

# PLANTING THE SEEDS FOR TASMAN'S FUTURE

Ka tupu te purapura  
ka ora te Aorere

## TASMAN'S 10-YEAR PLAN 2021 – 2031

Community Consultation Document



**SUBMISSIONS CLOSE  
TUESDAY 6 APRIL 2021**

You can submit online  
at [LTP.tasman.govt.nz](https://ltp.tasman.govt.nz)



# NGĀ KAUPAPA CONTENTS

	Page
Planning for our Future	3
The Lay of the Land	7
2021-2031 at a Glance	10
<b>The Big Choices</b>	
Homes for our Community	14
Waimea Community Dam	16
A new company model for Nelson Airport and Port Nelson	22
Responding to Climate Change	25
What else is on the Horizon	28
How will we pay for it	38
Effect on rates	40
Auditor opinion	45
Have your Say on Tasman's Big choices	46
Community consultation calendar	51

## HAVE YOUR SAY

Welcome to Tasman's 10-year Plan. This is our Long Term Plan (LTP) consultation document that outlines what we propose to do over the next ten years for our community.

Tell us what you think. We want to hear your views on our big decisions and choices for Tasman's future. Consultation is open from 4 March – 6 April 2021. More information on how to participate can be found on page 46 or at [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz).

## TIMELINE

**JUNE 2021**  
Council confirms  
Tasman's  
10-Year Plan

**1 JULY 2021**  
Tasman's 10-Year  
Plan comes  
into effect

**APRIL/MAY 2021**

Hearings for submitters who wish to speak. Council considers all the submissions and deliberates

**4 MARCH – 6 APRIL 2021**

Community consultation  
on the big choices

**13 MARCH – 12 JUNE 2020**

Early public feedback round  
(2020 Vision for Tasman –  
Whakakitenga Ruamano Rua Tekau)

# PLANNING FOR OUR FUTURE

The 10-year plan is our most important planning tool for the future. It sets out what the Tasman District Council plans to do over the next decade (2021–2031) to nurture our community’s wellbeing, and how we intend to pay for it.

This document and the supporting material includes detailed information on the activities, services, and projects we will carry out, as well as our funding and financial management. Ultimately, it tells you what your rates may look like for the next 10 years.

Long-term planning is a cycle. Every three years we review the progress we have made, consider the direction the District is growing towards, respond to changes in the environment, and adjust our plans to meet our community’s changing needs.

This Consultation Document outlines the big choices we need to make as we plan for the future. It doesn’t include every project, but provides an overview of the projects and choices that have a significant cost, have high community interest, or have changed since our last Long Term Plan 2018 – 2028.

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Kotahi te kakano, he maha nga hua  
A tree comes from one seed but bears many fruit

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We’ve called the document Planting the Seeds for Tasman’s Future. That’s because the decisions we make now, the seeds we plant, the things we choose to care for and nurture over the next few years, will determine the shape of Tasman District’s future.

As any gardener will know, the more you feed your soil and care for your crop, the more you put in to the process, the greater the eventual rewards. The more input our community provides into this Plan, the better the outcome will be for all of us. Your feedback is important, and will help your elected representatives make their final decisions.



# WHAT COUNCIL DOES

Councils provide a wide and varied range of services to their communities. Tasman District Council is one of six unitary Councils in Aotearoa, meaning we do the work of both a regional council and a territorial authority. In most other parts of the country, this work is split between two separate councils. The work we do:



## INFRASTRUCTURE

Roads, footpaths, cycleways, water pipes and treatment plants



## COMMUNITY FACILITIES

Libraries, recreation centres, sports grounds, reserves, parks, environmental restoration work



## ENVIRONMENTAL MANAGEMENT

Freshwater, land use, air quality, biodiversity, biosecurity



## COMPLIANCE AND ENFORCEMENT

Dogs, parking, noise, air quality, discharges to air, land and water, building and resource consent conditions



## STRATEGIC PLANNING FOR THE FUTURE

Zoning, land and infrastructure provision, financial planning, environmental planning



## COMMUNITY ENGAGEMENT

Consultation, communication, education

These services and activities all contribute to the environmental, economic, social and cultural wellbeing of Tasman District. These are the seeds we need to nurture for Tasman's future wellbeing and prosperity.



# PREPARING THE GROUND

Before starting to write our 10-Year Plan, we asked for your early input via our 2020 Vision for Tasman document. We also needed to align our planning with some of the other important work going on in our region – such as the Tasman Environment Plan review and the Te Tauihu Intergenerational Strategy.

## EARLY PUBLIC FEEDBACK 2020 Vision for Tasman: Whakakitenga Ruamano Rua Tekau

Between March and June last year we asked for your initial thoughts on what we should be focusing on over the next 10 years and what was important to you. We received more than 200 submissions, with most supporting the proposed direction for the 10-Year Plan. This process helped us confirm the Vision, Community Outcomes, and Strategic Priorities that have shaped the proposals and big choices in this document.



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## OUR VISION: Te Whakakitenga

Working together for thriving and resilient Tasman communities

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## OUR STRATEGIC PRIORITIES: Rautake Matua



A healthy and sustainable natural environment



Strong, resilient and inclusive communities



Enabling positive and sustainable development



Contributing to a diverse society and celebrating our culture and heritage



A high standard of service



## TE TAUIHU INTERGENERATIONAL STRATEGY

You may have been involved in or heard about the work to develop a long-term strategy covering the entire Top of the South/Te Taihū, culminating in the adoption of a vision for our communities:

### To Be Good Ancestors – Tūpuna Pono.

The strategy was led by Wakatū Incorporation in partnership with us, our two neighbouring councils (Marlborough District and Nelson City), Ngā Iwi o Te Taihū (Ngāti Apa, Ngāti Kuia, Rangitāne, Ngāti Tama, Te Ātiawa, Ngāti Koata,

Ngāti Toa and Ngāti Rārua), Central Government, Nelson Tasman Regional Development Agency, Nelson and Marlborough Chambers of Commerce, business, community, and the Nelson Marlborough Institute of Technology.

We are just one of the organisations working collectively towards the strategy’s vision for our communities to be good ancestors – Tūpuna Pono, leaving a positive legacy for those who come after us and contributing to a purpose higher than our individual wants or needs.

## TASMAN ENVIRONMENT PLAN: Aorere ki uta, Aorere ki tai

Alongside our work on Tasman’s 10-Year Plan, we’re also reviewing our existing resource management plans and working towards a new Tasman Environment Plan (TEP) – Aorere ki uta, Aorere ki tai. It will provide the blueprint for where and how our communities will grow and how we manage natural resources.

Creating this new plan is a big opportunity for Tasman. Through quality policies and rules, we can plan for sustainable development, build greater resilience in the face of our changing climate and natural hazards, enable livelihoods, turn around biodiversity loss, retain productive rural land, and protect and restore waterways.

The Resource Management Act (RMA) reforms may also lead to the Tasman, Nelson and Marlborough resource management plans being combined into a single plan for Te Tau Ihu if the recommendations of the independent panel that reviewed the RMA are implemented by the Government.

The 10-Year Plan and Tasman Environment Plan are different but complementary and the teams working on them are sharing information and themes from public feedback. For more information visit [environmentplan.tasman.govt.nz](http://environmentplan.tasman.govt.nz)





## THE LAY OF THE LAND

As well as preparing the ground, we took stock of other factors that might affect our plans.

### COVID-19 PANDEMIC

The restrictions imposed to stop the spread of Covid-19 have affected everyone in a myriad of ways. It has provided us with the impetus for change and to reimagine how we work and live.

Its effects are ongoing and the future is uncertain. Border restrictions have changed the usual flow of travellers and migrant workers into New Zealand and Tasman, with challenging implications for our tourism and primary sectors.

Overall Tasman has fared well, with the economy bouncing back strongly after lockdown and tracking better than other parts of the country. However, some in our community are still being impacted through job losses, business closures, profit downturns and supply chain disruptions.

The Council is committed to continued investment in the District to help fuel the economy and provide employment opportunities. New Government funding opportunities have allowed us to do more work for our community sooner than we could have done otherwise.



## 0% RATES RISE FOR 2020/2021

In response to the economic pressures on parts of our community, we were able to provide rent relief for some commercial tenants, reduce registration fees for campgrounds and commercial vessels, and increase the frequency of payments to our local suppliers. The Council also set a zero percent rates revenue increase for 2020/2021 (after an allowance for growth).

The reduction in rates was welcomed by many, but created a shortfall in budgets. This was partly recovered through savings and the remainder is included in future rates increases.

## GOVERNMENT REFORMS

Our regulatory environment is changing in response to growing community expectations. Central Government has introduced new rules and regulations and is continuing to roll out changes to the way we manage our environment and services. These changes, include the Resource Management Act (RMA) reforms, new freshwater regulations, National Policy Statement for Urban Development, and Climate Change Response Act. These are designed to enhance and protect our environment and improve community wellbeing. We know that change is required and that we can do better in some areas – but it does come at a cost.

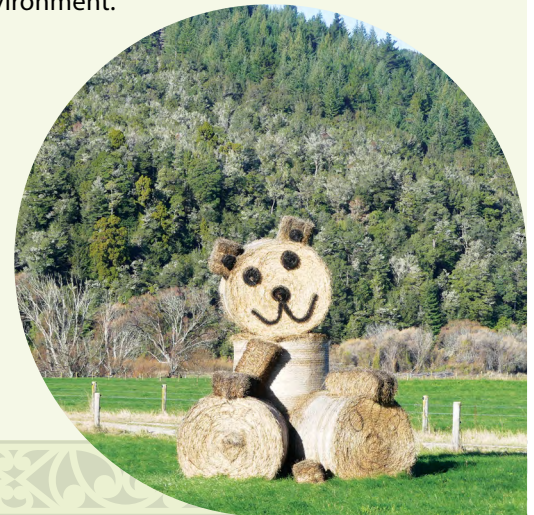
## RMA REFORMS

The RMA is to be replaced with three new Acts - a Natural and Built Environments Act (NBA), a Strategic Planning Act (SPA), and a Climate Change Adaptation Act (CCAA). The impact of the new Acts on Council and its functions are still unknown. The NBA and SPA are expected to be introduced to Parliament by the end of 2021, with the NBA passed by the end of 2022.

