

AGENDA/KAUPAPA



P O Box 747, Gisborne, Ph 06 867 2049 Fax 06 867 8076
Email service@gdc.govt.nz Web www.gdc.govt.nz

MEMBERSHIP: Andy Cranston (Chair), Colin Alder, Larry Foster, Debbie Gregory, Ani Pahuru-Huriwai, Rawinia Parata, Aubrey Ria, Tony Robinson, Rob Telfer, Teddy Thompson, Rhona Tibble, Nick Tupara, Josh Wharehinga and Her Worship the Mayor Rehette Stoltz.

OPERATIONS - ENVIRONMENT & COMMUNITIES/NGĀ WHAKAMAHI - TE TAIAO ME NGĀ HAPORI Committee

DATE: Thursday 20 April 2023

TIME: 9:00AM

AT: Te Ruma Kaunihera (Council Meeting Room), Awarua, Fitzherbert Street, Gisborne

AGENDA – OPEN SECTION

1. Apologies.....	3
2. Declarations of Interest.....	3
3. Confirmation of non-confidential Minutes	4
3.1. Confirmation of non-confidential Minutes 2 March 2023	4
4. Leave of Absence	5
5. Acknowledgements and Tributes.....	5
6. Public Input and Petitions	5
7. Extraordinary Business.....	5
8. Notices of Motion	5
9. Adjourned Business.....	5
10. Reports of the Chief Executive and Staff for DECISION	6
10.1. 23-88 Transfer of Ownership - Inner Harbour Wharf Shed (Bond Store).....	6
11. Reports of the Chief Executive and Staff for INFORMATION	13
11.1. 23-86 Community Occupancy Policy.....	13

Operations

Reports to:	Council
Chairperson:	Cr Cranston – Environment & Communities Cr Foster - Infrastructure
Deputy Chairperson:	Cr Ria – Environment & Communities' Cr Thompson - Infrastructure
Membership:	Mayor and all Councillors
Quorum:	Half of the members when the number is even and a majority when the membership is uneven.
Meeting frequency:	Six weekly (or as required).

Functions

- To provide governance oversight of Council's operational programmes, services, activities and projects (including major projects) related to environmental operations, community development and infrastructural assets.
- To enable the progress of the Council's operational activities, projects and services.
- Its scope includes:

Environment Services and Protection

- Building Services
- Enforcement
- Environmental Health
- Pests and Plant management
- Biodiversity
- Integrated catchments
- Land management
- Animal control
- Harbour management

Infrastructure Services

- Urban Stormwater
- Wastewater
- Water Supply
- Land, Rivers and Coastal
- Local Roding Network – including associated structures, bridges and retaining walls, walkways, footpaths and road reserve, landscaping and ancillary services and facilities, street lighting and traffic management control
- Solid Waste – including landfill and transfer stations, recycling and waste minimisation

Communities

- Cultural Activities including Theatres, Museum and Public Art, Library and Tairawhiti Navigations
- Recreation and Amenity – including open spaces, parks and gardens, cemeteries, community property and the Olympic Pool complex

Planning and Development

- Customer Engagement
- Support Services

Terms of Reference

Operational oversight

- Provide governance direction for the Council's operational activities as outlined in the general purposes and scope section.
- Review and adjust relevant working programme priorities within agreed budgets, activity management plans and levels of service as per the Council's Long Term Plan.
- Receive updates on programmes, major projects/projects and activities.
- To have input into, and make decisions on, operational proposals, options and cost of projects/major projects.
- Contribute to the development of short term plans for community services and community facilities.
- Consider the strategic regulatory and compliance issues.
- Prepare submissions on any matter that is within its rationale and terms of reference for Council approval and submit on behalf of Council when timelines do not allow Council prior approval.

Asset management

- Oversee the management of all Council's physical assets – including land, buildings and roads.
- Make decisions on infrastructure and assets becoming Council's and on infrastructure and community assets on behalf of Council.
- Progress the sale of properties as approved in the Long Term Plan and Annual Plan.
- Contribute to the development of and oversee delivery of economic development projects.
- Consider proposals to change the status or revoke the status of a reserve as defined in the Reserves Act 1977 (including the hearing of submissions).

Power to Act

To make all decisions necessary to fulfil the role and scope of the Committee subject to the limitations imposed.

To establish subcommittees, working parties and forums as required.

To appoint non-voting advisory members and/or Tangata Whenua representatives to assist the Committee.

Power to Recommend

To Council and/or any standing committee as it deems appropriate.

3.1. Confirmation of non-confidential Minutes 2 March 2023

MINUTES

Draft & Unconfirmed



P O Box 747, Gisborne, Ph 867 2049 Fax 867 8076
Email service@gdc.govt.nz Web www.gdc.govt.nz

MEMBERSHIP: Andy Cranston (Chair), Colin Alder, Larry Foster, Debbie Gregory, Ani Pahuru-Huriwai, Rawinia Parata, Aubrey Ria, Tony Robinson, Rob Telfer, Teddy Thompson, Rhona Tibble, Nick Tupara, Josh Wharehinga and Her Worship the Mayor Rehette Stoltz.

MINUTES of the OPERATIONS - ENVIRONMENT & COMMUNITIES/NGĀ WHAKAMAHI - TE TAI AO ME NGĀ HAPORI Committee

Held in the Rose Room, Lawson Field Theatre, Fitzherbert Street, Gisborne on Thursday 2 March 2023 at 10.51AM.

