

COMMUNITY FACILITIES FUNDING POLICY 2024 – 2034



COMMUNITY FACILITIES FUNDING POLICY

POLICY REFERENCES

• Sponsor:	Group Manager Service & Strategy
• Effective date:	1 July 2024
• Internal review due:	30 June 2027
• Legal compliance:	Local Government Act 2002 Local Government Rating Act 2002
• Associated Documents/References	Revenue and Financing Policy Financial Impact Statement
• Policy Number	To be confirmed
• Approved by Council	Date to be inserted

PURPOSE

To provide clarity and consistency about how the Council will fund community facilities.

DEFINITIONS

Community facilities – facilities owned by the Council or other organisations and open to the public for the well-being of the community, on a not-for-profit basis.

APPLICATION

All parts of this policy apply to the following types of community facilities¹ with a value of more than \$500,000 as of 1 July 2024² where the Council is an owner, part-owner or makes a financial contribution:

- pools and recreation centres;
- sports facilities;
- community halls and community centres;
- grandstands;
- artificial turfs and surfaces; and
- art and cultural facilities.

¹ The Council may choose to fund all or part of facilities that are not included within the meaning of ‘community facilities’ in this Policy, on a case-by-case basis. In doing so the Council will determine the level of funding to apply to such facilities (or parts of), including applying the community contributions provisions in this Policy, where considered appropriate.

² This threshold figure will be inflated by the relevant Local Government Cost Index on an annual basis.

COMMUNITY CONTRIBUTIONS TO COMMUNITY FACILITIES

1. The Council will make decisions from time to time about which community facilities to fund, regardless of whether community fundraising has already commenced.
2. For new or renewal community facilities (excluding facilities at Saxton Field) which the Council decides to fund, the Council will require:
 - a minimum of one-third of the total project costs to be contributed by community-led fundraising³ for the first \$3 million costs; and
 - a minimum of one-fifth of the total project costs to be contributed by community-led fundraising above the first \$3 million.
3. For new or renewal community facilities at Saxton Field which the Council decides to fund, the Council will require a minimum of 20% of the total project costs to be contributed by community-led fundraising⁴.
4. Where a community is prepared to fund two-thirds or more of a new project that is not in the Council's 10-Year Plan, the Council will consider the viability of the project and the affordability of contributing the remaining costs.

RATING FOR COMMUNITY FACILITIES

1. The Council will fund the rates funded components of the debt servicing, interest and operational costs of community facilities covered by this policy through the District Facilities Rate and the Shared Facilities Rate as follows:
 - District Facilities Rate: The Council will use the Community Facilities Rate to fund facilities located in the Tasman District and primarily benefitting Tasman residents and visitors.
 - Shared Facilities Rate: The Council will use the Shared Facilities Rate to fund approved facilities with wider regional benefits that may be located in the Tasman District or Nelson City to recognise that most of these facilities are actually used by many residents of both districts.
2. The Council will determine specifically which facilities to fund through and the level of the District Facilities Rate and the Shared Facilities Rate through its Tasman's 10-Year Plan and Annual Plans.
3. Which rating units are charged the District Facilities Rate and the Shared Facility Rate will be determined from time to time by the Council through its Revenue and Financing Policy and/or Financial Impact Statement.
4. The basis for setting the District Facilities Rate and the Shared Facility Rate (i.e. land value, capital value, flat rate) will be determined from time to time by the Council through its Revenue and Financing Policy and Financial Impact Statement.

³ Community led fundraising can include grants, donations and similar that have been generated by community applications and initiatives.

⁴ Note: this level of contribution is consistent with the Nelson City Council policy position.