## STIMULUS FUNDING

With the advent of Covid-19, the Government has provided funding to help stimulate the economy. Tasman has been fortunate to receive indicated funding of up to approximately \$36.8 million (including the \$9.78 million three waters grant), and we anticipate there will be more to come.

We have included \$7.2 million for the development of the Tasman Environment Plan into our LTP budgets over the next 10 years as part of our response to Government reforms and a new regulatory environment.





## ACHIEVEMENTS

We last reviewed Tasman's 10-Year Plan in 2018. Here is a summary of some of the progress we have made.

New cycle link  
from Tākaka  
to Pōhara

Commenced  
new Motueka  
Library

Commenced  
construction  
of the Waimea  
Community Dam

Completed the  
Riwaka-Kaiteriteri Water  
Treatment Plant and  
commenced other upgrades

Initiated Tasman BioStrategy  
consultation to better  
coordinate biodiversity and  
biosecurity work

Commenced water  
and wastewater  
trunk main  
renewals for Māpua

New playgrounds  
in Mārahau and  
Golden Bay

Completed  
Brightwater Town  
Centre upgrade

Completed Queen  
Street and Bateup  
Road improvements

Initiated the Coastal  
hazards project, including  
sea level rise risk areas

Initiated integrated catchment  
management projects including  
major restoration planting in highly  
erodible land in Mārahau

Released the  
Nelson-Tasman  
Regional Pest  
Management Plan

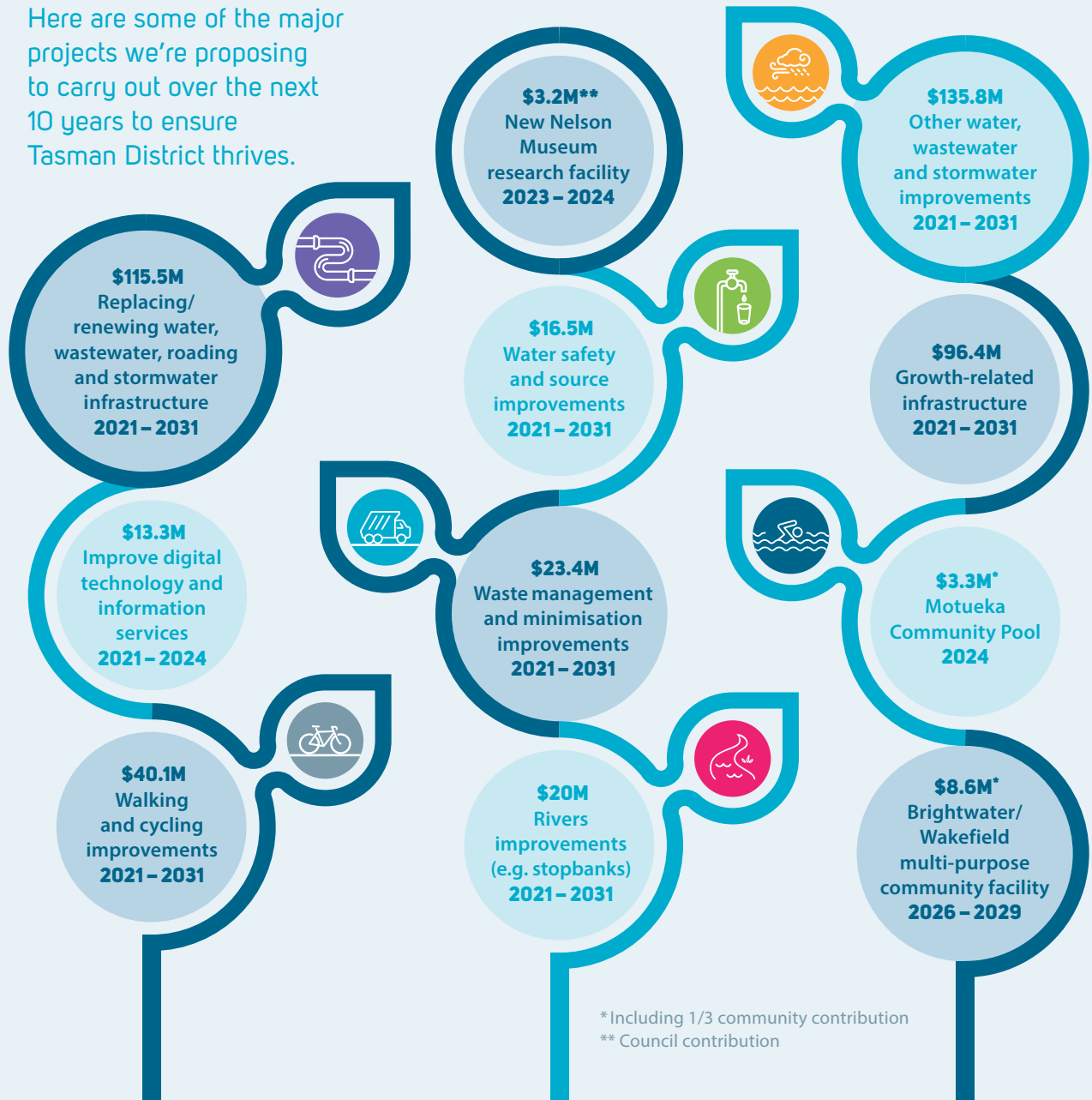


## 2021 – 2031 AT A GLANCE

Overall, Tasman's 10-Year Plan aims to:

- Ensure there is enough zoned and serviced land available to meet demand for new homes and businesses.
- Respond to climate change through projects, initiatives and adaptive planning.
- Focus on building, renewing and maintaining our infrastructure.
- Fund this by ensuring we apply for Government funding where it is available and increase our borrowing to a sensible level.
- Collect development and financial contributions to pay for the services associated with growth in the District.
- Deliver on priority work programmes – roading, water, wastewater, stormwater, environmental improvements, climate change, recreation and important community spaces and facilities.

Here are some of the major projects we're proposing to carry out over the next 10 years to ensure Tasman District thrives.



\*Including 1/3 community contribution

\*\* Council contribution

# KEY NUMBERS

OVER THE NEXT **10 YEARS** IT WILL COST

**\$1.8 BILLION**

TO MANAGE AND RUN OUR DISTRICT  
(direct operating and capital costs)



WE ARE SETTING OUR  
**DEBT CAP AT  
\$260 MILLION**

WE ARE LOOKING AT AN ANNUAL  
**RATES REVENUE INCREASE CAP OF**

YEARS 1-3 AND 6-10



YEARS 4 AND 5



\* PLUS AN ALLOWANCE FOR GROWTH

## OVER THE NEXT 10 YEARS

**\$58 million** will be spent on community projects that make our District a great place to live – like playgrounds, the upkeep of our reserves, a new pool in Motueka, and a new Wakefield/Brightwater Community Centre.

More than **\$118 million** will be spent on growth projects across 10 years that will ensure homes can be built for our people. These costs will be mostly funded by developers rather than ratepayers (via Development and Financial Contributions).

We propose to spend approximately **\$223 million** on maintaining and improving our levels of service.

More than **\$225 million** will be spent on renewing our assets, such as replacing old pipes and treatment plants, to ensure they are in good working order and fit for purpose.

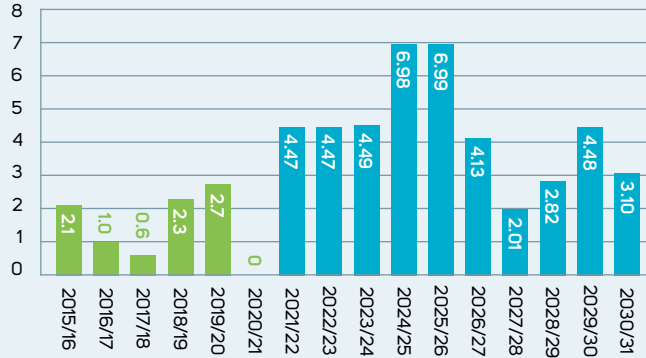
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We believe it is better for Tasman to increase its net debt and rates limits so that we can deliver on the work programmes necessary to keep pace with growth demands, maintaining and renewing infrastructure, meeting our regulatory requirements and community's expectations.

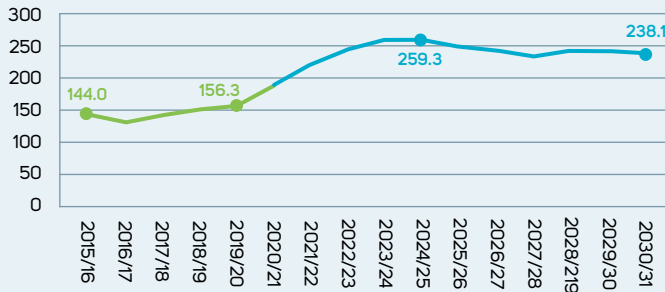
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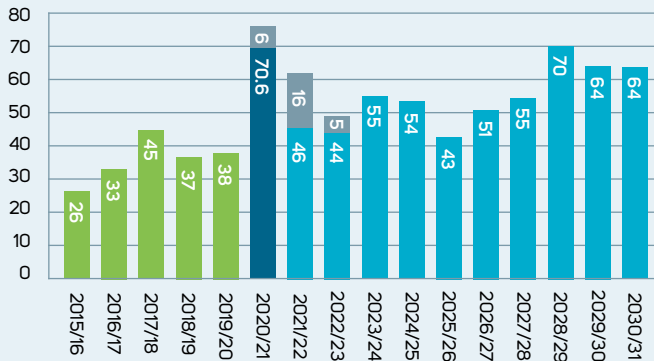
### PROPOSED RATES REVENUE INCREASES (%)\*



### PROPOSED NET DEBT (\$M)



### PROPOSED COST OF CAPITAL PROJECTS (\$M)



● Historical   
 ● LTP   
 ● Central Government funded  
● Adjusted Annual Plan (incl. carry overs)   
 \*excluding growth

# THE BIG CHOICES

In this section we outline some of the key elements of the proposed 10-Year Plan that we would like your feedback on. For each choice, we explain the background to it, our preferred plan of action and the alternatives.