PRESENT:

Her Worship the Mayor Rehette Stoltz, Deputy Mayor Josh Wharehinga, Colin Alder, Andy Cranston (Chair), Larry Foster, Debbie Gregory, Ani Pahuru-Huriwai, Rawinia Parata, Aubrey Ria, Tony Robinson, Daniel Thompson, Rhonda Tibble, Nick Tupara, Josh Wharehinga.

IN ATTENDANCE:

Chief Executive Nedine Thatcher Swann, Director Internal Partnerships James Baty, Acting Director Liveable Communities De-Arne Sutherland, Director Engagement & Maori Responsiveness Anita Reedy-Holthausen, Chief Financial Officer Pauline Foreman, Chief of Strategy & Science Jo Noble, Democracy & Support Services Manager Heather Kohn and Committee Secretary Jill Simpson.

Secretarial Note: Cr Pahuru-Huriwai attended the meeting via audio visual link.

The meeting commenced with a karakia.

1. Apologies

There were no apologies.

2. Declarations of Interest

There were no interests declared.

3. Confirmation of non-confidential Minutes

3.1 Confirmation of non-confidential Minutes 7 December 2022

MOVED by Cr Foster, seconded by Cr Wharehinga

That the Minutes of 7 December 2022 be accepted.

CARRIED

4. Leave of Absence

There were no leaves of absence.

5. Acknowledgements and Tributes

There were no acknowledgements or tributes.

6. Public Input and Petitions

There were no public input or petitions.

7. Extraordinary Business

There was no extraordinary business.

8. Notices of Motion

There were no notices of motion.

9. Adjourned Business

There was no adjourned business.

10. Reports of the Chief Executive and Staff for DECISION

10.1 23-23 Re-Issuing of Lease for Gisborne Yacht Club - Kaiti Beach

Acting Director Liveable Communities De-Arne Sutherland attended and acknowledged that through this process there has been a fostering of relationships with Ngati Oneone and looking forward to potential collaboration moving forward.

- Currently there is a hard surface access to the beach and Council maintains to a basic level and will continue to do so until no longer needed.

MOVED by Cr Wharehinga, seconded by Cr Ria

That the Operations - Environment & Communities/Ngā Whakamahi - Te Taiao me Ngā Hapori Committee:

1. Grants, subject to the outcome of public notification, a new land-only lease to Gisborne Yacht Club Incorporated under Section 12 Local Government Act 2002.
2. Grants a lease for a term of seven years with two rights of renewal of seven years (21 years in total). Rental to be calculated in accordance with Council's Rental Policy.

CARRIED

11. Close of Meeting

There being no further business, the meeting concluded at 10:55 am.

Andy Cranston

CHAIR

10. Reports of the Chief Executive and Staff for DECISION



23-88

Title: 23-88 Transfer of Ownership - Inner Harbour Wharf Shed (Bond Store)
Section: Liveable Communities
Prepared by: Chris Visser - Principal Community Assets and Partnerships Advisor
Meeting Date: Thursday 20 April 2023

Legal: Yes

Financial: No

Significance: **Low**

Report to OPERATIONS - ENVIRONMENT & COMMUNITIES/NGĀ WHAKAMAHI - TE TAI AO ME NGĀ HAPORI for decision

PURPOSE - TE TAKE

The purpose of this report is to seek your approval to transfer ownership of the Inner Harbour Wharf Shed (also known as the Bond Store) from Council to Ngati Oneone.

Your approval is required to give effect to the disposal of this building by Council as per agreements made in this respect several years ago.

SUMMARY - HE WHAKARĀPOPOTOTANGA

Gisborne District Council took ownership of the Inner Harbour Wharf Shed (also known as the Bond House, the Bond Store and Wharf Shed) from Port of Gisborne in 2016 as part of land negotiations associated with development works undertaken at the Port. The works required the building to be moved from its location at the Port.

It was relocated to its current site by Eastland Port on Hirini Street in May 2018 as a temporary measure, while Council worked through the future of the building.

Although the intention was to locate the Wharf Shed entirely on land owned by Eastland Port, it was mistakenly placed by them partially on adjoining private land where it remains. The Sale and Purchase Agreement for the building stated that Council would remove the building within six months.

This did not occur, and the building remains on site resulting in a number of risks and issues as set out in this report.

The landowner whose land this building is partially on has refused to pay rates on their property on the basis that their land is occupied by a Council owned building without their permission or consent.

In September 2019 Council called for Expressions of Interest from any member of the Community to remove, relocate and develop the Wharf Shed. This process was unsuccessful.

Minutes from a meeting of Council staff with Ngāti Oneone in October 2021 records that Ngāti Oneone would take ownership of building.

- They did not want it for two years.
- The purchase price for the building was \$1.

None of these matters were progressed. Ngāti Oneone have confirmed (January 2023) that as far as they understand the building is owned by them.

Council needs to actively progress transfer of ownership of this building, and actively support its removal from private land.

