



**AGENDA FOR A MEETING OF THE FINANCE AND OPERATIONAL PERFORMANCE  
COMMITTEE TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE,  
LINCOLN, WAITAKERE CITY, ON MONDAY, 11 JULY 2005,  
COMMENCING AT 9.30 AM.**

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**TABLE OF CONTENTS**

<b><u>ITEM</u></b>	<b><u>PAGE NO.</u></b>
<b><u>PART A - OPENING OF MEETING</u></b>	<b>1</b>
1 APOLOGIES	1
2 URGENT BUSINESS	1
3 CONFIRMATION OF MINUTES	1
<b><u>PART B - LEGAL AND CONSTITUTIONAL</u></b>	<b>2</b>
4 AFFIXATION OF COMMON SEAL	2
<b><u>PART C - FINANCE</u></b>	<b>3</b>
5 OPERATING AND CAPITAL EXPENDITURE SUMMARIES	3
6 STATUS OF SPECIAL FUNDS	4
7 BORROWING AND INVESTMENT REPORT	5
8 PAYMENTS FOR APPROVAL	7
<b><u>PART D - GENERAL</u></b>	<b>8</b>
9 TRIENNIAL REPRESENTATION REVIEW	8
10 SALE OF SURPLUS PROPERTY AT 8 HUGH BROWN DRIVE, NEW LYNN	12
11 CHAPEL OF FAITH IN THE OAKS - UPDATE	13
12 LEASE OF STURGES WEST COMMUNITY HOUSE	16
13 WAITAKERE GREY POWER COMMUNITY LEASE	19
14 TE ATATU SOUTH LIBRARY HOURS OF OPERATION	22
15 WAITAKERE BADMINTON ASSOCIATION - DEFERRED LOAN	23
16 PROJECT TWIN STREAMS CYCLE/WALKWAYS PROJECT - PROPOSED CONSULTATION	25
<b><u>PART E - REPORTS FROM THE SUBCOMMITTEES</u></b>	<b>28</b>
17 EMERGENCY SERVICES SPECIAL COMMITTEE	28
18 TENDERS SUBCOMMITTEE	29
<b><u>PART F - PUBLIC EXCLUDED MATTER</u></b>	<b>30</b>
19 PROJECT TWIN STREAMS - PROPERTY PURCHASE	30
20 THE WAITAKERE REGIONAL SPORTS TRUST - FINANCIAL ASSISTANCE	30
PROCEDURAL MOTION TO EXCLUDE THE PUBLIC	30

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**PART A - OPENING OF MEETING**

**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFIRMATION OF MINUTES**

Meeting Minutes - Monday, 13 June 2005

**RECOMMENDATION**

That the minutes of the Meeting of the Finance and Operational Performance Committee held on Monday, 13 June 2005, as circulated, be taken as read and now be confirmed.



**PART B - LEGAL AND CONSTITUTIONAL**

**4 AFFIXATION OF COMMON SEAL**

**EXECUTION OF DOCUMENTS: 31 May to 4 July 2005**

Nº	NAME	PARTICULARS
3394	WCC	Copy DP 339647 - SPW 22264 - New Lynn Library project title amalgamation and re-subdivision
3395	WCC - Kerry Prendergast	Nomination for Office of Vice President
3396	WCC - Body Corporate DP205998	Memorandum of Variation of Land Covenant D544139.2 - CT.NA134B/246
3397	WCC - Farac	Consent to Discharge Mortgage, Transmission & Transfer - Statutory Chargeholder - s.158 Ratings Powers Act 1988 - 329 Lincoln Road
3398	WCC - Bella Vista Custodians Ltd	Memorandum of Transfer - Lot 3 DP 206924 and dedication as road - Part NA.135B/399
3399	WCC - Neil Construction Ltd	Drainage easement in gross - CT.180241 - Lake Panorama, Stage 5 - SPW 21284
3400	WCC - Gallax Holdings	Deed of Rent Review under lease already approved - Vehicle Testing Station
3401	WCC - Michael Butler Family Trust	Encumbrancee's consent to easement - Standing Order 44 (44.2)
3402	WCC	Variation of Lease of Flat 5 - 52 Fruitvale Road - Area marked 'A' DP 74985
3403	WCC - Waitakere Citizens Advice Bureau Incorporated	Funding Agreement for period 1/7/2005 - 30/6/2006 - \$333,600 plus GST
3404	WCC - Remigio Cruz	Warrant of Appointment & Evidence of Identity - No.WCC192
3405	WCC - Katharine Slack	Warrant of Appointment & Evidence of Identity - No.WCC193
3406	WCC - SJ & AM Ferrick	Memorandum of Encumbrance for road encroachment - 44 Tanekaha Road, Titirangi
3407	WCC - U & NP Doering	Drainage easement in gross - CT.87095 - 13-15 Rauhuia Crescent - SPW 20509
3408	WCC - Butler Family Trust	Consent to Variation of Mortgage - 144-146 Central Park Drive - Standing Orders 44(2)
3409	WCC - Anderson Family Trust	Partial Release of Mortgage - North Candia Road - Standing Orders 44(2)
3410	WCC - Anderson Family Trust	Release Encumbrance - North Candia Road - Standing Orders 44(2)
3411	WCC - Anderson Family Trust	Drainage easement in gross - North Candia Road - SPW 21228
3412	WCC - Anderson Family Trust	Consent as Mortgagee to drainage easement - North Candia Road - Standing Orders 44(2)
3413	WCC	Speed Limits Bylaw 2005
3414	WCC - Robert Menzie	Warrant of Appointment & Evidence of Identity - No.094

## **RECOMMENDATIONS**

1. That the Affixation of Common Seal report be received.
2. That the action taken in affixing the Common Seal on the documents as set out in the agenda report be adopted.

Report prepared by: Magdalene Conceicao, Executive Officer (Legal).



## **PART C - FINANCE**

### **5 OPERATING AND CAPITAL EXPENDITURE SUMMARIES**

#### **PURPOSE OF THE REPORT**

The purpose of this report is to inform the Finance and Operational Performance Committee as to the level of the year to date operating and capital expenditure by unit compared to budget.

#### **STRATEGIC CONTEXT**

Through the Long Term Council Community Plan processes, the Council approves operating and capital expenditure. The Council follows good practice for procurement of goods and services and ensures that funding has been provided from appropriate sources.