WE'D LOVE TO HEAR WHAT YOU THINK

## CHOICE 1

# HOMES FOR OUR COMMUNITY

How we help to ensure there are enough homes in our community.

We know housing availability and affordability are a real concern for our community. We can't solve the affordability problem alone, but along with Government and other agencies, we can be part of the solution. We can do this by ensuring we have the right land zoning and infrastructure (drinking water, wastewater, stormwater and transport) in place to meet forecast demand, and by changing our planning rules to make it easier to build smaller homes at higher densities.

**You can read more about our Future Development Strategy at [tasman.govt.nz/link/fds](https://tasman.govt.nz/link/fds).**

## PENSIONER COTTAGES

Council currently provide 101 pensioner cottages across the District. The ownership and management of these is up for review later this year.

## FORECAST DEMAND

We expect our population to keep growing over the next 10 years, meaning we need to make sure there is zoned and serviced land available for at least 7,700 residents, 4,300 homes and 160 business lots. This is based on a medium-growth scenario. We know the situation may change – especially with Covid-19 border restrictions and the return of New Zealand citizens. We will continue to monitor the situation to make sure our planning information is up to date and that we are adaptable and flexible as demand changes.



**+7,700 MORE  
RESIDENTS**



**+4,300  
NEW HOMES**



**+160 NEW  
BUSINESS LOTS**

## THE FUTURE

With the right zoning, services and planning tools in place to meet demand, we should see more homes being built, meaning more affordable homes for our community, new businesses and employment opportunities, and increased economic activity.

## THE CHOICE WE FACE

Where, when and how much land we service is a key decision we need to make. Infrastructure is expensive and keeping rates and debt at a reasonable level is challenging. However, not providing infrastructure for development would worsen housing affordability in Tasman because the gap between supply and demand of housing would steadily grow.

Do you support the Council's proposal to provide the necessary infrastructure to meet housing and business demand across the entire District?

## Our preferred choice A

**Spend \$118 million over the next 10 years to meet the forecast demand for infrastructure to service development across the whole of Tasman District (based on a medium-growth scenario in line with recent population trends). This will allow both greenfield development and infill housing/intensification of our settlements to occur.**

This cost to service new growth will be largely met by developers through development and financial contributions – so there is a minor impact on rates. However, it will increase the Council's net debt over the next 10 years as we must borrow the funds needed upfront, using the development contributions once collected to cover the borrowing costs.

**Effect on rates:** Minor impact

**Effect on debt:** Increase of \$42 million

**Effect on levels of service:** ▲ Increase

## Alternative option B

**We could decide to not meet the forecast growth across the whole of our District and providing new infrastructure for growth demand in Richmond only. This would come at a cost of \$68 million.**

We anticipate this approach would create a housing shortage across Tasman, have a negative impact on housing affordability and mean we would not meet our obligations under the Government's National Policy Statement for Urban Development.

This option would have a minor impact on rates (being funded by developers through Development and Financial Contributions), but would reduce the Council's net debt as we would not need to borrow as much to service other growth areas of the District.

**Effect on rates:** Minor impact

**Effect on debt:** Increase of \$27 million

**Effect on levels of service:** ▲ Increase (Richmond only)

## CHOICE 2

# WAIMEA COMMUNITY DAM – ALLOCATION OF ADDITIONAL IRRIGATOR CAPACITY COSTS

The Waimea Community Dam (Dam), currently under construction in the Lee Valley, will provide a secure and sustainable drinking and horticulture water supply for the communities of the Waimea Plains for the next 100 plus years.

It will also improve the health of the river and bring estimated economic benefits to Tasman District of up to \$923 million in its first 25 years. For these reasons, Council continues to be committed to the completion of the Dam.

Since the decision to proceed was finalised in 2018, project costs to build the Dam have risen from the initial estimate of \$104.5 million to the current forecast of \$129.4 million – an increase of \$25 million. We know there are likely to also be further cost increases as a result of Covid-19 related disruptions. To recognise the uncertainty of costs, we have included in the 10-year plan budget a provision of \$8 million for any further increases.

There is an existing formula in place for sharing the costs of the Dam among everyone who will benefit. The beneficiaries include everyone

living and running businesses on the Waimea Plains, irrigators who have purchased shares (ensuring water rights) in the Dam, and the wider Tasman community - everyone benefits from the economic and environmental gains the Dam will provide.

To date the costs of the Dam have been apportioned across those who benefit with 49% assigned to affiliated irrigators, 21% to urban water users and 30% to ratepayers for the environment and public good benefits such as the increased jobs, economic gains, and the ability to meet growth demands.

Of the additional \$33 million budgeted cost, Council's share will be \$16.8 million based on the Urban Water Users share being 21% and the Environmental Public Good share being 30%. The balance will be paid by the new affiliated irrigators user rate being \$14.6 million and Waimea Irrigators Limited funding 50% of the first \$3 million of additional cost.

How Council funds the additional costs of the Dam has no impact on debt - as the debt will be incurred regardless.



**The four options set out on pages 18-21 all relate to the affiliated irrigators share (\$14.6 million).**

To date, irrigators have fully funded their share through Waimea Irrigators Ltd. We are not consulting on changing our original funding model or looking at alternative ways of paying for the urban users and environmental public good share.

Council expects to receive a new estimated cost to complete the Waimea Community Dam when this Consultation Document (CD) is due to be published. The new estimate is likely to differ from our draft budget included in this CD and supporting information. We have not been able to update this CD due to time and process constraints set out in the Local Government Act 2002. We are therefore seeking community feedback based on the draft budgets and the possibility that these may need to be varied. Depending on the impact of the revised estimate and the availability of other sources of funding, we may need to change our proposed rates and our capital works programme following consultation.

## UNDER THE CURRENT FUNDING MODEL

For urban water users and environmental public good share:

- **The District Wide Rate** increases from **\$26** per year in 2021/22 to a maximum **\$55** per year in 2023/2024.

- For those properties in the **Zone of Benefit**, they will pay zone benefit rates peaking at **0.0064** cents per dollar of capital value by 2027/2028. For example for a property with a value of \$660,000, the rate would be **\$42**.
- The Urban Water supply (and Redwood Valley Rural Water supply) rates include costs that are associated with the Dam. For a typical urban property that uses 215m<sup>3</sup> of water per year, the dam-related fixed and volumetric charges would increase from \$98 in 2021/2022 to a peak of \$190 in 2023/2024.

For those properties that hold an affiliated water consent they will pay the District Wide Rate, the Zone of Benefit Rate, the new proposed irrigator targeted rate, and if applicable the Council water rate. In addition they also pay the irrigator charges (through Waimea Irrigators Ltd).

### THE CHOICE WE FACE

To collect the affiliated irrigators' share of the additional budgeted costs, we are proposing to apply a new targeted rate.

Note that all rates examples provided on pages 17-21 are GST inclusive.

# Our preferred choice A

## A new targeted rate on irrigators.

The preferred option is that the irrigators meet their share of additional budgeted costs (\$14.6 million). This includes properties with access to water supplied via a water consent affiliated through a shareholding in Waimea Irrigators Limited. Those properties who would pay the new rate are shown on the map - labelled Extractive Use Rating Area.

The proposed rate per dollar of land value is 0.0343 cents in Year 1 (2021/2022) peaking at 0.1684 in Year 5 (2025/2026).

### Effect on rates:

#### TARGETED RATES INCREASE ON EXAMPLE IRRIGATOR PROPERTIES

LAND VALUE \$	2021/2022	2025/2026
\$740,000	\$254	\$1,246
\$970,000	\$333	\$1,633
\$1.43 million	\$490	\$2,408

\*Based on 2020 property valuations.

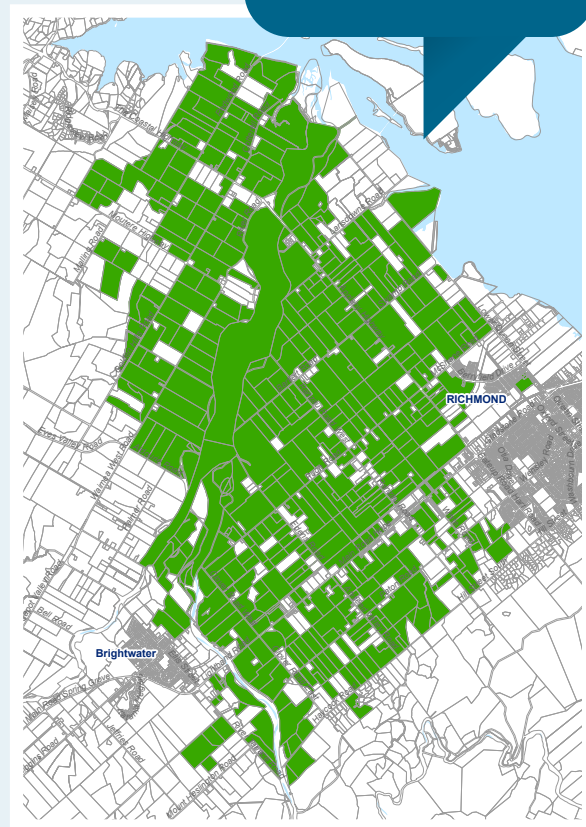
**Effect on debt:** No impact.

**Effect on levels of service:** No impact.

**For more information on this preferred option and the alternative options, please see the Revenue and Financing Policy and Consultation information at [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz).**

Do you support the Council's preferred option to target rate affiliated irrigators to pay their share (\$14.6 million) of the additional budgeted costs?

DAM EXTRACTIVE USE RATING AREA



## Alternative option B

### All ratepayers pay a District-wide rate.

An alternative option is to fund the Council's share of irrigator capacity share across all ratepayers in the District. The amount each ratepayer would contribute could be based either on the capital value of their property **OR** we could use a District-wide fixed charge.

This contribution would be in addition to an increase in the current District-wide and Zone of Benefit rates that funds 30% of the project's total costs, and an increase in urban water supply rates, funding 21% of the increase in Dam costs.