The decisions or matters in this report are considered to be of **Low** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - NGĀ TŪTOHUNGA

That the Operations - Environment & Communities/Ngā Whakamahi - Te Taiao me ngā Hapori:

- 1. Agrees that ownership of the building be transferred to Ngati Oneone for the sum of \$1 as agreed with them.**

Authorised by:

Michele Frey - Director Liveable Communities

Keywords: operations environment & communities, Inner Harbour Wharf Shed, Ngāti Oneone, Bond Store, transfer of ownership.

BACKGROUND – HE WHAKAMĀRAMA

1. The Wharf Shed was subject to comprehensive assessments and reports from 2016 to 2020. This includes a Heritage and Condition Assessment in 2016 assessing the building as having *considerable historic heritage significance* prior to the building being moved from the Port [prepared by Archifact Consulting] and an Issues and Options Report in 2020 [prepared by 4Sight Consulting and available on Docs on Tap] recommending options for removal of the building from its current location on Hirini Street.

History of Building and Heritage Significance

2. The building started life as a crane structure at the Port in 1887, moved to multiple locations around the Port over the following 100 years, and was subject to various modifications and uses in that time.



Fig. 7 Extract image of blockyard in 1887 showing the one of the two crane structures on rails (indicated) and the larger gantry crane under construction at the right (full image inset)
(‘Gisborne from Kaiti Hill’, WFC 102.2/59, Tairāwhiti Museum)



Fig. 17 Extract image from 1902 showing subject building (full image inset)
(16/26, Tairāwhiti Museum)

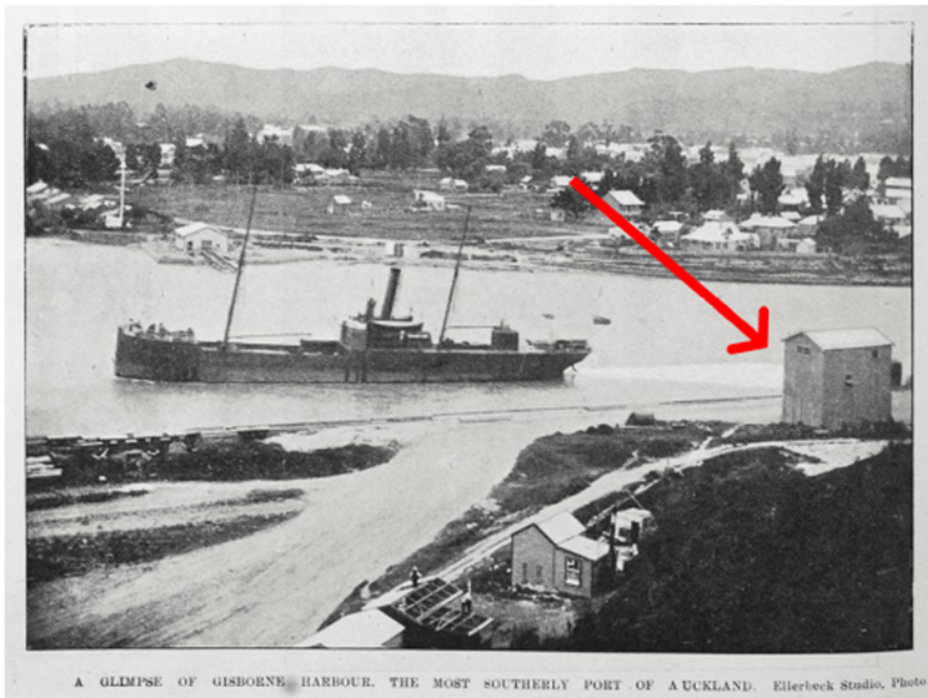


Fig. 20 Image from 1905
(Sir George Grey Special Collections, Auckland Libraries, AWNS19050803165)

3. In 2016 (prior to being moved) the Wharf Shed was assessed by Archifact Consulting as having *considerable historic heritage significance*, based on its association with the development of Gisborne Harbour and Port. They recommended it warranted recognition as a category B place in the Gisborne District Plan. That did not eventuate. The Wharf Shed was moved in May 2018 to enable development works at the Port.

4. The heritage significance of the building diminished once it was no longer in situ at the Port (assessed by 4Sight consulting and confirmed by Heritage New Zealand).
5. Council had discussions with Ngati Oneone, East Coast Museum of Technology and Tairāwhiti Museum regarding the building. None of these parties were particularly interested at that time in removing and repurposing it.
6. In September 2019 Council ran an Expressions of Interest process to remove and repurpose the building. That process was unsuccessful. Two expressions were formally received from private individuals neither of whom continued to show interest (we assume because of the costs/process regarding removal and reuse).
7. The building is not on Council's asset register; it has no value, and it is not insured.
8. In 2020 an Issues and Options report assessed various options for removal of the Wharf Shed from Hirini Street, given that the EOI process had been unsuccessful. Options included do nothing, relocation and renovation/reuse by Council or demolish and scrap.
9. The recommended option in that report was to 'demolish the building for adaptive reuse of its parts'. This was considered to strike a reasonable balance between costs and enabling some heritage value of the building to remain available by reuse of materials.
10. This recommendation was actioned, and the building offered to Ngati Oneone in mid-2021.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o NGĀ HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: Low Significance

This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: Low Significance

This Report: Low Significance

Inconsistency with Council's current strategy and policy

Overall Process: Low Significance

This Report: Low Significance

The effects on all or a large part of the Gisborne district

Overall Process: Low Significance

This Report: Low Significance

The effects on individuals or specific communities

Overall Process: Low Significance

This Report: Low Significance

The level or history of public interest in the matter or issue

Overall Process: Low Significance

11. The decisions or matters in this report are considered to be of **Low** significance in accordance with Council's Significance and Engagement Policy.

