as liquidated damages.

7. In the event of any dispute arising between the said parties hereto as to any matter arising out of the provisions of this agreement the same shall be referred to the arbitration of two arbitrators one to be appointed by each party to the dispute or an umpire to be appointed by such two arbitrators and every such arbitration shall be deemed to be a reference to arbitration under the provisions of "The Arbitration Act 1908."

8. The executors administrators and assignees of the

In witness whereof the said parties hereto have hereunto set their hands this *Eleventh* day of *August* 1922

Vendor *William Ford*

Witness to Vendor's Signature:

Geo S Pennington

Purchaser *FOR HALL COMMITTEE*

Witness to Purchaser's Signature:

J Scarff
M J Hawkins



20/9/22
Received from *Charlbridge Hall Committee*
the sum of *Twenty pounds* pounds
Shillings shillings *perce* pence
Being full payment for section of and
are of *Charlbridge Hall Committee*
William Ford 10/1/22
£ 20-0-0

GERALDINE COMMUNITY BOARD
FOR THE MEETING OF 28 JANUARY 2009

Report for Agenda Item No 7

Prepared by **Matt Ambler**
 Property Manager

Orari Bridge Hall (File P9/6)

Purpose of Report

The purpose of the report is to seek the Board's recommendation, to go forward to the Policy and Development Committee, that the Orari Bridge hall be disposed of.

Background

The subject hall is located on the Main North Road, about 4 kms north of Geraldine, prior to the Orari river bridge. The hall is on land owned by Council according to freehold title issued in 1927. The site area of 4047m² is depicted on the attached aerial photograph.

The hall has been run by a locally elected committee for many years, but recently Council received advice from the local community that because of declining usage, there was a wish to discontinue management of the hall. The committee is a group of individuals and has no legal status.

The original hall building appears to have been constructed about 1927 by locals. In 1976 a concrete block ablutions facility was added on the north side of the building. The overall facility appears to be in fair to sound condition.

The land is held as a freehold title and is zoned Rural 2 on the Operative District plan. The site is not serviced and, as a public hall, the rates are remitted on the property.

Options

The reasonably practicable options are as follows:

- Council does nothing and leaves the hall on site.
- Council looks to lease the land and buildings.
- Council sells the land and buildings.

The building is currently in reasonable order given its age, but in the event of damage occurring, there is no provision for maintaining the building. With little or no options evident for funding any such work from local sources, the hall would become a burden to ratepayers. Its isolation from Geraldine may render it a target for vandalism.

The cost and process of demolition without an end user is not seen as good use of Council funds. The land adjoins the Main North Road with good exposure, but the zoning may restrict potential users. Opportunities for a market rent are considered limited. Ownership would be the ideal option for development for a potential occupier.

The hall has served a social purpose for the community in the past, but it has become evident that the hall is no longer meeting a useful purpose for the community, as evidenced by the committee's approach to Council.

The preferred option is the sale of the land and buildings.

Identification of Relevant Legislation, Council Policy and Plans

The land zoning does permit a range of uses which could attract interest.

Assessment of Significance

This matter is not deemed significant under the Council's Significance Policy.

Consultation

Consultation was initiated by the hall committee following a public meeting to establish the level of interest in keeping the hall open. Due to the low level of interest, the approach was made to the Council.

Subsequent discussions have been held with the current hall committee chairman about the use of proceeds from sale if the event of Council confirming the proposed disposal outcome. The local view is that the proceeds should be focused on local Geraldine projects.

Other Considerations

There are no other considerations relevant to this matter.

Funding Implications

The property has a ~~2008~~ capital value of \$145,000 (previously \$92,000), of which \$90,000 is land value.

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Conclusion

The building is not easily removed and is best left on site. It has served a long-standing social function, but as has become the case with many rural halls, its use to the community has faded. The hall does not need to be retained for social well being and is not currently catered for under existing hall budgets.

The best option and the recommendation is to offer the property on the open market to determine demand and achieve best outcome while it is still in reasonable condition.

As to the proceeds, to meet the local expectations it is probably most acceptable to apportion the proceeds between land and improvements on the basis of the new rating valuation and to credit the land portion to the normal sale of land account and the improvements portion to a new account for a community project in the Geraldine ward.