#### **ISSUES**

*A1* This report covers expenditure for the 11 months to 31 May 2005. The financial summaries are attached at page A1.

If any further information is required in respect of this report, other than of a general nature, please contact either the writer or the Director: Finance prior to the meeting to enable the query to be researched.

#### **CONCLUSION**

Expenditure for the 11 months to 31 May 2005 is tracking well against operational budgets.

#### **RECOMMENDATION**

That the Operating and Capital Expenditure Summaries report be received.

Report prepared by: Bob Preston, Group Manager, Financial Management.



## 6 STATUS OF SPECIAL FUNDS

### PURPOSE OF THE REPORT

The purpose of this report is to inform the Finance and Operational Performance Committee on the status of Council's Special Funds.

### BACKGROUND

Special funds are those funds held or designated by Council for a specific purpose or purposes. With the exception of the Auckland Regional Services Trust funds which are held in a separate bank account, the balances of these funds are used to offset Council's borrowing requirements. Interest is allocated to funds where applicable.

### STRATEGIC CONTEXT

Special fund movements are recommended through the Long Term Council Community Plan and Annual Plan adoption process. Special funds are classified as either "Restricted Funds" or "Non-Restricted Funds". Restricted funds are those funds that have been received by Council from a third party or parties and are to be used for a specific purpose or purposes. Non-restricted funds are funds established by a Council resolution to use and set aside its own funds and also to meet a specific purpose or purposes.

### ISSUES

A2 The Special Fund report is separated into restricted and non-restricted funds. The balances and summary transactions for the 11 months ended 31 May 2005 are attached at page A2.

If any further information is required in respect of this report, other than of a general nature, please contact either the writer or the Director: Finance prior to the meeting to enable the query to be researched.

### CONCLUSION

Special Funds are being held or designated for a specific purpose or purposes. The fund balances have been reported as required.

### RECOMMENDATION

That the Status of Special Funds report be received.

Report prepared by: Bob Preston, Group Manager, Financial Management.



## 7 **BORROWING AND INVESTMENT REPORT**

### **PURPOSE OF THE REPORT**

The purpose of this report is to provide the Finance and Operational Performance Committee with an update on borrowing and investment activity for May 2005.

### **BACKGROUND**

Waitakere City Council enters into treasury related financial contracts in the ordinary course of its business. It is the role of Council's Funds Management section to manage such contracts and the impact that they have on the organisation. All funds management transactions are governed by the Liability Management and Investment Policy (the Policy), prepared in compliance with the Local Government Act 2002. As a requirement of that Policy this report informs the Committee on the current and future movements of Council's debt and cash investments and provides a general commentary of financial market conditions.

A3-A8

The relevant portfolio and graphs reflect the estimated position as at 31 May 2005 and are attached at pages A3 to A8.

### **STRATEGIC CONTEXT**

Council's Funds Management function actively manages a large portfolio of various debt and investment instruments. The benefit of borrowing is that it enables Council to carry out the projects identified in the Annual Plan and Long Term Council Community Plan, while spreading the costs for those projects over time to recognise the future benefits. Borrowing funds therefore assist Council with its entire loans funded strategic initiatives. The Policy requires that a report detailing the management of the portfolio be presented to the Finance and Operational Performance Committee on a regular basis. The report must include information on the following subjects:

- Cash/Debt position;
- Forecasted borrowing profile;
- Interest rate profile;
- Risk management;
- Material transactions;
- Market commentary.

This report addresses the requirement of the Policy and may include other information that is relevant to the Funds Management function.

### **FINANCIAL IMPLICATIONS**

The active management of the treasury portfolio seeks to minimise Council's borrowing costs and maximise investment returns of liquid assets. The Funds Management function is also charged with seeking investors, thus ensuring that there is sufficient liquidity available for the organisation to continue its work programme. New Zealand financial markets are significantly volatile and therefore interest rate risk management is a key responsibility of the Funds Management function. Detailed financial information included within this report is intended to give assurance of the prudent management of Council's portfolio.

Council approved a new loans funded capital works programme for the 2004/2005 year, including carry forward projects from the 2003/2004 year, through the 2004/2005 Annual Plan to a maximum gross debt of \$239.468 million. Interest expense for the 2004/2005 year is budgeted to be \$9.668 million.

Council maintains Standard and Poor's Credit Ratings of A-1+ short term, and AA-long term (stable).

### **ESTIMATED SUMMARY OF BORROWING AND INVESTMENT MOVEMENTS TO MAY 2005**

Council's estimated gross term debt position has increased by \$7.718 million since April 2005, with an estimated closing balance at April month end of \$146.3 million. Estimated working capital borrowings of \$7.456 million as at 31 May 2005 have been funded using unsecured bank facilities and internal borrowing.

### **SIGNIFICANT FUNDING TRANSACTIONS ENTERED INTO DURING MAY 2005**

There were no significant funding transactions entered into during May 2005.

### **FINANCIAL MARKET COMMENTARY**

#### **Market Overview**

On 9 June 2005, Governor Alan Bollard of the Reserve Bank of New Zealand released the latest Monetary Policy Statement, which concluded with no change to the Official Cash Rate of 6.75%. In the statement the Governor stated;

*"Our current review confirms what we said in the March Statement and again at the April OCR review. Activity remains strong across many parts of the economy and inflation pressures remain persistent. Several years of strong growth have led to productive resources becoming stretched, with capacity utilisation and measures of labour shortages remaining at or near record highs.*

*However, there is sufficient evidence that the economy is slowing, and that past policy tightenings are yet to have their full effect, for us to leave policy on hold at this point.*

*While many businesses see more difficult trading conditions ahead, activity and inflation pressures in some sectors are proving stronger than anticipated. Export prices for some commodities have edged up in recent months. Household spending and housing market activity have remained firmer than expected. Non-residential construction and business investment look likely to be sustained at high levels in the near-term.*

*Overall, we assess that the balance of inflation risks remains on the upside. We base this view on the ongoing growth in debt-financed household spending; and on increases in costs - of labour, energy and freight - that are now putting considerable pressure on margins and prices.*

*With inflation projected to remain around 3 per cent through most of this year and next, a firm policy stance will be required for some time. We will be watching closely to see if inflation pressures are contained, and further tightening in monetary policy would likely be required if there are upside surprises to the inflation outlook. Certainly, there is no scope for an easing in policy in the foreseeable future."*

Financial market commentators have been forecasting for some months that the Reserve Bank of New Zealand will maintain the Official Cash Rate at 6.75% for the duration of this year and then decrease it in 2006. The 90 Day Bank Bill Rate has continued to trade at approximately 7%, indicating the upside risk that the Governor has continued to present.