**Effect on debt:** No impact.

**Effect on levels of service:** No impact.



	CAPITAL VALUE	2021/2022	2025/2026
<b>Impact on the general rate:</b>	–	0.0007c/\$CV	0.0031c/\$CV
For the Median property value in District	\$660,000	\$5	\$20
<b>Alternative District-wide fixed charge (incl GST)</b>		<b>\$6</b>	<b>\$27</b>

# Alternative option C

## A targeted rate on all properties in the 'Zone of Affiliation'

Another option is to target-rate all residents who own property within the Zone of Affiliation (Zone). This is a new Zone that includes all those properties that would be able to access water from the Dam.

Under this scenario, the additional budgeted Dam costs would be shared on a ratio of 5:1 between properties which are serviced from affiliated water consents and the other properties in the Zone. This option recognises that those other properties have the potential to access water and affiliate water consents if they wish to in the future.

Indicative rate increases for properties with affiliated water consents will see an increase in Year 1 of the Long Term Plan of 0.0303 cents per dollar of land value, peaking at 0.1488 cents per dollar of land value in Year 5 (2023/2024).

For other properties in the Zone of Affiliation, rates will rise in Year 1 from 0.0061 cents per dollar of land value peaking at 0.0298 cents per dollar of land value in Year 5 (2025/2026).

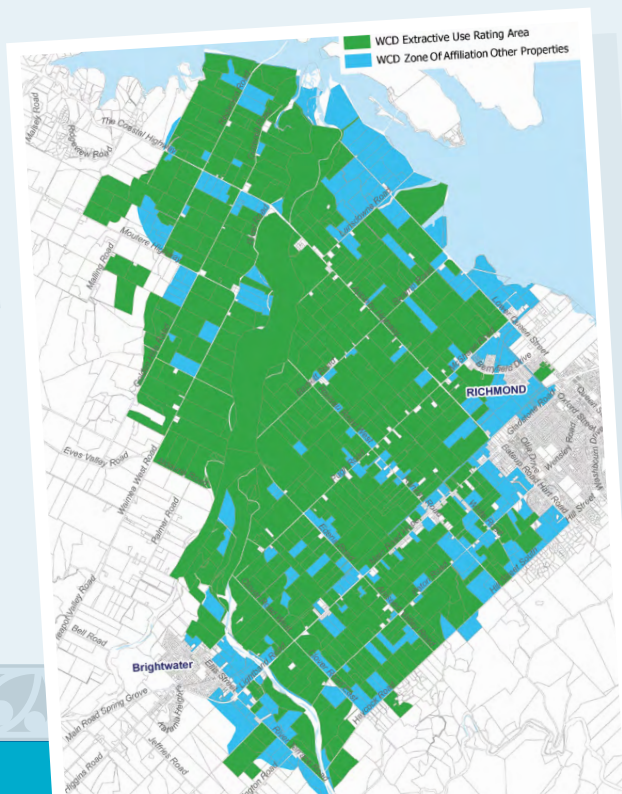
### Effect on rates:

PROPERTY LAND VALUE	TYPE	ANNUAL RATE 2021/2022	ANNUAL RATE 2025/2026
\$740,000	Affiliated	\$224	\$1,101
\$970,000	Affiliated	\$294	\$1,444
\$1,430,000	Affiliated	\$433	\$2,128
\$690,000	Other property in the Zone of Affiliation	\$42	\$205

**Effect on debt:** No impact.

**Effect on levels of service:** No impact.

ZONE OF AFFILIATION





## Alternative option D

### A mixture of targeted and District-wide rates.

This option proposes that costs are shared between properties which are serviced from affiliated water consents (as in Option A) and general ratepayers on a 60/40 basis (as in Option B). The irrigators targeted rate will be based on land value, while the District-wide rate will be on the capital value of a property.

This option acknowledges that the Dam's benefits will contribute to the wellbeing of all residents in the District – economic, social, cultural and environmental. It also acknowledges that subsidising the irrigator contribution will go some way to addressing the affordability issue for some affiliated irrigators. Properties benefiting from an affiliated water consent would pay both rates.

#### Effect on rates:

PROPERTY LAND VALUE	PROPERTY CAPITAL VALUE	TYPE	ANNUAL RATE 2021/2022	ANNUAL RATE 2025/2026
\$740,000	\$1,060,000	Affiliated	\$156	\$760
\$970,000	\$1,530,000	Affiliated	\$204	\$998
\$1,430,000	\$2,690,000	Affiliated	\$303	\$1,477
\$320,000	\$660,000	Other properties (e.g. any* property in Collingwood, Murchison, Motueka)	\$2	\$8

\*District-wide rate. **Effect on debt:** No impact. **Effect on levels of service:** No impact.

Indicative rate increases for properties with affiliated water consents is estimated at 0.0206 cents per dollar of land value in 2021/2022 increasing to 0.1010 cents per dollar of land value in 2025/2026.

The capital value District-wide based rate is estimated 0.0003 cents per dollar of capital value in 2021/2022 increasing to 0.0012 cents per dollar of capital value in 2025/2026.

Note: Affiliated irrigators would pay both the Land Value and the Capital Value Rates.

More information on the Dam funding formula and what it means for everyone's rates can be found in our draft Funding Impact Statement and Revenue and Financing Policy and Consultation Information. Head to [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz) for more information.

## CHOICE 3

# A NEW COMPANY MODEL FOR NELSON AIRPORT AND PORT NELSON

Nelson Airport and Port Nelson provide key gateways to the Nelson Tasman region.

Both are essential partners for many businesses, with most exports leaving the region either by air or sea. Jointly owned by us and Nelson City Council, they are important strategic assets that are vital to the ongoing economic and social wellbeing of our communities.

Together we are jointly proposing to transfer our shareholdings in both Nelson Airport Limited and Port Nelson Limited into a single new company. The company will be set up as an operational holding company, and will be 50% owned by us and 50% owned by Nelson City Council.

The Ministry of Transport will continue to own one share in Nelson Airport, the 'kiwishare'.

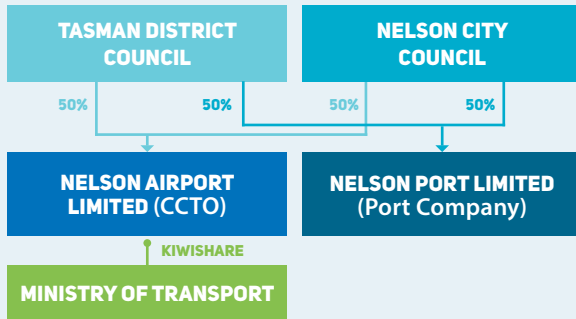
The reason for the proposed change is that there are many positive benefits that would arise from the new structure both to the companies and to the Council shareholders. These include operational efficiencies, cheaper borrowing, tax efficiencies and increased resilience for the two companies. The benefits to the Councils include better governance, debt reduction and increased future dividends. This approach will also help to mitigate some of the risks arising from economic uncertainties.

Council has taken a conservative and prudent approach by not including any financial benefits that would arise from the holding company proposal proceeding in its 10-Year Plan. There is a level of uncertainty as the approval of Nelson City Council along with this Council is required. If the project is approved by shareholders there will also be some delay while any transition occurs and the synergies, funding savings and other benefits are realised.

As part of the business proposal, seven alternative options were considered by both Councils. These were narrowed down to four reasonably practicable options. The preferred option is seen to offer the best value for the Council shareholders, while also keeping risk to an acceptable level. The options not progressed further included: asset transfer; share transfer; and changing the funding mechanism to allow Local Government Funding Agency (LGFA) borrowing through the shareholders.

Any change in the current structure of the companies is conditional on both Councils agreeing to proceed. A final decision will not be made before 30 June 2021, when both Long Term Plan's are due to be adopted.

## CURRENT OWNERSHIP MODEL



For more information please see supporting document 'A new company model for Nelson Airport and Port Nelson' at [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz).

## OUR FUTURE

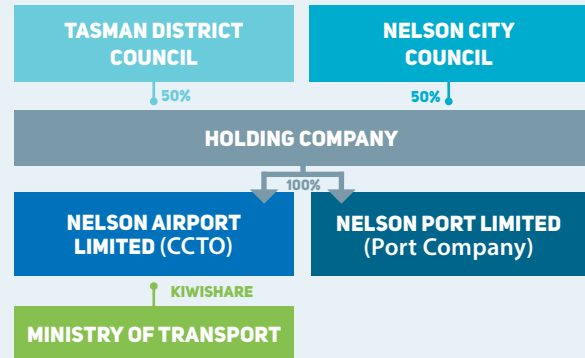
We believe the new structure will bring about significant operational efficiencies and savings.

## Our preferred choice A

**To establish a new company for holding the investments in, and overseeing operations of, Nelson Airport and Port Nelson - with Council and Nelson City Council as equal shareholders.**

A single Board of Directors, with the necessary range of skills and expertise to operate both the Airport and the Port, will replace the two existing Boards. Under the proposal one Chief Executive Officer and one Chief Financial Officer will be

## NEW OWNERSHIP MODEL



This new ownership model also applies to the preferred option and also alternative options C and D.

Do you support the Councils' proposal to establish a single joint Company that combines Nelson Airport and Port Nelson?

appointed, removing the current duplication across the two companies. A Chief Operating Officer will also be appointed to Nelson Airport, mirroring the existing role in Port Nelson. All other operational aspects of the Airport and Port will remain as they currently are.

One of the main benefits to Council will be reduced borrowing costs for the Port and the Airport, as the new Company will be able to

access Local Government Funding Agency (LGFA) loan funding directly, and hold its own debt saving an estimated \$900,000 per year. The level of operational savings is estimated between \$592,000 and \$932,000 per year, with synergies including savings in payroll, directors' fees, insurance, IT system and through joint procurement and the sharing of services.

This proposal does not result in any loss or dilution of the either Councils' overall ownership of Nelson Airport and Port Nelson.

**Effect on rates:** No immediate impact. The new company structure is forecasted to be in a position to increase dividends to shareholders.

**Effect on debt:** Potential reduction in Council debt levels if, as part of the restructure, there is a release of equity to the shareholders.

