



Notice is given that an ordinary meeting of the Full Council will be held on:

**Date:** Thursday 18 October 2012  
**Time:** 10.15 am  
**Meeting Room:** Tasman Council Chamber  
**Venue:** 189 Queen Street  
Richmond

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**Full Council**  
**LATE ITEMS**  
**including Report Addendum**  
**&**  
**Appendices under separate cover**

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## LATE ITEMS

### A REPORTS

- A.1 Addendum to Report RCN12-10-02 - Rates Postponement Proposal for Residential Property Subject to Zone Changes ..... 5

### B APPENDICES UNDER SEPARATE COVER

- B.1 Appendix One to Report RCN12-10-10 – Rates Remission Policy for Land Occupied by Dwelling that is Affected by Natural Disaster ..... 7
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## A.1 ADDENDUM TO REPORT RCN12-10-02 - RATES POSTPONEMENT PROPOSAL FOR RESIDENTIAL PROPERTY SUBJECT TO ZONE CHANGES

Decision Required

**Report To:** Full Council  
**Meeting Date:** 18 October 2012  
**Report Author:** Lindsay McKenzie, Chief Executive  
**Report Number:** RCN12-10-02

Item A.1

### 1 Summary

- 1.1 The purpose of this addendum to Report RCN12-10-2 is to provide an update on the 11 October 2011 meeting with some residents and ratepayers in the Headingly Lane/Lower Queen Street area. Following a debrief with the Mayor and those Councillors who were at the meeting I was asked to prepare this brief report so that Council could consider an option that came up at the meeting. As a result a new draft resolution is recommended.
- 1.2 The residents who attending the meeting 11 October 2012 (see report above) indicated that they are prepared to move from their previously held position of wanting their increased rates remitted and nothing else. A rates remission policy that provides a five year phase-in period for the new rates is a compromise they will consider. It was also acknowledged that the residents will think about the way a postponement policy could be written to meet the concerns that they have, rather than dismissing such a policy out of hand.
- 1.3 In the short time available it has not been possible to investigate the effect of rates remission policy that phases in the increase. A policy of that type is possible. It has the disadvantage of redistributing rating incidence, but over a shorter time period, and offers some advantages over a postponement policy. The financial implications will need to be modelled as it will be a policy with wider application than the 11 or 12 properties we have been focusing on.
- 1.4 A draft of a phased remission policy is attached solely to show what one could look like and how it could be applied.

### 2 Draft Resolution

**That the Tasman District Council:**

**1) receives the Rates Postponement Proposal for Residential Property Subject to Zone Changes Report RCN12-10-02 and its addendum; and**

**2) requests staff to report to the Corporate Services Committee on 8 November 2012 on the use of a rates remission policy to phase in the rate increases that result from Council initiated rezoning of land used for residential purposes; and**

**3) requests the Corporate Services Committee to instruct staff to report to the 29 November 2012 meeting of Council recommending a statement of proposal and summary of information for a Rates Postponement Policy or a Rates Remissions Policy to deal with the rating impacts of Council initiated rezoning of land used for residential purposes.**

**Or in the alternative:**

**4) takes no further action to initiate either a Rates Postponement Policy or a Rates Remissions Policy to deal with the rating impacts of Council initiated rezoning of land used for residential purposes.**

## **Draft Policy on Rates Remission for Land used for Residential Purposes Subject to Zone Changes**

### **Objective**

This Policy is to allow Council, at its discretion, to remit rates charged on any rating unit used for residential purposes that is located on land that is rezoned as a result of a Council initiated zone change. The aim of the Policy is to allow the Council to consider remitting rates for those ratepayers most adversely affected by an increase in rates when property values are increased. A transition period before the increased rates become payable in full will be the preferred approach.

### **Conditions and Criteria**

To qualify for remission under this Policy, the rating unit must:

- be situated within the area of land that has been rezoned.
- be land used for residential purposes

*for the purposes of this policy 'residential purposes' shall mean –*

- *any land used for residential as well as residential/lifestyle purposes, including land not zoned for those purposes on which a dwelling is located and is occupied by the Ratepayer as a principal place of residence but not including holiday homes.*

In addition the owner and ratepayer must:

- have been the property owner prior to the zone change being initiated
- reside permanently in the rating unit

The decision to remit all or any part of a rate or user charge shall be at the sole discretion of the Council. The Council may refuse to grant a remission even where the conditions set out in this Policy are met by a ratepayer. The Council is unlikely to grant a remission where the applicant actively sought rezoning or any deferred zone uplifting or has realised a financial benefit from the zone change.

The rates remitted will be the proportion of increase due to the change in land value only of the property as a result of zoning changes. Unless otherwise determined by Council on any application, the remitted rates will be abated at the rate of 100%, 75%, 50%, 25% and 0% of the increase in each successive year respectively commencing with the first year the increase occurs.