Long term interest rates have trended in the opposite direction with the 10 year swap interest rate trading at around 6.50%. With New Zealand short term rates delivering good yields to international investors, the dollar has remained relatively strong with the US/NZ cross rate trading between 70.5 cents and 71.5 cents.

### Upcoming Dates

Official Cash Rate announcement - 28 July 2005.

### CONCLUSION

All transactions covered by this report have complied with the requirements of Council's Liability Management and Investment Policy.

### RECOMMENDATION

That the Borrowing and Investment report be received.

Report prepared by: Bruce Wilkin, Treasury Manager.



## 8 PAYMENTS FOR APPROVAL

### PURPOSE OF THE REPORT

The purpose of this report is to advise of payments made by the Council.

### BACKGROUND

This report provides details of payments made to external suppliers in excess of \$5,000. In addition there is a summary listing, which aggregates payments made to various organisations and suppliers for the Committee's information. These payments have already been processed as allowed by delegations approved by the Council. If any Councillor requires information regarding the nature of any payment, that information can be provided.

### STRATEGIC CONTEXT

The Council makes various payments as provided for in its Long Term Council Community Plan and Annual Plans. The Council follows good practice for procurement of goods and services and ensures that funding has been provided from appropriate sources.

### PAYMENTS

A9-A16

A summary schedule of payments made for the period 16 April 2005 to 2 June 2005 is attached at pages A9 to A10. A further schedule of all payments of \$5,000 and above, together with the reason for the payment is attached at pages A11 to A16. If a committee member wishes to ask specific questions relating to any of these payments, prior to the meeting, then such questions can be directed to the Director: Finance.

### CONCLUSION

The summary schedule of payments is shown for the period 16 April 2005 to 2 June 2005. Payments have been provided for in accordance with approved budgets.

## **RECOMMENDATIONS**

1. That the Payments for Approval report be received.
2. That the contracts let and payments made be approved.

Report prepared by: Andrew Pollock, Director: Finance.



## **PART D - GENERAL**

### **9 TRIENNIAL REPRESENTATION REVIEW**

#### **PURPOSE OF THE REPORT**

The purpose of this report is to present feedback from the key outcomes of the Triennial Review Initial Workshop held on 15 June 2005, to the Finance and Operational Performance Committee.

#### **BACKGROUND**

The Council is required to conduct a review of its representation arrangements at least every six years. Because the Council chose not to undertake a review in 2003 it must do so in the 2006 year. It is considered inappropriate to consider those aspects of the review that must be undertaken during the 2005 year (Maori Wards and Electoral System) in isolation from those aspects for which decisions do not have to be made until 2006 (Boundaries and Representation) so a full review has been commenced now.

The Local Government Commission has advised that its workload to deal with any appeals and objections will likely be substantial and it cannot assure the Council that it will be able to 'hear' submissions on the appeals and objections in all local authority areas. The Local Government Commission, however, has advised that if a local authority is able to make its determination ahead of the statutory deadlines then it is much more likely that local hearings will be possible. It is therefore recommended that the Council continues the progress through 2005 and on to 2006 seamlessly so it makes a determination well ahead of the statutory time lines, and as soon as possible after robust consultation with the community.

The Local Electoral Act 2001 provides for two alternative electoral systems. These are the First Past the Post system (FPP) and the Single Transferable Vote system (STV). The First Past the Post system is the traditional system in New Zealand local government and is the system currently used by Waitakere City Council. A local authority may resolve to change the system of elections no later than 12 September two years before a Triennial Election and that system will remain in use for at least the following two Triennial Elections.

The amended provisions of the Local Electoral Act 2001 provide that any territorial authority may resolve to establish Maori Wards. The establishment of a separate Maori Ward or Wards would require that there are sufficient numbers of Maori electors registered within the area of the territorial authority. Any Council resolution to provide further for the establishment of a Maori Ward or Wards must be made no later than 23 November of the year that is two years before the next Triennial Election.

If a valid demand for a poll (from at least 5 % of the registered electorate) on the issue of choice of electoral system and/or the introduction of Maori Wards is received before 28 February the year before a Triennial General Election then a poll must be conducted and the result of that poll will be binding and effective from that Triennial General Election. Likewise, the Council itself may resolve to hold a poll on these issues, but such a poll is also required to be held no later than 21 May 2006 (the year before the next Triennial General Election), for it to take effect at that election, failing which it can only take effect at the next but one Triennial Election. If polls are to be held on both the issues of introduction of STV and of Maori Wards it would not be cost effective to hold these separately. The estimated cost of holding a poll is around \$200,000, covering as it will, the City at large.

The governing body of every territorial authority is to consist of no less than six and no more than thirty members (Councillors) including the Mayor. There are three options available for the election of members of a territorial authority. These are elections:

- At large; or
- By Ward (where the Council area is divided into wards); or
- A combination of at large and by Ward.

Community Boards are required to be comprised of between four and twelve members, with a minimum of four elected members. There are three options available for the election of members of a Community Board. These are elections:

- At large; or
- By Electoral Subdivision (where the Community is subdivided for electoral purposes); or
- By Ward (where the Council area is divided into wards and the Community comprises of two or more complete wards).

There is however, no provision for any combination of these systems of election for Community Boards.

The first principle of the Local Electoral Act 2001 is to provide for **fair and effective representation** of individuals and communities.

With regard to fair representation the Local Electoral Act 2001 prescribes that this is to be achieved, in respect of representation arrangements, including Wards and Electoral Subdivisions for both Councils and Community Boards through the requirement to ensure that the ratio of Elected Members (other than the Mayor) to population does not vary by more than 10% within the respective Council or Community Board. The only exceptions to this 10% rule which are permitted are in respect of island or isolated communities.

Both in its decisions in respect of the 2003 Review and in its draft guidelines for the 2006 Review, the Commission has made it clear that there will be stringent interpretation of the term "isolated".