TANGATA WHENUA/MAORI ENGAGEMENT - TŪTAKITANGA TANGATA WHENUA

12. There appears to have been various discussions with Ngati Oneone regarding the building over the years, culminating in an agreement they would assume ownership of the building and would remove it from its current site on Hirini Street.
13. It is unclear what discussions had been held with Ngati Porou or Rongowhakaata regarding this building. It is noted that neither expressed any interest in the building via the EOI process in 2019.

COMMUNITY ENGAGEMENT - TŪTAKITANGA HAPORI

14. Apart from a Gisborne Herald article and public notice associated with the EOI process in September 2019, there does not appear to have been widespread communication regarding this building. A report to Future Tairāwhiti Committee (June 2018) sought approval to engage with the community to develop options for the building and, subsequently, discussions with Ngati Oneone, East Coast Museum of Technology and Tairāwhiti Museum, and a public EOI process occurred.
15. As noted above, Ngati Oneone undertook to assume ownership of the building in 2021. We contacted Ngati Oneone again in January 2023, they advise they own the building.
16. 4Sight Consulting liaised with Heritage New Zealand and confirmed that demolition or future use of the Wharf Shed does **not** require an Authority to Modify under the Heritage New Zealand Pouhere Taonga Act 2014 (HNZ Act).

CLIMATE CHANGE – Impacts / Implications - NGĀ REREKĒTANGA ĀHUARANGI – ngā whakaaweawe / ngā ritenga

17. This matter has no specific climate change impacts or implications.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

18. The non-payment of rates by the private landowner (whose land the building is partially located on) is a loss/cost to Council of approximately \$3,000 pa. Currently there is \$12,000 (including penalties) of rates outstanding on this property.
19. Council purchased the building for a confidential sum that would exceed its current value.
20. The building is not insured.
21. There is no budget for work associated with this building.
22. Asbestos survey at Council's cost is likely prior to sale. The expectations of Ngati Oneone in respect of Council contribution to dismantle the building are unknown.
23. Should the building remain in Council ownership we would need to action its removal.

Legal

24. There are no specific legal implications of transferring ownership of this building.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me ngā RITENGA WHAKAMAHERE

25. There are no specific Policy or Planning implications of transferring ownership of this building.

RISKS - NGĀ TŪRARU

The building poses several risks to Council:

26. Reputational Risk and Legal Risk - a Council-owned building has been placed on private land without permission or ongoing consent.
27. Council could seek a lease from the landowners whose land we are occupying. This has not been discussed with those landowners. Council's commitment and intention was that the building would be located there on a temporary basis only.
28. Any lease would come as a cost to Council (rent), and should the building remain where it is much longer it will require some remedial work to ensure it is safe.
29. We have written to the landowners (who live in Clevedon) advising we are aware of this building partially located on their land and advising we are working to have it removed.
30. Health and Safety – the building is relatively secure and has been inspected recently (December 2022) and no one is entering it or occupying it. It is potentially hazardous should people do so. It is unknown if the building contains asbestos (although unlikely given its age and materials) and this will need to be assessed.
31. Heritage/Historic Risk – when the building was in situ it was considered to have been worthy of Category B status and protection under the District Plan. This protection did not eventuate. Heritage New Zealand do not have any concerns regarding dismantling of the building now that its historic heritage significance has been diminished.
32. Relationship Risk – should Council decide the building should not be transferred to Ngāti Oneone that may negatively impact Council's relationship with them, given the undertakings already made in this respect.
33. Financial implications should the building remain in Council ownership. Council has no alternative site or use for this building, nor any budget for works related to it.

NEXT STEPS - NGĀ MAHI E WHAI AKE

Date	Action/Milestone	Comments
April 2023	Approval to transfer ownership of the building to Ngāti Oneone made by Council Operations Committee.	
May 2023	Council staff initiate work with Ngāti Oneone to progress formal transfer of ownership and removal of building from site.	

11. Reports of the Chief Executive and Staff for INFORMATION



23-86

Title: 23-86 Community Occupancy Policy
Section: Liveable Communities
Prepared by: Chris Visser – Principal Community Assets and Partnerships Advisor
Meeting Date: Thursday 20 April 2023

Legal: Yes

Financial: Yes

Significance: **Medium**

Report to OPERATIONS - ENVIRONMENT & COMMUNITIES/NGĀ WHAKAMAHI - TE TAI AO ME NGĀ HAPORI for information

PURPOSE - TE TAKE

The purpose of this report is to provide you a high-level overview of the key principles of the working draft Community Occupancy Policy [Policy] prior to consultation with targeted key stakeholders. Stakeholder feedback and the amended Policy will be presented to Council for final decision.

SUMMARY - HE WHAKARĀPOPOTOTANGA

The Liveable Communities Hub manages a portfolio of approximately 130 leases and licences which support community use of public land. This portfolio stretches across Tairāwhiti and includes sports clubs, childcare centres, art facilities and community halls.

Many of these leases and licences have expired. Several are overdue for renewal and fee review. We are also receiving new applications.