Recommendation

That the Board recommends to the Policy and Development Committee that:

- a) The property be offered for sale on the open market.
- b) The Chief Executive be granted the authority to action the disposal.
- c) The proceeds be apportioned between the property account (for the land value share) and a new special fund for a community project in the Geraldine Ward (for the improvements share) on the basis of the 2008 rating valuation.

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POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009

Report for Agenda Item No 8

Prepared by **Tina Rogers**
 Chief Financial Officer

Effects on Rates of Rateable value Revaluations and Sector differentials (File F1/4)

Purpose of Report

The purpose of this report is for Council to consider whether or not the sector differentials should be altered to minimise the impact of the Rateable Value revaluation, which comes into effect for the 2009/10 rating year.

Background

During the 2008/09 financial year a revaluation was undertaken of the land values of all properties for rating purposes in the Timaru District. These new valuations are as at 1 September 2008 to take effect for rating purposes from 1 July 2009. The new valuation has increased the total land valuation in the district from \$3,354,606 in 2005 to \$5,104,421 in 2008. This represents an increase of 52%. This increase has not been uniform across all sectors in the community with Commercial/Industrial having the largest increase with an average increase of 80%. The changes can be seen in the table below.

Category	Number of Properties	2005 LV (\$000)	2008 LV (\$000)	LV Change
Rural	1,996	1,612,198	2,596,261	+61%
Lifestyle	1,929	292,535	402,106	+38%
Residential	15,564	1,137,322	1,586,329	+40%
Comm/Ind	1,423	204,465	369,947	+80%
Forestry/Min	141	22,603	29,456	+30%
Other	923	85,483	120,322	+41%
Total	21,976	3,354,606	5,104,421	+52%

After the 2002 revaluations the Council considered a report which provided options to change the sector differentials which apply to the Timaru District Rating Structure. As a result the rating differentials were changed so as to compensate for the effects of the 2002 revaluation on the apportionment of the General Rates and District Wide Rates. The differentials were changed again in 2006 to compensate for the effects of the 2005 revaluation. Council subsequently developed a policy in 2007 of increasing or decreasing the Uniform Annual General Charge (UAGC) annually by a percentage movement similar to the general rate movement.

Based on the 2008/09 budget, the amount of district wide rates paid by the sectors was:

Table 1:

Sector	Current differential	District wide rates paid (UAGC, General Rate and District Works and Services Rate)	
		\$	%
Commercial/Industrial	1.40	\$3,475,983	23.13
Primary	0.09	\$9,084,497	60.45
Residential/Recreational	0.25	\$2,238,268	14.90
Residential – Multi unit	0.46	\$228,752	1.52
Total		\$15,027,500	100.00

Options

The number of options available to the Council when considering a level at which to set the sector differentials is infinite. This report will present 3 options for the consideration of the Council.

Option 1

Option 1 is that the differentials remain at their current levels. The effect of this is outlined in the table below:

Sector	Current differential	District wide rates paid (UAGC, General Rate and District Works and Services Rate)		Difference from table 1
		\$	%	
Commercial/Industrial	1.40	\$3,880,065	25.82	\$404,082
Primary	0.09	\$8,684,229	57.79	-\$400,268
Residential/Recreational	0.25	\$2,256,432	15.01	\$18,164
Residential – Multi unit	0.46	\$206,774	1.38	-\$21,978
Total		\$15,027,500	100.00	\$0

Option 2

Option 2 is that the differentials be amended to minimise the effect of the revaluation on the sectors as a group. The effect of this is outlined in the table below:

Sector	Amended differential	District wide rates paid (UAGC, General Rate and District Works and Services Rate)		Difference from table 1
		\$	%	
Commercial/Industrial	4.422	\$3,479,371	23.15	\$3,388
Primary	0.318	\$9,079,908	60.42	-\$4,589
Residential/Recreational	1.000	\$2,238,674	14.90	\$406
Residential – Multi unit	1.973	\$229,547	1.53	\$795
Total		\$15,027,500	100.00	\$0

Option 3

Option 3 is that the differentials be amended to another level depending on where Council may wish to shift the incidence of rates. Further guidance from Council would be required to allow officers to further investigate this option.

Identification of Relevant Legislation, Council Policy and Plans

Council has amended the rating sector differentials after the last two property revaluations. The 2006 LTCCP states that the objective of differential rating is to ensure a fair proportion of rates are paid by the various differential sectors.