With regard to effective representation, the Local Electoral Act 2001 prescribes that this is to be achieved, in respect of representation arrangements, including Wards and Electoral Subdivisions, for both Councils and Community Boards, through the identification of Communities of Interest. All electoral boundaries are required to align with statistical meshblocks.

Pursuant to the provisions of the Local Electoral Act 2001, the Council Electoral Officer is required to manage the undertaking of this Review on behalf of Council. To this end the Electoral Officer prepared a detailed Discussion Document to brief the Councillors on the process and suggest the way forward as well appointing a project team of Council staff to assist with the management of the project. Further, a Consultant, commissioned by the Electoral Officer, has undertaken a study mapping the Communities of Interest within Waitakere City.

As required by the Finance and Operational Performance Committee resolution 358/2005 the process of consultation on the issue of Maori representation has already been initiated.

The Finance and Operational Performance Committee has delegated authority to make preliminary decisions on electoral and representation matters and make recommendations to Council for final decision. Accordingly, the outcome of this workshop is now being reported to that Committee for a formal decision.

### **STRATEGIC CONTEXT**

Active Democracy is one of the Council's nine strategic platforms identified in its current Long Term Council Community Plan and Annual Plan 2005/2006. This platform supports the involvement of citizens in the Council's decision-making process, through education, removing barriers, developing partnerships, improving information flows and supporting communities' own ways of interacting with the Council.

The Council measures its success in meeting active democracy targets by conducting regular household surveys. Although the public's perception of engagement in the Council's decision-making processes has improved since surveys were first conducted in 2001/2002, (partly due to this Council's extensive community consultation processes), the voter turnout for Council elections remains low. Voter turnout was only 35.68% during the last election. The electoral representation review process will assist the Council in determining why this is so and how to structure a system that is more conducive to active voter participation.

In addition to the Active Democracy Platform, the Treaty of Waitangi is one of the Council's overarching priorities, which must be affirmed in all the Council's activities and planning. Furthermore, the Local Government Act 2002 (Part 6), requires the Council to establish and maintain processes to provide opportunities for Maori and to foster the development of Maori capacity to contribute to its decision-making processes. The Council's commitment to the Treaty of Waitangi, together with the requirements of the Local Government Act, make it incumbent upon this Council to consider the issue of appropriate Maori representation.

### **ISSUES**

The workshop held on 15 June 2005 considered the following aspects of the Review with respect to process:

- Overview of requirements;
- The option to change the Electoral System from First Past The Post (FPP) to Single Transferable Vote (STV);
- The option of introducing separate Maori representation through a Maori Ward or Wards; and
- The methodology to be used for public consultation with regard to all matters to be consider under the review.

The consensus of the Workshop on these issues was as follows:

- That the issue of the possible change of Electoral System from First Past The Post (FPP) to Single Transferable Vote (STV) be explored at a further workshop;
- That Council wait to hear the outcome of the consultation with the Maori Community on the issue of Maori representation before considering this matter further; and
- That a focus group methodology be used for public consultation with regard to all matters to be considered under the Review, with specialist advice to be sought on the form, content and process for the focus groups.

## RESOURCES

Provision has been made in the draft Annual Plan 2005/2006 to resource the Representation Review.

## CONCLUSION

In accordance with the workshop consensus, a further workshop to explore the possible change of Electoral System from First Past the Post (FPP) to Single Transferable Vote (STV) was held on 5 July 2005, the outcome of which will be reported to this Finance and Operational Performance Committee meeting.

The process of consultation with the Maori Community on the issue of Maori representation will be reported back to Te Taumata Runanga and the Finance and Operational Performance Committee.

Preparations for public consultation with regard to all matters to be considered under the Review the focus group methodology are likewise underway.

## RECOMMENDATIONS

1. That the Triennial Representation Review report be received.
2. That the Finance and Operational Performance Committee consider the System of Election in the light of outcome of the 5 July 2005 workshop on Electoral Systems.
3. That the Council wait to hear the outcome of the consultation with the Maori Community on the issue of the possible introduction of separate Maori representation through a Maori Ward or Wards before pursuing the matter further.
4. That the initial consultation with the wider community in order to arrive at substantive proposal on the three issues being reviewed (Electoral System, Maori Representation and the composition and basis of election for Council and Community Boards) be undertaken and include the use of focus groups on the basis outlined in the report.

Report prepared by: Charlie Inggs, Deputy Electoral Officer.



## 10 SALE OF SURPLUS PROPERTY AT 8 HUGH BROWN DRIVE, NEW LYNN

### PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Finance and Operational Performance Committee to sell a property at 8 Hugh Brown Drive, New Lynn which is now surplus to Council's requirements.

### BACKGROUND

Council purchased the property at 8 Hugh Brown Drive, New Lynn (Lot 23 DP 20556) in November 2001 to enable the development of a pump station on the rear of the property to improve the New Lynn wastewater system.

A17

Construction of the pump station has been completed, and the area of land around the pump station has been fenced. A concrete driveway has been constructed to provide vehicle access to the pump station site. The lot that Council is retaining includes this driveway so that uninterrupted vehicle access to the pump station will be available at all times. The land to be retained for the pump station and the access are shown on the attached plan at page A17.

The balance of the property at 8 Hugh Brown Drive, which includes a residential dwelling on a 574m<sup>2</sup> site, is now surplus to Council requirements. The dwelling is currently subject to a tenancy arrangement.

### STRATEGIC CONTEXT

The strategic context for the three waters is that Waitakere takes an innovative approach in managing drinking water supply, wastewater and stormwater. This is to ensure that the services in all three areas are efficient, reliable and high quality and minimise impacts on the environment over the long term.

Council is committed to managing wastewater and stormwater in ways which will:

- Protect public health;
- Enhance environmental values; and
- Use financial resources wisely.

### ISSUES

For the sale to proceed the Finance and Operational Performance Committee should recommend to Council that approval to the sale be given and that the requirements of Section 40 of the Public Works Act 1981 have been fulfilled.

Section 40 of the Public Works Act 1981 provides that where any land held for a public works is no longer required for that public work, the local authority shall offer to sell the land to the person from whom it was acquired. Such an offer has been made to the former owner who has confirmed in writing that they do not wish to purchase the surplus property.