A Community Occupancy Policy is being developed to enable efficient and consistent management of this portfolio of work and to remove current discrepancies across the portfolio. Over the years different terms and conditions have been applied to leases and licenses. Current Rentals for Community Occupancies in Gisborne District range from \$1 p.a. to \$14,445 p.a.

A key aim of the Policy is to optimise Social Benefit outcomes of Community Occupancies on Council land. To this end the Policy includes a mechanism for assessing Community Benefit outcomes.

The Policy also proposes that the rental to be paid by Community Groups is subsidised by Council, to support affordability. The Policy proposes that market rental is not applied to Community Groups, but that rental be subsidised or waived by Council depending on the level of Social Benefit arising from the activity.

We intend to consult on the working draft Policy with key stakeholders before finalising the Policy and presenting it to Council for consideration.

The decisions or matters in this report are considered to be of **Medium** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - NGĀ TŪTOHUNGA

That the Operations - Environment & Communities/Ngā Whakamahi - Te Taiao me ngā Hapori:

1. Notes the contents of this report.

Authorised by:

Michele Frey - Director Liveable Communities

Keywords: Community Occupation Policy, Operations environment & communities.

BACKGROUND - HE WHAKAMĀRAMA

Overview of Policy

Scope

1. The Policy applies to applications from Community Groups for Community activities/ facilities. Community Groups are defined in the Policy as not for profit groups or entities providing a Community Benefit.
2. Iwi entities, whilst in many cases likely to 'fit' the criteria of a Community Group in the Policy, are not subject to the Policy as Council's relationship with Iwi is that of Treaty Partner. Applications or approaches from Iwi entities for leases and licences to occupy Council land or buildings would be guided by the Policy but not constrained by it.
3. Optimising the Community Benefit outcomes of leases and licences granted by Council is a focus of the Policy. To this end we have developed an assessment matrix for Community Benefit (detailed below) and a tool to help applicants understand and thus optimise the Community Benefit arising from their activities.
4. Commercial activities, grazing and encroachments on Council administered land and Reserves are out of scope of this Policy.

Assessment of Community Benefit

5. The Policy defines Community Benefit as:
 - *Facilities and activities which benefit a community and have few barriers to access and participation. Community benefit is likely to be greater where facilities/activities meet a demonstrated community need, and where practicable, uses partnerships and collaboration to optimise opportunities and benefits to the wider public.*
6. The degree of Community Benefit would be calculated in the proposed Community Occupancy Community Benefit Weightings Matrix, attached as Attachment A.
7. This matrix is based on the Investment Principles of Council's Community Facilities Strategy 2018, Community Facilities Strategy | Gisborne District Council (gdc.govt.nz) and forms part of our wider efforts to deliver on the strategy (included shared use and activity hubbing principles).
8. Activities and facilities are scored on a 4-point scale from poor (1) to strong (4) against several weighted principles:
 - Demonstrated Community Need; (20% weighting)
 - *The degree to which the proposed activity facility meets the needs of the community within its catchment area.*
 - Efficiency; (15% weighting)
 - *The degree to which an activity /facility complements existing or proposed activities and facilities in the community, including avoiding duplication. Facilities should enable multiple uses wherever possible to ensure facilities are used to their maximum.*

- Financial affordability of Participation; (10% weighting)
 - *The degree to which the community can afford to participate in the services, activities and programmes provided.*
- Accessibility; (10% weighting)
 - *The extent to which community activities and facilities are accessible. That is, they are equitably located within the region; they are physically accessible for people of all abilities; people are aware of their availability for the public to use; and they reflect the social demographic and cultural needs of the community in their facility catchment.*
- Partnership and Collaboration with others; (20% weighting)
 - *Working together with partners to develop and operate community facilities and activities will become increasingly important. Partnerships allow the pooling of resources such as land, people and funding and are a key tool for maximising efficiency of the network*
- Wider Benefit; (10% weighting)
 - *The degree to which the proposed activity/facility has the potential to stimulate broader goals for social and cultural development.*
- Strategic Fit; (15% weighting)
 - *The level of contribution of the activity/facility to the strategic objectives of national umbrella organisations and Council's strategic community outcomes and plans (including the Long-Term Plan and Community Facilities Strategy).*

9. Scores would be added and averaged to suggest Community Benefit of:

Score	
0 to 1.9	Poor or undemonstrated Community Benefit
2 to 2.9	Minor Community Benefit
3 to 3.9	Good Community Benefit
4	Exceptional Community Benefit

DISCUSSION and OPTIONS - WHAKAWHITINGA KŌRERO me ngā KŌWHIRINGA

Rent Determination

10. We have been in contact with other Councils to see what they have in place in terms of Policy and processes for Community leases and licences. Our draft Policy appears to be ahead of the pack. It is *not* identical as the few already in place.
11. Wellington City and Hamilton City Councils have a Community Occupancy Policy similar to this one in respect of scope. Their Policies apply a 'blanket' % waiver of market rental on land and do not attempt to assess degree of community benefit as part their assessments. Lease of buildings is subject to a variable scale, but it is unclear how (and when) those variations were determined.