**Effect on Levels of Service:** No impact

Note: The effect on rates, debt and levels of service are the same for all options

## Alternative option B

### Status quo

We could retain the current structure, with the Port and Airport remaining independent with their own Boards and management team. The funding structure and costs associated with running and managing the two would remain as

they are currently. There would be no operational savings or advantages to either company in terms of funding differentials under this option.

## Alternative option C

### A new company established as a funding vehicle only.

Under this option we could establish a new Company as a funding vehicle only for the Port and Airport – meaning they could access reduced borrowing costs through the LGFA. All other aspects of the entities would remain the same, meaning there would be little or no direct operational synergies.

## Alternative option D

### A new company established as a funding vehicle and shared services arrangement.

As a variation to the alternative option C above, we could establish a new Company to provide a funding vehicle for the Port and Airport and also establish a single Board of Directors with a shared services agreement. Both companies will still have their own CEO's and executive teams. This provides funding benefits, taxation efficiencies and operational synergies, but the value of operational savings is significantly less than the preferred option with an estimated \$167,000 per year compared to \$932,000 per year.

## CHOICE 4

# RESPONDING TO CLIMATE CHANGE

How can we best prepare our District to adapt as our climate changes?

Our natural environment, our homes, workplaces and the areas we spend our free time are already feeling some of the consequences of our changing climate. We are experiencing more frequent weather extremes and effects, including floods, droughts and fires. We have a large coastline, inhabited by thousands of residents. Adding to the complexity, much of our public infrastructure is built near the coast.



We don't yet know how quickly climate change will affect our communities, or how severe those effects will be. But legislation, and the (Government's) decision to declare a nationwide climate emergency, has committed New Zealand to taking action now.

The Climate Change Response Act requires us as a Council to reduce our carbon emissions and prepare for and adapt to the effects of climate change. We intend to continue managing our commercial forests as a way of partially offsetting our emissions.

Through our 10-year plan, we intend to increase the resilience of our infrastructure against sea level rise and extreme weather events. The Tasman Climate Action Plan (2019) charts a path for contributing to the reduction of greenhouse gas emissions, building our resilience and adapting to our changing environment.

Many of the activities planned to help us adapt to, and mitigate the effects of, climate change are things that we would be doing as part of our business as usual – such as tree planting, waste reduction programmes and new cycle paths. Our Climate Action Plan collates all these actions together into one plan, and also identifies several new initiatives.

As part of developing our Tasman Environment Plan under the Resource Management Act, we're working on a project to involve our Tasman Bay/Te Tai o Aorere and Golden Bay/Mohua communities in planning for how we can best respond to sea level rise and coastal hazards.

A range of business as usual expenditures across our 10-year plan are likely to have positive impacts on climate change, including:

- \$9.3 million for waste management and minimisation initiatives. (paid for via government levy).
- \$38 million for active transport (Council contribution \$18.6 million).
- \$14.9 million for public transport (Council contribution \$7.3 million).
- \$10.1 million for tree planting to help store carbon (Council contribution of \$9 million).
- Work to identify the vulnerability of critical infrastructure to natural hazards and climate change.
- Continue the Coastal Management project looking at long-term adaptive planning for sea level rise and coastal hazards.
- Investigate options for a more agile response to biosecurity and pest management issues.
- Continue to manage and own our commercial forestry with a current worth of \$47.1 million.

We also propose to suspend contributions to the Emergency Fund for the next four years to soften the rates impacts of our upcoming work programme. However, we will make sure we have enough "debt headroom" that we can borrow extra money if we need to in the event of an emergency.

We have also received significant Government funding to help us implement our climate change response projects, so the full cost does not fall solely on Tasman residents. Government funding amounts to \$37.3 million (Waka Kotahi/NZTA \$27 million) over the next 10 years, with Council's contribution being \$37 million.

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To find out more about our climate response, visit [tasman.govt.nz/link/climate-response](https://tasman.govt.nz/link/climate-response).

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## OUR FUTURE

Our communities are sustainable, resilient and involved in adaptive planning processes to respond to the effects of a changing climate.

## THE CHOICE WE FACE

Where to spend our time, effort and funds to best prepare the Tasman community for the likely effects of climate change and mitigate our greenhouse gas emissions is a key decision we need to make.



Do you support the Council's proposed response for adapting and responding to climate change?

## Our preferred choice A

**Affordable level of investment spread over the next 10 years.**

Over the next 10 years, in addition to the business as usual expenditures outlined above, we plan to invest in a number of new initiatives to implement our Climate Action Plan, including:

- \$0.3 million for monitoring Council's greenhouse gas emissions and reduction planning.
- \$0.6 million for energy efficiency and renewable energy initiatives for Council buildings.
- \$1.2 million for energy efficiency initiatives in Water Supply and Wastewater.

**Effect on rates:** For every \$1 million spent on operating costs associated with climate change increases rates by about 1.3%

**Effect on debt:** Every \$1 million spent on capital projects adds \$1 million to debt (assuming Council funds).

**Effect on levels of service:** ▲ Increase.

## Alternative option B

**Higher investment in the short term.**

This option would see us investing more on climate change actions during the next 10 years. In addition to the investment in our Preferred Choice A, this would allow us to:

- Advance active transport initiatives (e.g. earlier installation of protected cycleways, earlier creation of more cycle friendly town centres, earlier creation of slow speed residential areas) by spending an additional \$37.4 million (Council contribution \$18.3 million).
- Support the local Warmer Homes programme (\$150,000 per year, unleashing \$1.35 million in EECA funding and enabling the insulation of 500 homes).
- Continue our contributions to the Emergency Fund in Years 1 to 4 of the Long Term Plan of approximately \$1.6 million per year.

This option means a higher investment in the short term, but a more proactive response to climate change to meet the needs of our community. It may also mean that investment in later years could reduce. There will be an impact on debt levels to allow the additional programmes and contributions to proceed. If Waka Kotahi/NZTA does not provide the expected funding contribution to the active transport initiatives, the full cost would fall on Tasman residents, or the initiatives will not proceed.

**Effect on rates:** In Year 1, the increased costs are \$2.1 million, which increases rates by about 2.5%. On average, the increased costs equate to \$1.8 million per annum across the 10 years.

**Effect on debt:** \$0.6 million (year 1 of LTP). On average \$1.3 million per annum across the 10 years

**Effect on levels of service:** ▲ Further increase.



**WHAT ELSE  
IS ON THE  
HORIZON?**

# DIGITAL INNOVATION

The Covid-19 crisis has changed the way we work and do business. During lockdown the Council's Information Systems Team stood up some interim solutions to meet many of the technology demands we faced – including remote working for staff and increasing the range of public services we provide online. To ensure these systems and services are enduring and meet both the Council requirements and our communities' expectations, additional investment is required.

Investing in our information technology will improve the quality, value and transparency of the services we provide and will mean our residents can engage with us in different ways. That investment will also allow us to improve the timeliness and accessibility of information that supports decision making by the Council, communities, Tasman businesses, and individuals.

Over the next three years we are proposing to invest \$13.3 million to improve our information services capability, our IT security and refresh our core applications. We want to provide a consistent, quality experience for residents where our website integrates with our other online services so we can provide more self-service, automated transactions with 24/7 accessibility. We plan to invest in

our data to enable us to share our information more effectively with residents and to increase the range of services we offer. Community wifi connectivity will be available in public spaces across our region and will serve as a gateway to engage with the Council, and as an enabler for future services.





# DRINKING WATER, WASTEWATER AND STORMWATER (THREE WATERS) REFORM

The Government is implementing a package of reforms to the Three Waters regulatory system, including establishing a new drinking water regulator (Taumata Arowai). The aim of the reforms is to recognise the challenges councils face in providing these services and to help support significant public health, environmental, economic and cultural benefits.

As the majority owner of the drinking water, wastewater and stormwater services across Tasman, our challenges include maintaining and building new infrastructure, complying with safety standards and environmental expectations, building resilience to natural hazards and climate change, and supporting growth.

In August 2020, the Government signed a Memorandum of Understanding (MoU) with a number of local authorities, including our Council, to support the improvement in Three Waters service delivery across New Zealand. Under our MoU we have been granted \$9.78 million in funding. The funds have been included in our proposed 10-Year Plan work programme to help pay for drinking water and wastewater projects.

The Government's starting intention for the future of water service delivery is for community-owned multi-regional models. With final decisions yet to be determined, the outcome could have a substantial impact on the Council's roles, structure and finances and how we collect and pay for assets such as the Waimea Community Dam.

**We expect to know more in April/May 2021. Any transfer of responsibilities is likely to occur in 2023/2024.**

While the Government is yet to announce further details on the reform programme, the Council anticipates that if the reform programme were to proceed, our interests in the Waimea Community Dam along with the associated debt would likely be transferred to a new water service entity.

Regardless of the eventual outcome, the Tasman community will continue to need drinking water, stormwater, and wastewater services. At this stage on our planning cycle for Tasman's 10-Year Plan, we have assumed that the Council will continue to provide these services. The related work programmes and budgets are included in our Activity Management Plans, Infrastructure Strategy and Financial Strategy.

# YOU MIGHT ALSO BE INTERESTED IN...

We're looking at a range of our policies and strategies at the same time as we develop Tasman's 10-Year Plan. Many of these support the 10-Year Plan, so are changing to reflect the priorities and programme we propose to focus on between 2021 and 2031.

## REVENUE AND FINANCING POLICY

Our Revenue and Financing Policy sets out the principles for funding our operating and capital expenditure. We are proposing changes to the policy to reflect changes in how we fund various services and activities. We are proposing to:

1. Combine the three existing facilities rates into two facilities rates.
2. Fund some costs of selected rural water schemes partly through general rates rather than using only targeted rates on users.
3. Fund several parts of activities (where there are multiple year benefits) through debt rather than rates.
4. Enable Reserve Financial Contributions to be used for major renewals.
5. Apply a new targeted rate on affiliated irrigators to collect their share of the budgeted additional costs for the Dam. Also see Choice 2 of this document on page 16.