A survey of the pump station site has been carried out and the site can now be 'set apart' for a pump station in terms of Section 52(4) of the Public Works Act 1981. This process is exempt from the Resource Management Act 2001 and therefore a subdivision consent is not required. A statutory declaration from Council will be required in terms of Section 52(7) of the Public Works Act 1981 stating that Council is authorised by law to undertake the work for which it is proposed to set the land apart.

## RESOURCES

The net proceeds from the sale will be used to pay off debt as the purchase of the property was funded from loans raised from wastewater works. The estimated sale price is circa \$300,000.

## CONCLUSION

Part of the property at 8 Hugh Brown Drive is surplus to Council requirements now that the pump station has been constructed on the rear portion of the property. The surplus property has been offered back to the former owner in terms of section 40 of the Public Works Act 1981, and they have declined the offer.

For the sale of the property on the open market to proceed, Council must now approve the sale of the surplus property on the open market and determine that the requirements of Section 40 of the Public Works Act 1981 have been fulfilled. It is recommended that this Committee make these recommendations to Council.

## RECOMMENDATIONS

1. That the Sale of Surplus Property at 8 Hugh Brown Drive, New Lynn report be received.
2. That it be recommended to Council:
  - (a) That it be noted that the surplus land has been offered back to the former owners consistent with the requirements of S40 of the Public Works Act 1981, and they have declined;
  - (b) That the land for the pump station at 8 Hugh Brown Drive be requested to be set apart pursuant to S52(4) of the Public Works Act;
  - (c) That the residue of Lot 23 DP 20556 be approved to be sold with the Chief Executive Officer authorised to execute any Agreement for Sale and Purchase; and
  - (d) That the net proceeds of sale as aforesaid be applied to reduce the relevant Wastewater Loan.

Report prepared by: Richard Taylor, Assets and Network Manager.



## 11 CHAPEL OF FAITH IN THE OAKS - UPDATE

### PURPOSE OF THE REPORT

The purpose of this report is to provide the Finance and Operational Performance Committee with an update on recent events surrounding the management of the Chapel of Faith in the Oaks in Waikumete Cemetery.

## BACKGROUND

The Chapel of Faith in the Oaks is one of only 16 Category I heritage buildings in the City. It is also listed as a Category II heritage building by the NZ Historic Places Trust. The heritage listings mean that the Chapel building is considered to be significant and any modifications to the building will require consultation with the NZ Historic Places Trust.

The Chapel was constructed in 1886 and was regularly used for church services up to 1926. The condition of the building deteriorated rapidly from 1969 to 1976. In 1977 a group of concerned local residents established a restoration programme for the Chapel, forming the Waikumete Restoration Trust in 1978.

Prior to amalgamation, Waikumete Cemetery was managed by Auckland City Council. In 1977, Auckland City Council established a 33 year lease agreement with the Chapel Restoration Board Incorporated. That lease imposed a duty on the Board to restore and maintain the Chapel and oversee a limited range of activities in that building. The original trust board documentation, provided for an inter-denominational governance structure. The Waikumete Chapel Restoration Board Incorporated is registered under the Charitable Trust Act 1957. The Trust completed its restoration of the chapel in 1986 and the Chapel was renamed "The Chapel of the Faith in the Oaks" after the grove of large oak trees around its perimeter.

The Chapel is now managed by a Trust that was re-formed in 1998. The Trust is comprised of the Cemetery Manager, Ron Hanson (Chairman), Pat Wojcik (secretary), Reverend Smallfield (Church of England), Mary Gilligan (Friends of Waikumete), Judith Cregeen, David Lawrence (community representative), John Powell, Barbara Farac-Ciprian (Custodian) and Councillor Clews. The Trust has limited income sources from filming activities in the Chapel, funerals and wedding services.

## STRATEGIC CONTEXT

The Council has nine strategic platforms in its Long Term Council Community Plan. The Urban and Rural Villages platform, aims to: "Protect and celebrate the City's cultural diversity and heritage. Work in partnership with the many cultures of the City. Plan for the protection and celebration of all kinds of heritage in the City - e.g. Maori, industrial and environmental."

The Council has produced a heritage strategy and action plan that draws together broad protection policies with an implementation programme.

## ISSUES

The Chapel walls are subject to cracking. The Trust applied for and was subsequently granted consent to prune a protected Oak tree in close proximity to the Chapel. Representatives from the Trust have written to Council and met with Council staff to discuss the state of the building. Representatives of the Trust believe that removal of a heritage oak tree would considerably improve the situation as they contend that the tree roots are undermining the Chapel foundations.

Council has obtained a copy of a building report commissioned by both the Trust and the New Zealand Historic Places Trust in 1994 that examined the state of the building then and recommended a number of urgent repairs and on-going maintenance programme. The report identified that the majority of defects in the chapel are the result of moisture entering the building fabric over a lengthy period of time. The report recommended that the following work should be undertaken relatively quickly:

- Site drainage;
- Structural remedial measures - underpinning of all building foundations with piles;
- Roof repairs, re-positioning of gutters to provide falls, adequate down-pipes and rain water heads, regular clearing of debris;
- Groundwater drainage to be installed to reduce moisture rising within the walls;
- Repair of cracks, plasterwork and re-painting exterior timber work, doors and joinery.

It is understood that Council's property services paid for, and let contracts for repair and maintenance works some time ago. However, not all of the items identified for repair and maintenance in 1994 were carried out.

Council staff met with representatives from the Trust in the first week of June 2005. The meeting highlighted a number of issues including:

- Limited financial resources to undertake an extensive repair and maintenance programme (the Trust has around \$17,000 in total);
- Limited sources of income - primarily from filming activities, around six funerals per year and shrinking numbers of weddings;
- A willingness to wind up the Trust and hand the building back to Council;
- A plea to Council staff to facilitate repair and maintenance works.

A18-A20

Following on from the meeting with Council staff, the Trust wrote to Council and a copy of relevant correspondence is attached at pages A18 to A20.

The original lease agreement makes it clear in Clause 18 that the Council is not legally responsible for damage to the building caused by water or leakage problems. It states:

*"18. The lessor will not be liable for any damage to the premises or the lessee or any of the lessee's servants employees or licensees or the lessee's property fixtures or fittings caused either through water entering the premises through windows, walls, ceilings, roofs, gutter, or through stoppage leakages or breaks or defects in electric installations or apparatus or any pipes, sinks and other parts of the building."*

Council staff have commissioned reports from suitably qualified experts on the state of the building and maintenance options. The building and maintenance options will be reported back to this Committee.