12. As noted above Rotorua Lakes District Council have a flat fee for any lease or licence to a Community Group. The fee of \$150 pa was set by Order in Council a number of years ago. Staff at Rotorua Lakes District Council can see value in proposing a Community Occupancy Policy to Council but have not as yet been able to progress this. Tasman District Council have a flat fee of \$230. They are moving to on-charge rates in the form of pan charges, water and rubbish more comprehensively than they have in the past.
13. Opotiki District Council advise they do not currently charge at all for Community leases and licences, and they have a small number of mainly historic users.
14. The objective of the Policy is to support the ongoing provision of not-for-profit community services and/or recreational opportunities that provide a benefit to the community through a waiver of potential market rental.
15. Three options have been considered to determine rental:
 - Market Rental subsidised subject to assessment of Community Benefit outcomes (sliding scale) **Preferred option.**
 - Market Rental subsidised by flat rate of 90% regardless of Community Benefit Outcomes.
 - Flat fee for all occupancies.

These are discussed in more detail below, but in summary:

	Option	Pros	Cons
1	Market Rental subsidised subject to assessment of Community Benefit outcomes (sliding scale). [Preferred option]	Transparent mechanism that applies varying degree of subsidy based on the degree of Community Benefit of different activities/facilities relative to each other. Will encourage Community groups to optimise Community Benefit outcomes. Aligns with Rates Remission Policy to consider Community Benefit in remission of rates.	Assessment of Community Benefit is relatively complex. Could be considered subjective. (Note – Community Benefit assessment is intended to take place regardless of whether or not linked to rental)
2	Market Rental subsidised by flat rate of 90% regardless of Community Benefit Outcomes. [Second preferred Option]	Easy to implement.	Does not reflect Community Benefit relative to other occupancies.
3	Flat fee for all occupancies. [Not recommended]	Easy to implement.	Difficult to determine a flat fee amount given the variability of land value and scale/type of occupancy across the Region. Likely to result in inequality. Flat fees would have to be reviewed every year to capture any rent reviews which fall due.

Rental Option 1. Market Rental subsidized subject to assessment of Community Benefit outcomes (sliding scale) [PREFERRED OPTION]

16. In this option, the rental that would be paid by a Group for use of Land and Buildings would be calculated by first determining a market rate (Step 1), applying a rental subsidy according to Community Benefit Outcome (Step 2), and then considering Exceptional Circumstances and Financial Hardship (Step 3).

Market Rates (Step 1)

17. Where there is a high likelihood of demand for the Council land or building, Council staff would likely obtain an independent valuation to assess market rate for the land. Otherwise, Market Rates would be determined via an in-house assessment as set out below:

- Identify the Rateable Value of the land (RV) and calculate the RV per sqm of the land.
- Establish the area (sqm) to be occupied by the Lease or Licence.
- Multiply RV per sqm by area occupied and the expected rate of return to determine the occupied areas base rental amount.

Rental Subsidy (Step 2)

18. A rental subsidy of **up to 90%** would be applied to the Market Rate, depending on the degree of Community Benefit resulting from the activities/facilities provided by the Group.

19. Activities/facilities resulting in **Good** or **Exceptional Community Benefit** would have a **90% subsidy** applied **unless**:

- The Group has a total annual actual or forecast revenue more than \$2,000,000 **and**
- The Group has an actual or forecast financial surplus more than \$100,000 **and**
- The Group already receives Central Government Funding in support of their community outcomes.

20. Currently there are no Community Occupancy leases or licences where the Group would meet all the exceptions noted above. These exceptions are 'future proofing'. Where a group has a high income, high surplus **and** receives Central Government funding the Policy proposes that subsidy by Tairāwhiti ratepayers would not be desirable.

21. Activities/facilities resulting in **Minor Community Benefit** would have a **60% subsidy** applied.

22. Activities/facilities resulting in **Undemonstrated or Poor Community Benefit** would be subject to a **10% to 50% subsidy**.

23. The Policy states that Council Staff would support Groups throughout the application process to optimise Community Benefits arising from their activities and proposals. The scoring matrix identifies areas of opportunity to be explored by Community Groups to optimise their Social Benefit, for example collaboration and partnerships with other community groups, and more transparent and deliberate alignment with the strategic direction of any relevant parent organisation and Council's strategic community objectives.

24. The current portfolio of Community Occupancies is characterised by a high number of singularly focussed clubs and activities – particularly those that have existed for some time. With less time and financial resource available to community groups, it is critical that we encourage more sustainable operations moving forward.
25. While this may require some groups to adapt their operating models in line with the policy, we are seeking to make this deliberate step in order to ensure that new and historic tenancies are delivering the Community Benefit that should be expected of public land and consistent with the principles of Council's Community Facilities Strategy.

Consideration of Exceptional Circumstances and Financial Hardship (Step 3)

26. Community Groups may apply for a further rental subsidy based on exceptional circumstances and/or financial hardship. Applications will be assessed on a case-by-case basis and in alignment with Council's Rates Remission considerations.

Rental Option 2: Market Rental subsidised by flat rate of 90% regardless of Community Benefit Outcomes

27. We have considered applying a flat or blanket subsidy of 90% of market rental (as opposed to the sliding scale detailed above). This model would be simple to apply. It would provide the same level of council support and subsidy to any Community Group regardless of how the level of social benefit outcomes the community.
28. If rental subsidy is not linked to Community Benefit Outcomes there is less incentive for Community Groups to seek ways to optimize the Community Benefit arising from their activities and facilities.
29. Blanket waiver is not the recommended option as it does not allow Council to scale the level of subsidy support given to different groups.