More information on these changes can be found in the Revenue and Financing Policy Consultation information and draft Policy see [LTP.tasman.govt.nz](https://ltp.tasman.govt.nz).

## RATES REMISSION POLICY

This policy provides for rates relief in certain circumstances. We propose to:

- **Remission of Uniform Charges on Non-Contiguous Rating Units Owned by the Same Owner** - clarify that non-contiguous land is only eligible for rates remission if it has the same owner.
- **Remission of Rates on Low Valued Properties** - increase the threshold value for eligible properties and clarify what we mean by 'isolation strips'.
- **Remission of Rates for Land Occupied by a Dwelling that is Affected by Natural Disaster** - clarify that the remission is only available to dwellings and not to other land uses.
- **Remission of Penalties** - limit eligible applications to those received within 12 months of the penalty being applied.
- **Remission of Rates on Abandoned Land** - make abandoned land that is uneconomic for the Council to sell eligible for a rates remission.

- **Remission of Excess Metered Water Rates** - extend eligibility to non-residential ratepayers in some cases; extend eligibility for leaks anywhere on a ratepayer's property; and change the remission calculation for a second leak.

For more information see our **Rates Remission Policy Consultation information and draft Policy** see [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz)

## **DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY**

We are proposing to amend our current Development and Financial Contributions Policy. This purpose of the Policy is to allow Council to recover from developers a fair, equitable, and proportionate share of the capital costs of the infrastructure needed to support new development:

Under the draft Policy, we propose to reduce the level of Development Contribution charges in most catchments, with the exception of the Waimea catchment, where it will increase. The changes reflect the amount and cost of growth related infrastructure planned in each of the catchments.

As there is no growth driven stormwater infrastructure planned in Brightwater and Wakefield, we also do not plan to collect stormwater Development Contribution charges in those settlements.

There are a number of other proposed changes to the Policy which can be viewed in the **Development and Financial Contributions Consultation information and draft Policy** [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz)

## **SCHEDULE OF FEES AND CHARGES 2021/2022**

The Council can set a schedule of fees and charges to recover some the costs associated with its services. We are proposing to amend some of our fees and charges for year 1 of our 10-year plan. A copy of our Draft Schedule is available on our website and open for submissions [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz)

## **OTHER RATING CHANGES**

### **MOTUEKA FIREFIGHTING RATE INCREASE**

The Motueka Firefighting Rate is a fixed charge paid by all properties in Motueka that are able to benefit from Council-supplied water for firefighting. Many of these properties are not connected to the reticulated water supply for household water, but are served by Council's supply of water for firefighting capability of the reticulated network in the event of a fire on the property.



The smaller number of properties that are reticulated, pay both the Motueka Firefighting Rate and the Motueka Water Supply service charge rate.

However, the current Firefighting Rate does not reflect the true cost of providing firefighting capability, which makes up a significant portion of the total costs of running the reticulated water supply. This means that those connected to the Council's reticulated water supply are paying more than their fair share of the firefighting component of Motueka's water supply.

We propose to progressively increase the rate over the next three years, to more fairly spread the cost of providing firefighting capability across all the properties that benefit from it.

## PROPOSED CHANGE TO MOTUEKA FIREFIGHTING RATE\*

\* inc GST

Current rate (annual)	\$17.88
2021/2022 rate	\$38.45
2022/2023 rate	\$51.83
2023/2024 rate	\$70.62

## RUBBISH AND RECYCLING COLLECTION AREAS

We propose a small number of changes (affecting about 70 properties) to the Refuse-Recycling Rating Area, to ensure those who receive kerbside

collection services are rated correctly. These properties owners will be contacted directly.

## URBAN STORMWATER RATING AREA

We are also proposing some changes to the area (affecting about 50 properties) that is charged the urban stormwater rate, to better reflect the areas that benefit from the stormwater network. These properties owners will be contacted directly.

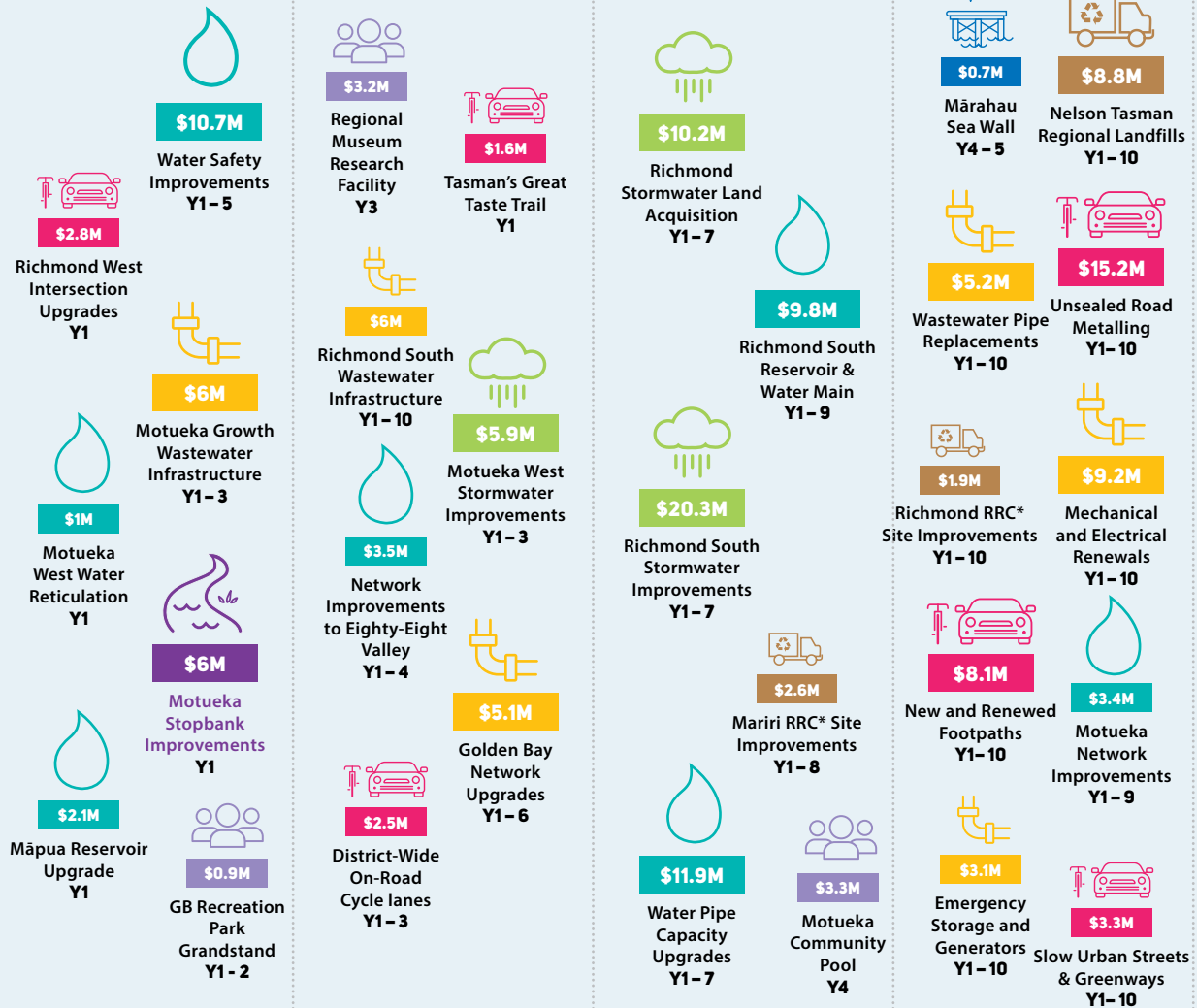
## MORE INFORMATION

For more detail see our draft Funding Impact Statement - visit [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz)



# WHAT ELSE ARE WE PLANNING OVER

Here are some of the infrastructure projects we are proposing to deliver.




# THE NEXT 10 YEARS?

\*MRF - Material Recovery Facility  
 \*RRC - Resource Recovery Centre  
 \*NRSBU - Nelson Regional Sewage Business Unit



**\$2.9M**

Sludge Removal & Reuse  
Y1-10




**\$14M**

Rivers X & Y  
Improvements  
Y1-10



**\$2.1M**

Secondary Flowpath  
Improvements  
Y1-10




**\$10.8M**

Drainage  
Renewals  
Y1-10



**\$57M**

Sealed Road  
Renewal  
Y1-10




**\$29.8M**

NRSBU\*  
Y1-10



**\$1.6M**

Stormwater  
Treatment  
Improvements  
Y1-10



**\$15.2M**

Water Pipe  
Replacements  
Y1-10



**\$1.8M**

Richmond Bus  
Terminus  
Y6-7



**\$5.3M**

RRC\* Renewals  
Y1-10




**\$0.9M**

New Boat  
Access Facility  
Y7-8




**\$10.3M**

Richmond  
Central  
Stormwater  
Improvements  
Y5-10



**\$2.6M**

Māpua  
Stormwater  
Improvements  
Y4-8




**\$34.4M**

Waimea Water  
Network  
Capacity  
Upgrades  
Y3-10



**\$2M**

Tākaka  
Stormwater  
Improvements  
Y7-8




**\$14.8M**

Richmond  
Cycleway  
Primary Route  
Y4-9




**\$7.1M**

MRF\* Facility  
Improvements  
Y2-10



**\$6.2M**

Town Centre  
Cycling  
Improvements  
Y5-10




**\$24.5M**

Waimea  
Wastewater  
Network  
Improvements  
Y1-10



**\$8.6M**

Brightwater  
/ Wakefield  
Multi-Purpose  
Community Facility  
Y6-8



**\$1.8M**

District-Wide  
On-Road  
Cycle lanes  
Y6-10




**\$7.4M**

Land for New  
Motueka  
Wastewater  
Treatment Plant  
Y8




**\$3M**

Waste  
Minimisation  
Infrastructure  
Y3-10



**\$1.2M**

Motueka  
West Water  
Reticulation  
Y9-10



**\$3.6M**

McShane Road  
Upgrade  
Y9-10

## KEY



WASTE  
MINIMISATION AND  
MANAGEMENT



WATER SUPPLY



STORMWATER



RIVERS



WASTEWATER



TRANSPORT



COMMUNITY  
DEVELOPMENT

## INVESTING IN OUR INFRASTRUCTURE

Supplying clean water, treating sewage and trade waste, minimising flooding of homes and properties and providing roads and services are some of our core services. These services help to support our Region's economic activity, protect private property and the environment, and ensure our communities wellbeing. We own and manage \$1.3 billion of infrastructure assets across these activities.