In addition, advice has been sought from the Legal Services Manager on risk, liability and governance issues. The lease agreement is clear that maintenance issues are the responsibility of the trust. If Council is going to assume financial responsibility for the repair and maintenance of the Chapel, it would be preferable for the Trust to surrender the lease and for the Trust to be "wound up". The basis for this advice, is that Council should not be involved in funding maintenance where that is not our responsibility under the lease agreement and where there may be governance issues in the future about what works should be undertaken, or what use the Chapel may be used for once the works are completed. A trust, with a 33 year period right of renewal, is well-placed to seek external sources of funding.

## RESOURCES

Council staff are in the process of scoping this project in terms of the repairs and maintenance required to address cracking in walls and drainage/moisture problems. Ecowater has budget through the Cemetery Special Fund to handle heritage projects concerning Waikumete Cemetery. However, maintenance of this Chapel was not anticipated prior to requests by the Trust.

## CONCLUSION

It is clear that the Council does not have any obligation to facilitate the repair and maintenance of the Chapel, as this is within the ambit of the Trust and lease agreement. There are external sources of funding available to the Trust such as the Portage Licensing Trust, ASB Charitable Trust and the Lotteries Grant Board. It is considered that the updated building report will provide the Committee with information on the nature and cost of works to restore the Chapel. This information will influence decisions to be made by the Committee around governance options, ownership and possible future uses for the Chapel.

## RECOMMENDATIONS

1. That the Chapel of Faith in the Oaks - Update report be received.
2. That Council staff report back the results of the building assessment, together with projected costs and options for the repair and maintenance of the Chapel of Faith in the Oaks building.

Report prepared by: Alina Hughes, Principal Advisor, Heritage.



## 12 LEASE OF STURGES WEST COMMUNITY HOUSE

### PURPOSE OF THE REPORT

The purpose of this report is to consider leasing the Summerland Drive Community Facility to the Sturges West Community House Incorporated.

### BACKGROUND

Comprehensive community consultation was undertaken in 2002/2003 to plan for a community facility in the Sturges West area. The community vision that emerged from this consultation indicated that the community wished for this facility to:

- Be a multi functional facility that provides this new community with a 'hub';
- Have input from local residents in terms of management, services and classes provided; and
- Blend in with the surrounding homes and schools.

In October 2003 Council resolved that the Summerland Drive Community Facility be established next to the Summerland Drive Primary School and be funded \$660,000 in 2004/2005 for detailed design and construction. Council staff worked closely with the community on this project and many community members were part of the Summerland Drive Community Facility Project Advisory Group (Project Advisory Group).

In June 2004 the City Development Committee agreed that the facility would operate as a Community House, that is as a Council owned and community managed facility. There are currently six Council-owned Community Houses in Waitakere which are managed by volunteer management committees made up of local residents providing relevant services to their local communities.

The City Development Committee also agreed that Leisure Services staff would work with the existing community members from the Project Advisory Group to establish a volunteer community Management Committee for the Summerland Drive Community Facility now agreed by Council to be known as the Sturges West Community House.

Construction work on the Sturges West Community House is planned to begin in June 2005 with completion anticipated in December this year. Council officers have worked closely with the Sturges West community over the past year to establish a volunteer community Management Committee for the Sturges West Community House. The volunteer community Management Committee was established and registered as the Sturges West Community House Incorporated in October 2004. They held their inaugural Annual General Meeting in February 2005. The Sturges West Community House Incorporated is made up of eight local residents including Western Heights Resident and Ratepayers members and also the Summerland Primary School Principal. Many of the Sturges West Community House Incorporated members have been involved with the project for some years and were members of the Project Advisory Group.

A21

The building will be a single storey community house with a floor area of approximately 294m<sup>2</sup>. It will incorporate a meeting hall and information management learning centre. It is sited on 5 freehold lots (Lots 101-105, DP 202171) at the corner of Summerland Drive and Brookwood Drive, see plan attached at page A21. The Sturges West Community House Incorporated will lease most of the building but Libraries will administer the IT suite.

### **STRATEGIC CONTEXT**

The development of the Sturges West Community House contributes to the "Urban Village" concept by improving social contacts for residents and protecting the natural environment. Through the partnerships with Ministry of Education and the local school community it was envisaged that the new primary school would become the focal point for the area and also be a leading national example of sustainable development through the integration of:

- Sustainable building principles;
- Energy, waste and water efficiency;
- Co-location and shared use of school and community facilities; and
- Green network projects.

Community and leisure facilities and activities contribute to Council's Wellbeing and Urban and Rural Village strategic and policy objectives by helping provide networks of appropriate and accessible public buildings as key community focal points, and through a wide range of low cost, low impact community activities.

Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities are provided.

Through adoption of First Call for Children, Council has also stated its commitment to proactively supporting children, young people and their families in Waitakere City.

The Local Government Act 2002 makes it Council's responsibility to promote the social, economic, environmental and cultural well being of communities both in the present and for the future.

## ISSUES

The Sturges West Community House Incorporated now wish to approach various agencies for funding and has applied to lease this community facility. The funding agencies require the Sturges West Community House to have a lease in place before grants will be made available.

The Community Leases Policy provides that priority will be given to lease applicants who increase participation in community activities. The policy also provides for a standard five year term and it is proposed that a lease of this term should be granted with a right of renewal for a further five years at Council's option. The rent the Sturges West Community House Incorporated should pay has been assessed at the standard minimum fee.

## RESOURCES

A sum of \$25,000 has been included in the draft Annual Plan for 2005/2006 to fund the Sturges West Community House Incorporated to employ a part time coordinator and also for some operational expenses. A draft funding agreement between Council and the Sturges West Community House Incorporated was agreed to by the City Development Committee in March 2005. The agreement is based on those the Council has with the other six Community Houses in Waitakere. Council officers continue to work closely with the Sturges West Community House Incorporated to ensure that all the necessary steps are taken to enable the Sturges West Community House to be operational from January 2006. The Sturges West Community House Incorporated has recently completed their business plan and three year strategic plan. They are now working on a funding plan to outfit the Sturges West Community House and recruit a part time coordinator to start in October 2005 in order to have the Sturges West Community House fully operational in January 2006.