Rental Option 3 – Flat Fee per annum (all occupancies).

30. Tasman District Council and Rotorua Lakes District Council both charge a flat fee for any Community Lease of Council owned or administered land, of \$230 p.a. and \$150 p.a. respectively.
31. These flat fees have not been reviewed or increased for several years.
32. The benefit of a flat fee structure is that it is clear and obvious what will be charged. There is no consideration process or determination of market rental. As such it is very easy to implement.
33. The disadvantage of a flat fee structure is that potentially very different occupancies (both in type and scale of lease/licence) pay the same amount. A flat fee would remove any consideration or recognition of relative Community Benefit in the setting of fees.
34. Determining what a flat fee would be is relatively complex. If it were to be based around Land Value the value of land occupied currently is highly variable, ranging from \$442 m2 (sites in Gisborne city) to \$3m2 (Tiniroto).

35. Assuming Council would not seek to decrease the current revenue to Council of Community Occupancies, splitting the current income across all occupancies would result in a flat fee of approximately \$1,125 per occupancy. Current Rentals for Community Occupancies in Gisborne District range from \$1 p.a to \$14,445 p.a. A 'one size fits all' model is not equitable.

ASSESSMENT of SIGNIFICANCE – AROTAKENGA o NGĀ HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: **Low** Significance

This Report: **Low** Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: **Medium** Significance

This Report: **Medium** Significance

Inconsistency with Council's current strategy and policy

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The effects on all or a large part of the Gisborne district

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The effects on individuals or specific communities

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The level or history of public interest in the matter or issue

Overall Process: **Low** Significance

This Report: **Low** Significance

36. This report is part of a process to arrive at a decision that will/may be of **Medium** level in accordance with the Council's Significance and Engagement Policy.

TANGATA WHENUA/MAORI ENGAGEMENT - TŪTAKITANGA TANGATA WHENUA

37. Up to this point (preparation of a working draft policy framework) our consultation has been internal and operationally focused, and we have not engaged with Tangata Whenua.
38. Engagement with our Treaty Partners, providing opportunities to input and advise, will be undertaken in this next stage.

COMMUNITY ENGAGEMENT - TŪTAKITANGA HAPORI

39. In addition to consultation with our Treaty Partners we propose to seek the views with groups we currently have an active relationship with (that is - we are in discussions with them regarding lease re-issue or they have recently been granted or renewed leases):

- Sport Gisborne Tairāwhiti
- Tairāwhiti Adventure Trust
- Poverty Bay Rugby Union
- Gisborne Musical Theater
- Te Ora Hau (Alfred Cox Park)
- I Site (Trust Tairāwhiti)
- Ngatapa Sports Club (Patutahi)
- Gisborne Yacht Club
- Tokomaru Bay United Sports Club
- Uawa Rugby Club
- Gisborne Free Kindergarten

CLIMATE CHANGE – Impacts / Implications - NGĀ REREKĒTANGA ĀHUARANGI – ngā whakaaweawe / ngā ritenga

40. The Policy includes that Council will seek that activities and facilities provided by Community Groups minimise adverse impacts on climate change.

41. There are some existing club buildings on land that are at risk from flooding or the impacts of climate change. These existing issues are beyond the scope of this Policy. Climate change implications will be considered on a case-by-case basis during the application process.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

42. Currently there is limited consistency in rentals applied to Community occupancies. Standardising the considerations and process around determining rental will impact existing rentals in that some would increase, and some would decrease. Given our inability to model the social benefit outcomes in the absence of any input from the Community Groups we are unable to meaningfully model the financial outcomes of the Policy. It is not the objective of the Policy to maximise revenue across the portfolio.

Legal

43. The Policy is consistent with the statutory obligations and processes regarding leases and licences.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me ngā RITENGA WHAKAMAHERE

44. As noted above, the proposed Community Benefit Weightings Matrix has been developed as a tool to support delivery of the strategic outcomes of the Community Facilities Strategy.

RISKS – NGĀ TŪRARU

Subsidised Rental

45. The Policy proposes that Community Groups are not charged market rental. There might be some that consider that any occupancy of Council land should be subject to market rental in the interests of maximising revenue to Council. This is considered a low risk. We are confident that as a general principle the wider community expect and support Council supporting activities that benefit the community.

Change in status quo terms and conditions

46. There are approximately 130 existing leases and licences, many of which have expired but are rolling over while Council develops policy, systems, and processes to work through them. Most current leases and licences are overdue for a rental review.

47. In the interests of fairness and transparency, Council must have a consistent Policy and processes in place. Currently similar activities are subject to quite different contractual obligations.

48. Any change in status quo to existing lease and licence terms and conditions, particularly in respect of fees, rentals and requirements to pay rates, will likely be of concern to existing lease and licence holders.

49. As noted above, rentals have not been comprehensively or systematically reviewed by Council for several years. This is recognised in the Policy, which states that any rental increase of more than a 30% will be phased in over a period of three years.

50. The Policy provides for greater rental waiver than outlined in the Policy on a 'case-by-case' basis in exceptional circumstances.

51. It is **not** an objective of the Community Occupancy Policy and work programme to maximise revenue return from leases and licences granted to Community Groups. There is a risk it may be perceived as such.