We have planned to spend \$969 million on these infrastructure services over the next 10 years. We have a large core programme of routine maintenance and renewal work that is required to maintain the network in good condition. Waka Kotahi/NZTA subsidise this cost – by \$134 million.

We also own and maintain other infrastructure that supports our community such as solid waste, libraries, parks and reserves, pools, halls, and Council property and commercial assets.

The Waimea Community Dam is due to be completed by the mid 2022 and filled over the winter of 2022, enabling enough water supply to provide water security for irrigators, and meet the growing needs of our residents and future residents in Richmond, Māpua, Brightwater, Wakefield and other urban areas and rural water schemes along the Waimea Plains.

As a way of stimulating our local economy and addressing priority issues, Central Government has

provided a significant amount of grant funding. This funding has allowed us to speed up delivery of some priority water and wastewater projects, and commence work on improving our stopbanks along the Motueka River.

## DELIVERY OF OUR CAPITAL WORKS PROGRAMME

Over the past six years, we have been unable to fully deliver our capital works programme. Looking forward, we also have an ambitious programme in place to deliver a number of projects and activities for our community. Historically, projects have been delayed due to difficulties with land purchases, consenting issues, availability of contractors, price increases and emergency events. To account for the inevitable project delays, in this 10-year plan we have built in a 10% reduction in several of our budget areas to reduce the risk of over rating.



# WHAT ABOUT BEYOND 10 YEARS?

We're also looking beyond 2031 to make sure that our infrastructure will still be providing the levels of service that our community expect and need.

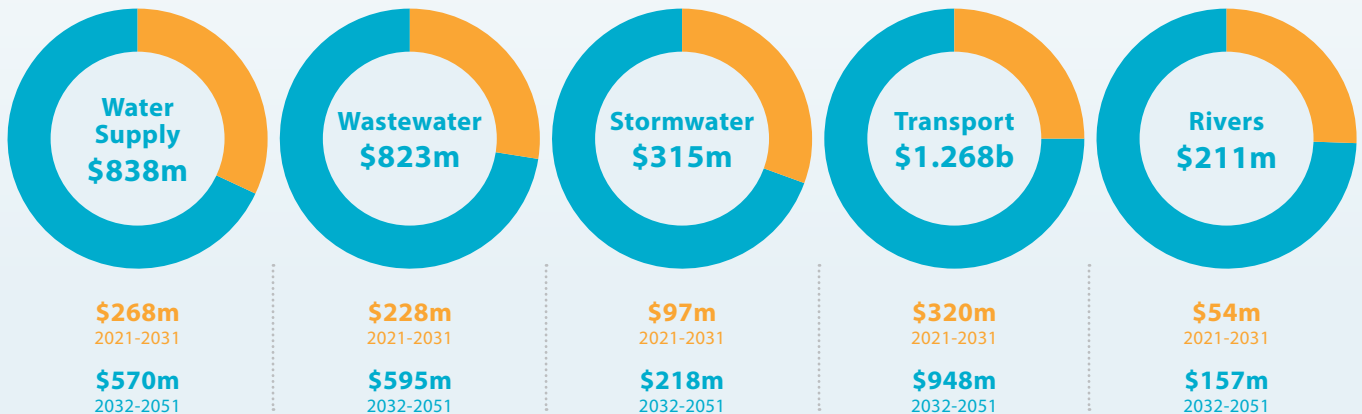
Population trends, a changing climate, improved technology and activity management practices are some of the ways we prepare for the future of our District and plan to make sure our infrastructure continues to be up to standard.

Our growth modelling indicates that we are still experiencing population growth and the demand for housing in Tasman has never been higher. Our future population estimates suggest this growth

will continue for many years to come in all of our key settlements. We have planned upgrades in Motueka, Richmond, Māpua, Brightwater and Wakefield to provide capacity for future homes that will need to connect to Council's water, wastewater, stormwater and transport networks.

For more information see our draft Infrastructure Strategy 2021 – 2051 – [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz)

## INVESTING IN OUR INFRASTRUCTURE



Figures rounded and are total costs - capital and operating (excluding depreciation)



# HOW WILL WE PAY FOR IT?

Rates affordability is an important issue for all Tasman residents. Over the past six years the Council has worked hard to keep rates and debt at an affordable level. Looking forward over the next 10 years, we have plenty of projects planned to keep our activities and assets functioning and effective as expected by our community. We will be doing this while ensuring our environment is protected and that rates are kept affordable.

## INCREASING THE CAP ON RATES AND DEBT LIMITS IN OUR FINANCIAL STRATEGY

For this 10-year budget, we are proposing to limit the average rates income (excluding growth) to a maximum of 4.5% for the first three years and also the last five years. For years four and five (2024/2025 and 2025/2026) we are proposing a maximum average rates income limit of 7.0%.

Without this level of increase, we would have to reduce existing levels of service and/or defer/cut some of the planned work projects and programmes.



## TAKING A LOOK AT THE NUMBERS FOR THE NEXT 10 YEARS



We are budgeting to spend \$1.8 billion in our District



\$1.1 billion of our overall budget will be funded by rates



Annual rates income increases of 4.5% over the next 3 years



By June 2025 our net debt is expected to peak at \$259 million. At this peak we still have capacity to increase our borrowing by up to \$105 million in an emergency. The amount we collect in rates over the next 10 years is 60% of our total revenue

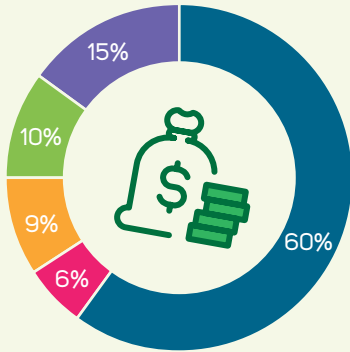
### NEW FINANCIAL CAPS

**RATES: 4.5%** YEARS 1-3 & 6-10  
EXCLUDING GROWTH  
**7.0%** YEARS 4 & 5

**NET DEBT: \$260 MILLION**

## WHERE THE MONEY COMES FROM

Over half of our overall budget (\$1.1 billion) is funded by rates. A significant portion comes from other sources such as fees and charges (when someone pays for a council service they use), government subsidies, development and financial contributions and grants.



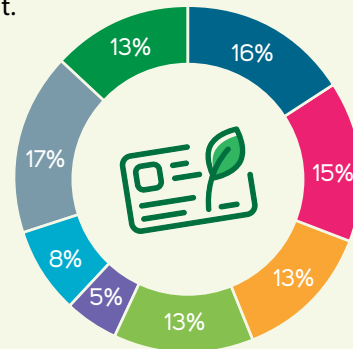
- Rates
- Development and financial contributions
- Subsidies and grants
- Fees and charges
- Other revenue (e.g. dividends, commercial income etc)

\* Excludes vested asset income.

## WHERE THE MONEY GOES

Over the next 10 years, here's where the money is expected to be spent.

- Environment and Planning
- Community Development
- Water Supply
- Wastewater
- Stormwater
- Waste Management and Minimisation
- Transportation
- Other



# EFFECT ON RATES

What does this all mean for your rates? The impact of our plans for the next 10 years, combined with the revaluation of all Tasman District properties that took place in late 2020, will begin to be seen in rates bills coming out after June 2021.

The effect on individual ratepayers can vary a lot depending on your property type, location and the services you receive. The revaluation has had a significant effect on upcoming rates changes, based on land value and capital value because of large variations in the value movement of different property types across Tasman District.

## REVALUATION 2020

The revaluation does not change the total amount the Council collects in rates. However, it can affect an individual ratepayer's bill. If your property value has increased by more than the average across the District - your rates are likely to increase; if it is less than the average across the District - your rates are likely to decrease.

If you think of the Council's rates income as a pie, the revaluation does not change the overall size of the pie, but it can change the size of a property owner's slice.

Residential properties increased an average of 22% in the 2020 revaluation, but this varied considerably between townships and between different sections of the property market.

Lower-valued residential properties saw the greatest value increases, which affects the size of rates increases that these properties will experience.

For more information on the revaluation, visit [tasman.govt.nz/rates](https://tasman.govt.nz/rates).

## Other Effects on Rates.

- Waimea Community Dam - new proposed targeted rate on affiliated irrigators
- Motueka firefighting rate increase
- Urban stormwater rating area changes
- Refuse-Recycling rating area proposed changes

**More information about the water supply changes can be found in the Revenue and Financing Policy and Consultation information at [LTP.tasman.govt.nz](https://LTP.tasman.govt.nz).**

## EXAMPLE PROPERTIES

The examples on the following pages provide a general indication of the proposed rates different property types will experience, and include the impact of the 1 October 2020 revaluation. They include the effects of the proposed Waimea Community Dam irrigator targeted rate and the proposed general rate subsidy for selected rural water schemes.

More property examples and extra detail can be found in our rating examples supporting document and the draft Funding Impact Statement – head to [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz) to read more.