Council staff provide information and advice to the Community House Coordinators and Management Committees and also have a role in monitoring the funding agreements. In addition to annual operational grants for Community Houses, Council also provides the Community House Training Fund of \$3,500 administered by Waitakere Workers Education Association. The Training Fund is used to fund external training and facilitation needs for the Community Houses, Coordinators, and Management Committee Members. Council also grants \$8,500 per year for the Waitakere Workers Educational Association to provide additional support and training for Community House Coordinators and Management Committees.

## CONCLUSION

It is anticipated that the Sturges West Community House will be completed in late 2005. The Sturges West Community House Incorporated has now applied for a lease of this facility in anticipation of the facility's completion so it can apply for grants from funding agencies. It is recommended that a lease be granted to the Sturges West Community House Incorporated.

## RECOMMENDATIONS

1. That the Lease of Sturges West Community House report be received.
2. That the Chief Executive Officer be given authority to negotiate and execute a lease with the Sturges West Community House Incorporated for the Sturges West Community House (part of Lots 101-105, DP 202171).

Report prepared by: Polly O'Brien, Community Resources Project Leader and Alastair Dougal: Solicitor, Legal Services.



13 **WAITAKERE GREY POWER COMMUNITY LEASE**

**PURPOSE OF THE REPORT**

The purpose of this report is to consider changing the Waitakere Grey Power Association Incorporated lease of an office space at Te Atatu South Community Centre from a commercial lease to a community lease.

**BACKGROUND**

Grey Power was established in 1985 and has a current membership of around 2,300. Grey Power is operated entirely by volunteers and their aims and objectives include advancing, supporting and protecting the welfare and well being of older people. Accommodation, office administration and quarterly newsletter costs are funded by modest annual membership fees (and one off funding from the Licensing Trust to cover office rental for 2004). Council's Community Assistance Coordinator has met with Grey Power to determine possible funding sources for their newsletter and administrative costs. Grey Power provides a community service including a drop-in information and advice centre operating from an office space at the Te Atatu Community Centre five days a week. Grey Power members also volunteer at hospitals as information officers, assist and support the cancer society, and run a volunteer transport service. Although the main focus of Grey Power's service cater for the over-fifty demographic many of their volunteer services benefit the wider community.

Grey Power has occupied an office space at the Te Atatu Community Centre since February 2004. They were previously based at Ratanui Street rent free on a month to month tenancy and needed to relocate in early 2004 as the building had been identified to be demolished for the development of the Unitec/Council Library. As no alternative community leases were available at the time Grey Power approached the Council about leasing a semi-used library storage room at the Te Atatu South Community Centre. After determining the suitability of the space Council officers negotiated a Tenancy Agreement with Grey Power to lease the space at a commercial rental of \$250 per month (\$3,000 per year).

In March 2005 Grey Power approached Council for rent relief as they were finding it difficult to keep up with the monthly payments of \$250. They also made a submission through the 2005/2006 draft Annual Plan requesting rent relief. After discussions with Council staff Grey Power asked the Henderson Community Board at their June 2005 meeting to support their request that their lease of the office at the Te Atatu South Community Centre be classed as a community lease. The Board resolved:

*“That a report be brought back to the July 2005 meeting of the Board on the process required to change the Waitakere Grey Power lease from a commercial lease to a community lease.”*

985/2005

A report on the process required to change the Waitakere Grey Power lease from a commercial lease to a community lease has been submitted to the Henderson Community Broad meeting for their consideration on 7 July 2005. The report recommends that subject to the Committee's approval to class the office space at Te Atatu South Community Centre as a community property lease the Community Board delegate the Chief Executive to negotiate a lease with Waitakere Grey Power for the office space. The outcome of a decision on this recommendation will be presented verbally at the Committee meeting.

## STRATEGIC CONTEXT

Council's Well-being and Urban Village strategic and policy objectives aim to provide networks of appropriate and accessible public buildings as key community focal points and through a wide range of low cost, low impact community activities.

In 1998, Council approved a Community Leases Policy, which in part encourages the maximum use of its community facilities and states that priority will be given to groups undertaking activities that will make a significant contribution to:

- Improving access to information, education and learning opportunities;
- Encouraging the community to be involved in looking after the City's natural, heritage and cultural resources;
- Fostering cooperation, partnership, and sharing of resources between community groups; and
- Promoting a sense of belonging and identify for all people in Waitakere City.

## ISSUES

Community property leases are part of Council's support for a wide range of groups in the community who, like Grey Power, provide local services and activities on a voluntary or 'not for profit' basis. The majority of community property leases are on reserve land and are granted to sports groups, kindergartens, plunket, scouts and guides, community halls, music and drama activities, and social services such as the Lions, and Salvation Army. It is normal practice within Council that when a community lease becomes available or vacant Council staff seek expressions of interests from community groups looking for premises. Lease applications and rent levels are then considered by the Lease Assessment Committee who are a group of Council staff with a wide range of expertise in parks, property and community liaison and development.

Applications are assessed against a list of critical factors to ensure the lease is granted to a group most suitable for the premises. The factors are developed on a case by case basis depending on the lease available and may include community and citywide benefits, a proven need for the service, and strong levels of community support. Recommendations on the grant of a lease on a park or reserve are made to the relevant community board for a final decision. Matters of asset stewardship and property ownership and management are within the delegation of the Finance and Operational Performance Committee.

As from 1999 community property lease rates range from \$150 to \$2,133 per year. Examples of leases include Community Houses, Plunket Associations and Community Halls (\$150 per year), Bowling Clubs, and Salvation Army (\$633 per year), and Returned Servicemen Associations (\$1,266 per year). Although most long term leases of space within Council owned community facilities are community property leases, an exception to this is the Te Atatu South Community Centre office space currently occupied by Grey Power. This space was leased by Council to Grey Power at a commercial or market rent as it was previously used for Library storage and had no history of being leased out to any external group or organisation. Expressions of interest were not sought from other community groups at that time as the space was not classed as a community lease and Grey Power were in urgent need of alternative premises. It is also considered that the space would not be highly sought after as most groups require larger premises. The office has limited application as a community lease as it would be too small for most groups and services however suits Grey Power's purposes adequately.