Any remitted rates will be remitted until:

- the death of ratepayer(s); or
- the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- the ratepayer(s) ceases to use the property as his/her residence; or
- a date determined by the Council in any particular case.
- any earlier date determined by the ratepayer in any particular case.

### **Application**

Applications for rate remission must be made to the Council prior to 31 October of the rating year to which the remission is to apply. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Each application for a rates remission will be considered on a case by case basis following receipt of an application by the ratepayer. The extent and duration of any remission shall be determined by the Council, or where appropriate, a Council officer or officers acting under delegated authority.

If an application is approved the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this type. The extent of any remission will be based on valuations supplied by Council's valuation service provider.

**APPENDIX ONE**

**To Report RCN12-10-10 – Rates Remission Policy for Land Occupied by Dwelling that is Affected by Natural Disaster**



## RATES REMISSION POLICY FOR LAND OCCUPIED BY A DWELLING THAT IS AFFECTED BY NATURAL DISASTER

### Objective

This Policy is to allow the Council, at its discretion, to remit rates charged on any rating unit used for residential purposes if the land has been detrimentally affected by natural disaster (erosion, falling debris, subsidence, slippage, inundation, or earthquake) rendering dwellings or buildings uninhabitable and requiring activities carried out on the land to cease. The aim of the Policy is to allow the Council to consider remitting rates for those ratepayers most adversely affected.

### Conditions and Criteria

1. The Council may remit all or a part of any rate or user charge made and levied in respect of land, if the land is detrimentally affected by natural disaster (such as erosion, falling debris, subsidence, slippage, inundation, or earthquake) and:
  - a. as a result dwellings or buildings previously habitable were made uninhabitable; and
  - b. the activity for which the land and/or buildings were used prior to the disaster is unable to be undertaken or continued.

*\*For the purposes of this policy –*

*‘uninhabitable’ shall mean –*

- *a dwelling or building that cannot be used for the purpose it was intended due to a ‘s124 notice’ being issued under the Building Act 2004 and the residents have been required to move out by the Council or*
- *a dwelling or building that is a total loss or*
- *as determined by Council after taking into account the matters specified in Clause 4 of this Policy*

*‘land used for residential purposes’ shall mean –*

- *any land including land not zoned for residential purposes on which a dwelling is located and is occupied by the Ratepayer as a principal place of residence but not including holiday homes*

2. The remission may be for such period of time as the Council considers reasonable, commencing from the date upon which the Council determines that the dwelling, buildings, or land were made uninhabitable and unable to be used for the activity for which they were used prior to the disaster, which shall be no less than 30 days after the event affecting the land in terms of this policy up to and limited to the time that the land and / or buildings are deemed by Council to be able to become habitable and able to be used for the activity carried out prior to the disaster.
3. The decision to remit all or any part of a rate or user charge shall be at the sole discretion of the Council. The Council may refuse to grant a remission even where the conditions set out in clause 1 are met by a ratepayer. The Council is unlikely to grant a remission where the land affected is in a known hazard prime location.
4. In determining whether or not a property is uninhabitable and the period of time for which the rates remission is to apply Council may take into account:

**Item A.1**

- a. the extent to which essential services such as water, or sewerage to any dwelling or building were interrupted and could not be supplied;
  - b. whether essential services such as water or sewerage to any dwelling or building are able to be provided; and
  - c. whether any part of the building or land remains habitable or available for use.
5. Rates remissions will only be considered following the receipt of an application by the ratepayer and the application must be received within 6 months of the event, or within such further time as Council in its sole discretion might allow.
6. Each application for a rates remission will be considered on a case by case basis following receipt of an application by the ratepayer. The extent and duration of any remission shall be determined by the Council, or where appropriate, a Council officer or officers acting under delegated authority.

**APPENDIX ONE**

**To Report RCN12-10-12 – Adoption of 2012 Annual Report**

**TO:** Mayor and Councillors  
**FROM:** Finance Manager – Russell Holden  
**DATE:** 12 October 2012  
**RE:** **COUNCIL'S 2012 ANNUAL REPORT**

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Attached is a copy of the 2012 Annual Report. It had been hoped that final Audit sign-off of the report would have been received by today, however there remains a couple of matters which are still being finalised before total clearance can be given. These matters are not significant, and the clearance from Audit is expected no later than Monday. Should there be any changes to the document before adoption, these will be presented to the Council meeting on October 18<sup>th</sup>.

The Annual Report is a substantial document containing a lot of information, should you have any questions on any part of the report please feel free to direct them to either myself or Bryce, so we can provide answers prior to the meeting.

Many thanks  
Russell Holden

*Appendix Under separate cover*