Should the Council wish to amend the sector differentials the Local Government (Rating) Act 2002 requires the decision to be consulted on in the 2009 LTCCP.

Assessment of Significance

This matter is not deemed significant under the Council's Significance Policy.

Consultation

Discussions have been held with Council as part of the Council meeting to discuss the 2009 LTCCP held in November 2008.

As the decision is to be included in the LTCCP, the community will have the ability to submit on any decision the Council makes in relation to the differentials.

Other Considerations

It is important for Councillors to be aware that there will be significant variances within the sectors due to the variances in land value movements across the district. Examples include the Commercial and Industrial land values in Washdyke and Redruth have increased significantly more than the Central Business District (CBD). Some rural properties have also increased significantly above the average movement.

The impact on Commercial/Industrial ratepayers is reduced under option 2 (compared with option 1) due to a relative reduction in the commercial differential.

A possible way to reduce the impact would be to add additional differential categories such as for CBD properties. This may cause other issues and create a difficult precedent.

Increasing the UAGC and reducing the rates based on land values, also reduces the swings in rates at the time of revaluations.

Funding Implications

There are no significant funding implications for the Council.

Conclusion

The Council has previously amended the sector differentials to compensate for the effects of the property revaluations on the apportionment rates between the sectors. There has, and will continue to be, significant variations in rate movements within the sectors due to the variance of changes in property values, which has caused confusion and dissatisfaction with some ratepayers in the past. There is no mechanism available to the Council to smooth large valuation swings within a sector.

Recommendation

That the Committee considers the report and recommends to the Council that the sector differentials for the 2009/10 financial year be amended as follows:

Commercial/Industrial	4.422
Primary	0.318
Residential/Recreational	1.000
Residential – Multi Unit	1.973

**POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009**

Report for Agenda Item No 12

**Prepared by Peter Nixon
Assistant Chief Executive**

Exclusion of the Public

Recommendation

That the Committee resolves to exclude the public on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

Receipt of Washdyke Training Farm Subcommittee Minutes

Section 7(2)(b)(ii)

The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Receipt of Property Subcommittee Minutes and Recommendation

Section 7(2)(h)

The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, commercial activities.

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POLICY AND DEVELOPMENT COMMITTEE¶
FOR THE MEETING OF 10 FEBRUARY 2009¶
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Report for Agenda Item No 1¶
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Prepared by Peter Nixon¶
Assistant Chief Executive¶
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Receipt of Washdyke Training Farm Subcommittee Minutes (File C3/2)¶
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Minutes of Washdyke Training Farm Subcommittee¶
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Recommendation¶
That the minutes of a meeting of the Washdyke Training Farm Subcommittee held on 9 December 2008, be received.¶
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<sp>WASHDYKE TRAINING FARM SUBCOMMITTEE¶
¶
MINUTES OF A MEETING OF THE WASHDYKE TRAINING FARM SUBCOMMITTEE HELD IN THE CHIEF EXECUTIVE'S OFFICE, DISTRICT COUNCIL BUILDING, KING GEORGE PLACE, TIMARU ON TUESDAY 9 DECEMBER 2008 AT 1.00PM¶
¶
PRESENT . Clrs Bowan (Chairman) and Lyon, Chief Executive . (WA Isaacs) and Assistant Chief Executive (PH Nixon)¶
¶
ELECTION OF CHAIRMAN¶
¶
Proposed Chief Executive¶
Seconded Clr Lyon¶
¶
"THAT as Chairman of the Policy and Development Committee, Clr Bowan be appointed as Chairman of this subcommittee."¶
MOTION CARRIED¶
¶
EXCLUSION OF THE PU... [1]

PUBLIC EXCLUDED

**POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009**

Report for Agenda Item No 1

**Prepared by Peter Nixon
Assistant Chief Executive**

Receipt of Washdyke Training Farm Subcommittee Minutes (File C3/2)

Minutes of Washdyke Training Farm Subcommittee

Recommendation

UNCONFIRMED

That the minutes of a meeting of the Washdyke Training Farm Subcommittee held on 9 December 2008, be received.