NEXT STEPS - NGĀ MAHI E WHAI AKE

Date	Action/Milestone	Comments
20 April	Paper received by Operations committee for information and any feedback given to staff	
Late April - June	Iwi and key stakeholder consultation	
July	Feedback from key stakeholders analysed and Policy finalised for Council consideration	
	Policy to Council Operations or full meeting of Council. (TBC)	

ATTACHMENTS - NGĀ TĀPIRITANGA

1. Community Occupancy Social Benefit Outcomes Weightings Matrix 10 January 2023 (A 2790099) [23-86.1 - 1 page]

Community Occupancy Community Benefit Outcomes - weightings table								
Project:								
Principle	Factor 1	Score (out of 4)	Factor 2	Score (out of 4)	Average (out of 4)	Weight (%)	Score	Notes
Demonstrated Community Need	The activity / facility meets an identified gap		The activity / facility is fit for its immediate catchment area					
The degree to which the proposed activity / facility meets the needs of the community within its catchment area.	1 There is no need for this activity / facility 2 There might be a need for this activity/ facility but it's not clearly demonstrated 3 There is a moderate and proven need for this activity/ facility 4 There is a strong and proven need for this activity /facility		1 It does not meet the needs of its community 2 It meets some need, but it isn't particularly well located 3 It's location is good, but there may be better options to meet community need 4 It is best located to meet community need			20%		
Maximum Efficiency	The activity / facility complements the existing network		The facility is multi use and flexible					
The degree to which an activity /facility complements existing or proposed activities and facilities in the community, including avoiding duplication. Facilities should enable multiple uses where ever possible to ensure facilities are used to their maximum.	1 It duplicates other services / facilities in the network 2 There are similar activities /facilities that could be adapted 3 It would be unique, but there may be partnerships not yet capitalised on 4 It would be completely unique within the network		1 It has a single purpose and/or is inflexible in its design 2 It allows for some clustering of activity or alternate future uses 3 It has flexible activities and future use 4 It is fully flexible, and has shared governance/ownership to facilitate changing use			15%		
Financial Affordability of Participation			Operational feasibility					
The degree to which the community can afford to participate in the services, activities and programmes provided.	1 The cost of participation is unaffordable to the majority of the community 2 The cost of participation would hard to justify 3 Participation would be affordable, but at the expense of participation in other activities 4 Participating in the services,activities and programmes is easily affordable		1 There is no demonstrated financial sustainability 2 The facility would be financially sustainable, but with a high cost or charge to users/community 3 The facility would be financially sustainable with a moderate community/user cost or charge 4 The facility would be financially sustainability with little to no cost or charge to the community			10%		
Accessibility	Equitable access		Inclusivity for all					
The extent to which community activities and facilities are accessible. That is they are equitably located within the region; they are physically accessible for people of all abilities; people are aware of their availability for the public to use; and they reflect the social, demographic and cultural needs of the community in their facility catchment	1 The activity / facility will worsen existing inequities 2 Some people won't be able to access the activity / facility 3 The activity / facility is located where everyone can access 4 The activity / facility is located specifically to reduce barriers to access		1 It's not accessible for a number of groups 2 Some people would struggle to use the activity / facility 3 Most people could use the activity / facility 4 The activity / facility will result in a more inclusive network			10%		
Partnerships and collaboration	Strategic partnerships and collaboration		Operational partnerships and collaboration					
Working together with partners to develop and operate community facilities and activities will become increasingly important. Partnerships allow the pooling of resources such as land,people and funding and are a key tool for maximising efficiency of the network	1 Minimal collaboration is evident 2 Some collaborations have been explored 3 Strategic partnerships and collaboration will support the facility's development 4 The activity / facility is scoped, conceived and designed based on collaboration and partnerships		1 Minimal planned partnerships or collaboration 2 Some partnerships but the facility is singularly managed/run 3 Some partnerships that influence management/governance 4 A truly collaborative operational model			20%		
Wider benefit	Expected social and cultural impact		Expected economic impact					
The degree to which the proposed activity / facility has the potential to stimulate broader goals for social and cultural development.	1 Minimal impact 2 Some positive impacts 3 Moderate positive impact for all, or life-changing for some 4 Widespread positive social and cultural impacts		1 Minimal or negative impact 2 Some positive impacts 3 Moderate positive impact for all, or significant for some 4 Widespread positive economic impact			10%		
Strategic fit	Alignment umbrella organisation strategy and plans		Alignment with Council strategies and plans					
The level of contribution of the activity / facility to the strategic objectives of national umbrella organisations and Councils strategic community outcomes and plans (including the Long Term Plan and Community Facilities Strategy)	1 Poor or undemonstrated alignment with umbrella organisation strategy/plans 2 Minor alignment 3 Good alignment 4 A core aspect of the delivery of umbrella organisation strategies and plans		1 Poor or undemonstrated alignment 2 Minor alignment 3 Good alignment 4 Strong alignment with the relevant strategies and plans			15%		
Weighted Average score						100%		
			Community Benefit outcome (weighted score)					
			0 - 1.9 Poor or undemonstrated Community Benefit					
			2 - 2.9 Minor Community Benefit					
			3 - 3.9 Good Community Benefit					
			4 Exceptional Community Benefit					