## Rates Examples - Commercial/Industrial

TYPE AND LOCATION	2020 CAPITAL VALUE (CV)	WATER SUPPLY	2020/2021 ACTUAL RATES	2021/2022 PROPOSED RATES	% CHANGE
Commercial – High Street, Motueka	\$1.65 million	No metered water	\$7,112	\$6,950	-2.3%
Industrial – Cargill Place, Richmond	\$780,000	Metered water – uses 51m <sup>3</sup>	\$3,765	\$3,865	+2.7%
Utility provider	\$83.2 million		\$173,872	\$166,370	-4.3%

# RATES EXAMPLES - RESIDENTIAL



## MURCHISON

% change for 2021/2022 **+8.4%**

2020 CV: \$265,000

2020/2021 Actual rates: \$2,398

2021/2022 Proposed rates: \$2,600

Metered water – uses 131m<sup>3</sup>

Weekly increase **\$3.88**



## TĀKAKA

% change for 2021/2022 **+7.2%**

2020 CV: \$465,000

2020/2021 Actual rates: \$2,560

2021/2022 Proposed rates: \$2,745

No metered water

Weekly increase **\$3.55**



## WAKEFIELD

% change for 2021/2022 **+6.4%**

2020 CV: \$580,000

2020/2021 Actual rates: \$3,448

2021/2022 Proposed rates: \$3,669

Metered water – using 185m<sup>3</sup>

Weekly increase **\$4.25**



## MOTUEKA

% change for 2021/2022 **+3.2%**

2020 CV: \$590,000

2020/2021 Actual rates: \$3,191

2021/2022 Proposed rates: \$3,292

Metered water – uses 87m<sup>3</sup>

Weekly increase **\$1.94**





## BRIGHTWATER

% change for 2021/2022 **+2.8%**

2020 CV: \$610,000  
2020/2021 Actual rates: \$3,630  
2021/2022 Proposed rates: \$3,733

Metered water – uses 117m<sup>3</sup>

Weekly increase **\$1.98**



## MĀPUA

% change for 2021/2022 **+3.0%**

2020 CV: \$770,000  
2020/2021 Actual rates: \$2,335  
2021/2022 Proposed rates: \$2,405

No metered water or Council  
wastewater connection

Weekly increase **\$1.34**



## RICHMOND

% change for 2021/2022 **+3.1%**

2020 CV: \$800,000  
2020/2021 Actual rates: \$3,921  
2021/2022 Proposed rates: \$4,042

Metered water – uses 103m<sup>3</sup>

Weekly increase **\$2.32**

Compare your rates on our rates calculator - [tasman.govt.nz/rates-search](https://tasman.govt.nz/rates-search).



## RATES EXAMPLES - RURAL

TYPE AND LOCATION	2020 CAPITAL VALUE (CV)	WATER SUPPLY	2020/2021 ACTUAL RATES	2021/2022 PROPOSED RATES	% CHANGE
Dairy farm – Collingwood-Bainham	\$7.02 million	No metered water	\$20,930	\$16,061	-23.3%
Forestry – Lakes-Murchison	\$1.29 million	No metered water	\$3,065	\$3,344	+9.1%
Horticulture – Richmond	\$1.11 million	Metered water – uses 177m <sup>3</sup> . Not affiliated with Dam	\$3,443	\$3,863	+12.2%
Horticulture – Hope	\$2.69 million	Affiliated with Dam*	\$5,857	\$6,933	+18.4%
Pastoral farm – Wakefield	\$2.81 million	Wai-iti Dam supply	\$10,161	\$9,281	-8.7%
Lifestyle – Hope	\$1.53 million	Affiliated with Dam*	\$3,769	\$4,314	+14.5%
Lifestyle – Hope	\$1.06 million	Affiliated with Dam*	\$4,116	\$4,661	+13.2%
Lifestyle – Neudorf	\$530,000	Dovedale Rural Water Supply – 2m <sup>3</sup> /day restrictor	\$3,083	\$3,258	+5.7%
Lifestyle – Wakefield	\$2.37 million	Eighty-Eight Valley Rural Water Supply 3m <sup>3</sup> /day restrictor	\$6,623	\$6,909	+4.3%
Lifestyle – Tasman	\$1.02 million	Rural water extension to Urban Water Supply. 2m <sup>3</sup> /day restrictor	\$4,024	\$4,318	+7.3%
Lifestyle – Bronte	\$1.69 million	Redwood Valley Rural Water Supply. 3m <sup>3</sup> /day restrictor	\$5,591	\$5,967	+6.7%

\*Waimea Community Dam affiliated water consent holders

# AUDITOR OPINION



# HAVE YOUR SAY ON TASMAN'S BIG CHOICES

Tell us what you think of our plans for  
Tasman's future

There are many ways for you to provide your views



Tell us face to face – see page 51 for the list of  
events we'll be attending in your neighbourhood



Online – there are lots of options for providing  
feedback at [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz) or email [LTP@tasman.govt.nz](mailto:LTP@tasman.govt.nz)



In writing – complete the submission form and drop it in to any  
Tasman District Council office or library, or post it for free.



## YOUR DETAILS

Name \_\_\_\_\_

Organisation if applicable \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_

Would you like to speak to your submission at a public hearing? Yes  No

If yes, please indicate your preferred location:

Richmond 19 April 2021  Motueka 20 April 2021  Takaka 21 April 2021  Via Zoom

If you would like to speak to your submission, please provide your phone number so we can contact you, with the location, date and time.

*Please note: all submissions including submitters names will be made available to Councillors and to the public on our website and at Council offices and Libraries.*

# THE BIG CHOICES

Attach  
extra pages if  
you need more  
space to write or  
go online

## CHOICE 1 – HOMES FOR OUR COMMUNITY (SEE PAGE 14)

Do you support the Council's proposal (option A) to provide the necessary infrastructure to meet housing and business demand across the entire District?  Yes  No  Not sure

If no, do you prefer:  The Alternative Option B (meet growth demand only in Richmond)

Comments: \_\_\_\_\_

## CHOICE 2 – WAIMEA COMMUNITY DAM – ALLOCATION OF ADDITIONAL IRRIGATOR CAPACITY COSTS (SEE PAGE 16)

Do you support the Council's preferred option A to target rate affiliated irrigators pay their share (\$14.6 million) of budgeted additional costs?  Yes  No  Not sure

If no, do you prefer:  Alternative Option B - All ratepayers pay a District wide rate  
 Alternative Option C - A targeted rate on all properties in the new Zone of Affiliation  
 Alternative Option D - A mixture of targeted and District wide rates

Comments: \_\_\_\_\_



### **CHOICE 3 – A NEW COMPANY MODEL FOR PORT NELSON AND NELSON AIRPORT (SEE PAGE 22)**

Do you support the Council's preferred option A to establish a new company for holding the investments in, and overseeing operations of Nelson Airport and Port Nelson?  Yes  No  Not sure

If no, do you prefer:  Alternative Option B - status quo  
 Alternative Option C - A new company established as a funding vehicle only  
 Alternative Option D - A new company established as a funding vehicle and shared services arrangement

Comments: \_\_\_\_\_

### **CHOICE 4 – RESPONDING TO CLIMATE CHANGE (SEE PAGE 25)**

Do you support the Council's preferred option A for adapting and responding to climate change (Affordable level of investment spread over the next 10 years)?  Yes  No  Not sure

If no, do you prefer:  Alternative Option B - Higher investment in the short term

Comments: \_\_\_\_\_

Along with Tasman's 10-year plan we are also consulting on several other documents

### **PROPOSED REVENUE AND FINANCING POLICY CHANGES**

As well as the proposed change in Choice 2, to include a new target rate for the Dam on the affiliated irrigators, there are several other changes proposed to the Revenue and Financing Policy:

Do you have any feedback on the proposed changes and their alternative options?

Comments: \_\_\_\_\_

## **PROPOSED RATES REMISSION POLICY CHANGES**

The Rates Remission Policy is made up of a series of policies that describe the circumstances in which the Council can provide rates remissions. Council is proposing changes to a number of those policies.

Do you have any feedback on the proposed changes and their alternative options?

Comments: \_\_\_\_\_

## **PROPOSED DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY CHANGES**

Council is proposing a number of changes to the Development and Financial Contributions Policy.

Do you have any feedback on the proposed changes and their alternative options?

Comments: \_\_\_\_\_

## **CHANGES TO SCHEDULE OF FEES AND CHARGES 2021/2022**

The Council can set a schedule of fees and charges to recover some costs associated with its services. The Council is proposing to update the Schedule for 2021/2022.

Do you have any feedback on the proposed fees and charges?

Comments: \_\_\_\_\_

## **ANY OTHER FEEDBACK?**

Topic: \_\_\_\_\_

Comments: \_\_\_\_\_







# COMMUNITY CONSULTATION CALENDAR

DATE	TIME	MEETING/DROP IN	VENUE
5 March	5-6pm	Drop In then Presentation at 7pm Murchison & District Community Council	Murchison Sport Rec & Cultural Centre
6 March	10am-12pm	Māpua – Drop In	Māpua Waterfront Precinct
7 March	10am-2pm	Childrens Day – Drop In	Aquatic Centre, Richmond
8 March	7:15pm	Māpua & Districts Community Assn	Māpua Hall
9 March	11am	Golden Bay Community Board	Collingwood Firestation
11 March	4-6pm	Drop In	Richmond Mall
13 March (Sat)	9am-1.30pm	Tākaka Village Market	Tākaka
14 March (Sun)	8am-1pm	Motueka Sunday Market	Decks Reserve carpark
15 March	7.30pm	Wakefield Community Association	St Johns Worship Centre, Edward St, Wakefield
16 March	2:30-3:30pm 5pm	Drop In Motueka Community Board	Motueka Service Centre
16 March	7pm	Tapawera & District Community Assn	Tapawera Community Centre
17 March	7:15pm	Rotoiti Community Council	Lake Rotoiti Community Hall
21 March (Sun)	1-4pm	Snowden's Bush Trust 100th Birthday and Family Fun Day	Snowden's Bush, Brightwater
25 March	7:30pm	Tasman Area Assn	Tasman Church
27 March (Sat)	8am-12pm	Richmond Boot Market	Richmond Baptist Church car park
29 March	7pm	Rotary Richmond	Club Waimea, Richmond
29 March	7pm	Mārahau/Sandy Bay Ratepayers & Residents Association	Mārahau Fire Hall

**IT'S IMPORTANT YOU HAVE YOUR SAY ON THE BIG CHOICES  
FOR TASMAN. VISIT [LTP.TASMAN.GOV.T.NZ](http://LTP.TASMAN.GOV.T.NZ)**

**SUBMISSIONS CLOSE  
TUESDAY 6 APRIL 2021.**

You can submit online  
at [LTP.tasman.govt.nz](http://LTP.tasman.govt.nz)



**tasman**  
district council

Te Kaunihera o  
**te tai o Aorere**