Page Break

WASHDYKE TRAINING FARM SUBCOMMITTEE

**MINUTES OF A MEETING OF THE WASHDYKE TRAINING FARM SUBCOMMITTEE
HELD IN THE CHIEF EXECUTIVE'S OFFICE, DISTRICT COUNCIL BUILDING, KING
GEORGE PLACE, TIMARU ON TUESDAY
9 DECEMBER 2008 AT 1.00PM**

**PRESENT Ctrs Bowan (Chairman) and Lyon, Chief Executive
(WA Isaacs) and Assistant Chief Executive (PH Nixon)**

ELECTION OF CHAIRMAN

**Proposed Chief Executive
Seconded Clr Lyon**

"THAT as Chairman of the Policy and Development Committee, Clr Bowan be appointed as Chairman of this subcommittee."

MOTION CARRIED

EXCLUSION OF THE PUBLIC

Proposed Clr Bowan
Seconded Clr Lyon

“THAT the public be excluded on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

Property Lease Sir Basil Arthur
Park/Washdyke Training Farm
Section 7(2)(a)

The withholding of the information is necessary to protect information where the making available of the information would be likely to prejudice the commercial position of the person who supplied or who is the subject of the information.”

MOTION CARRIED
RE-ADMITTANCE OF THE PUBLIC

Proposed Clr Lyon
Seconded Assistant Chief Executive

“THAT the public be re-admitted to the meeting.”

MOTION CARRIED

The meeting concluded at 2.00pm.

Chairman

ITEM CONSIDERED WITH THE PUBLIC EXCLUDED – WASHDYKE TRAINING FARM
SUBCOMMITTEE – 9 DECEMBER 2008

PROPERTY LEASE – SIR BASIL ARTHUR PARK/WASHDYKE TRAINING FARM (FILE
P10/3)

The subcommittee considered the report circulated with the agenda and also copies of later emails between Ben Lee of the Aoraki Polytechnic and Peter Nixon, Assistant Chief Executive.

It was agreed that the priority should be to see if the course could continue for the benefit of the community even if that meant that the full market rent of \$40,000 could not be achieved.

Concern was expressed at the lower rental offered by Tectra, (\$15,000, \$20,000 and subsequently \$25,000 pa), and the suggestion that up to 80% of it should be re-invested by the Council in capital improvements, meaning the net return to the Council for the first three years could be as low as \$3,000, \$4,000 and \$5,000.

There was some discussion about whether the Tectra proposal offered better course prospects long term as theirs was a more professional approach and proposal. However financially, the Aoraki Polytechnic offer, by email, to pay a rental of \$2,000 more than any other provider up to \$40,000 pa was without doubt the more favourable. Nothing further had been heard from the YMCA as they still did not know the result of their TEC application for additional funding.

It was agreed that the process could not be delayed any further so that the two proposals only would be considered.

After considerable discussion it was agreed that the Assistant Chief Executive should discuss the Aoraki Polytechnic proposal with Ben Lee face to face and see whether he could get agreement.

Proposed Clr Bowan
Seconded Cr Lyon

“THAT the Assistant Chief Executive be delegated authority to finalise a lease with the Aoraki Polytechnic to take over the training course and Washdyke Farm from 5 January 2009 along the lines of the draft Heads of Agreement and the following:

A 3+3+3 year lease at an initial rental of \$35,000 pa plus GST.

The lease would terminate if land-based training was no longer provided on the site.

No sub-leasing for other than training courses.

Lessee would take over all the tutoring staff (with further discussion to be held over the Social Development Coordinator's position)

Subject to the transfer of TEC funding.”

MOTION CARRIED

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PUBLIC EXCLUDED

POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009

Report for Agenda Item No 2

Prepared by Peter Nixon
Assistant Chief Executive

Receipt of Property Subcommittee Minutes and Recommendation (File P10/7)

Recommendation from Property Subcommittee meeting of 15 January 2009 regarding Arthur / Perth Street, Timaru, (minutes attached).

Recommendations

That the minutes of a meeting of the Property Subcommittee held on 15 January 2009, be received.

THAT the Policy and Development Committee approve the proposal to grant up to a 12m² triangular easement over the south east corner of the Museum site to allow an exit ramp and pedestrian walkway, to be constructed at the developers' expense, subject to the developers agreeing to batter and landscape the frontage on Perth and Arthur Streets and the link to the white garden to the satisfaction of the Council, with the Council to meet the ongoing maintenance costs.

UNCONFIRMED

Page Break

TIMARU DISTRICT COUNCIL

MINUTES OF A MEETING OF THE PROPERTY SUBCOMMITTEE HELD IN THE CHIEF EXECUTIVE'S OFFICE, DISTRICT COUNCIL BUILDING, KING GEORGE PLACE, TIMARU ON THURSDAY, 15 JANUARY 2009 AT 2.30 PM.

PRESENT The Mayor and Clr Bowan, Chief Executive (WA Isaacs) and Assistant Chief Executive (PH Nixon).

EXCLUSION OF THE PUBLIC

Proposed the Mayor
Seconded Clr Bowan

"THAT the public be excluded on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

Property Matters
Section 7(2)(h)

The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, commercial activities."

MOTION CARRIED

RE-ADMITTANCE OF THE PUBLIC

Proposed Clr Bowan
Seconded the Mayor

"THAT the public be re-admitted to the meeting."

MOTION CARRIED

The meeting concluded at 3.30 pm.

ITEMS CONSIDERED WITH THE PUBLIC EXCLUDED – PROPERTY
SUBCOMMITTEE MEETING 15 JANUARY 2009

ARTHUR / PERTH STREET (File P10/7)

The Assistant Chief Executive reported that there were three matters which needed to be resolved for the sale and purchase to proceed. Negotiations with the developers had been ongoing but it was important that the subcommittee was aware of what had been proposed and where the negotiations had got to.

The site for the two trees which had to be relocated by the developer, the pedestrian link to the CBD, and the colour and style of the building all needed to be approved. The developers were definitely proceeding and planned to have a building consent application in during March 2009.

Because the proposal is to have a level site from Bank Street to Perth Street, problems had been encountered trying to provide for a suitable exit on to Perth Street for large trucks and cars and trailers. The developers had asked whether the Council would be prepared to sell a triangle of the Museum site to them for the exit ramp. After discussion it had been agreed that the triangle requested was larger than necessary and if the landscape strip along the Perth Street boundary was eliminated and the building moved up to the boundary, it would reduce the encroachment on to the Museum site. This would be on the basis that the developers battered and landscaped the road reserve down to the footpath at their cost to be maintained by the Council in the future. Also the width of the ramp could be reduced and incorporate a walkway as the required pedestrian link. Particular care would be necessary to ensure the white garden was not compromised.

The developers have now come back with a proposal as discussed and reduced the easement required to a triangle approximately four metres deep (including one metre walkway) by six metres along the road boundary. They proposed relocating the two significant oak trees in to the landscaped road reserve batter and having a walkway from the footpath in Perth Street up beside the ramp and into the store to meet the CBD pedestrian access requirement. This would also join up with the white garden walkway.

The subcommittee discussed the landscaping proposal and whether the trees would be too large for the road reserve without having to be trimmed on either the road or yard side in the future. The pedestrian access proposed was supported.

The subcommittee then discussed the colour and style of the building as outlined in the elevations provided by the developers. The Assistant Chief Executive pointed out that the original proposal had been an orange wall on all sides but after discussion the latest

proposal was to have an orange stripe only around three sides and have a solid wall of orange on the front Bank Street frontage, only.

Proposed the Mayor
Seconded Clr Bowan

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“THAT the proposals for the pedestrian link to the CBD be approved.

THAT the developers be asked to reconsider the colour of the building so that the frontage on to Bank Street has two orange boxes the same size and on either side of the sign above the door rather than a complete orange wall.

THAT the site of the two oak trees in the Perth Street road frontage be approved subject to the Council staff being satisfied they will be suitable for the location without needing to be pruned now or in the future.

THAT the subcommittee RECOMMENDS to the Policy and Development Committee that the proposal to grant up to a 12m² triangular easement over the south east corner of the Museum site to allow an exit ramp and pedestrian walkway, to be constructed at the developers' expense, be approved subject to the developers agreeing to batter and landscape the frontage on Perth and Arthur Streets and the link to the white garden to the satisfaction of the Council, with the Council to meet the ongoing maintenance costs.”

MOTION CARRIED

PUBLIC EXCLUDED

POLICY AND DEVELOPMENT COMMITTEE
FOR THE MEETING OF 10 FEBRUARY 2009

Report for Agenda Item No 3

Prepared by Peter Nixon
Assistant Chief Executive

Re-admittance of the Public

Recommendation

That the public be re-admitted to the meeting.