Since receiving Grey Power's rent relief request, Council officers have reviewed the decision to class the lease of the office space at the Te Atatu Community Centre at a commercial rate. It is uncommon for spaces that are part of a community facility to be leased at a commercial rate especially as the community centre stands on reserve land classified under the Reserves Act 1977 as a local purpose (community buildings) reserve. Council officers now consider that it is inconsistent to charge a commercial rent in a community facility space on reserve land. Grey Power have assured Council staff that the location suits their service very well as it is in a central location, accessible to their members, and parking is available and that they would prefer to continue to lease the office space. As a community group providing a social service with good levels of community support, Grey Power meets the general eligibility criteria for a community property lease.

It is considered that the office space currently occupied by Grey Power in the Te Atatu South Community centre be classed as a community property lease and a new lease be negotiated with Grey Power. The terms of a community property lease of this space to Grey Power would be determined by the Lease Assessment Committee following the Community Property Lease policy rent level assessment. It is likely that Grey Power would be eligible for a 66% rent cost subsidy and that their total rent costs would be in the range of \$600-\$800 per year for a three year lease term. Although utilities such as power, and kitchen and toilet facility costs are not usually provided within a community lease they are included in the rent in this case as the office is situated within a Community Centre.

## **RESOURCING**

The office space was previously used as a Library storage space and therefore generated no income for Council. Through leasing this surplus space out as a community lease any tenant will contribute to Council's basic costs for the building through rent payments.

## **CONCLUSION**

Community property leases are part of Council's support for a wide range of groups in the community who, like Grey Power, provide local services and activities on a voluntary or 'not for profit' basis. Since receiving Grey Powers rent relief request Council officers have reviewed the decision to class the lease of the office space at the Te Atatu Community Centre at a commercial rate. It is considered that the Te Atatu South Library's storage space at the Te Atatu South Community Centre currently occupied by Grey Power be classed as a community property lease and a new lease be negotiated with Grey Power. Rental for a community property lease of this space to Grey Power would be determined by the Lease Assessment Committee following the Community Property Lease policy rent level assessment. It is likely that Grey Power would be eligible for a 66% rent cost subsidy and that their total rent costs would be in the range of \$600-\$800 per year for a three year lease term.

## **RECOMMENDATIONS**

1. That the Waitakere Grey Power Community Lease report be received.
2. That the office space at Te Atatu South Community Centre currently leased to Grey Power at a commercial rate be classed as a community property lease.

Report prepared by: Polly O'Brien, Leisure Services, Project Leader Community Resources.



## 14 TE ATATU SOUTH LIBRARY HOURS OF OPERATION

### PURPOSE OF THE REPORT

This report is to inform the Finance and Operational Performance Committee of the Te Atatu South Library operating hours from 18 July 2005 until February 2006 when the Library is scheduled to be closed.

### BACKGROUND

As part of the Annual Plan consultation process for 2005/2006 the Council proposed the Closure of the Te Atatu South Library.

On 24 June 2005 the Long Term Council Community Plan and Annual Plan Special Committee resolved:

*“That the Te Atatu South Library remain open with reduced hours to be determined by the Library Manager until the opening of the Waitakere Central Library (where enhanced services will be available) and that the Te Atatu South Library be closed at that time.”*

1163/2005

### ISSUES

The Library Manager has assessed the hours that the Library can remain open given Council's desire to achieve a \$160,000 saving and current usage patterns.

From Monday, 18 July 2005 the Te Atatu South Library operating hours will be changed. The hours will be Tuesday 9.00 am to 5.30 pm, Wednesday 1.00 pm to 5.30 pm and Friday 9.00 am to 5.30 pm. These operating hours will be in place until the opening of the new Waitakere Central Library. These days were chosen as the library has the most customers on these days. The Children and Teen story time will remain on Tuesday and the housebound service to Te Atatu South clients will be unaffected.

To communicate this change Public Affairs has developed a plan and will be implementing this plan the week commencing Monday, 11 July 2005.

Communication Tools
Posters
Public Notices and Media articles
Flyers to hand out to users
Letter box drop of flyers

### RECOMMENDATION

The Te Atatu South Library Hours of Operation report be received

Report prepared by: David Tait, Manager Unit Coordination and Support.



15 **WAITAKERE BADMINTON ASSOCIATION - DEFERRED LOAN**

**PURPOSE OF THE REPORT**

The purpose of this report is to keep the Finance and Operational Performance Committee informed as to the status of the deferred loan originally advanced to the Waitakere Badminton Association in 1986 and to consider the Associations request to have the loan extinguished to assist with the funding of proposed extensions to their facility.

**BACKGROUND**

In 1986 the then Waitemata City Council advanced \$125,000 to the then Waitemata Badminton Association. The initial period of the loan was to be 10 years with an interest rate of 10%. The funds were not sourced from Hillary Commission funds (now known as the Community Sports fund) but from other Council reserves. Over the years the Club, on a number of occasions, has applied for, and been granted, deferrals of interest and principle repayments to enable ongoing development and maintenance of the facility to take place with the last deferral being granted in 1996 for a period of 5 years. Since this time the Association has received from Council two Hillary Commission loans, a \$150,000 bank loan guarantee and a \$150,000 grant. The grant was not sourced from Hillary Commission funds but from other Council reserves. The two Hillary Commission loans have been repaid and the guarantee has been extinguished. Although the last deferral of the original \$125,000 expired in January 2002 this has not been pursued to date to enable the other financial commitments to Council to be met. The current balance of the loan stands at \$123,386.

**STRATEGIC CONTEXT**

The support of organisations such as the Waitakere Badminton Association is directly aligned to Councils strategic platforms for stronger communities by assisting with the development of sports facilities that add to the health and wellbeing of the community.

**ISSUES**

A22-A30

The Waitakere Badminton Association is in the initial planning stages of a development / extension of its facility in Massey. The Associations submission and a Council officer report were presented, as an agenda item, to the Massey Community Board at its meeting held 4 May 2005 where the recommendations contained within the report were adopted (minute 764/2005). A copy of the submission and the agenda report are attached at pages A22 to A30.

Council's Community Sports Fund Allocation Subcommittee at its meeting held 16 June 2005 approved a \$100,000 loan from Councils Community Sports Fund in favour of the Waitakere Badminton Association as funding towards their development project (minute 1112/2005). That loan is still pending subject to the approval of the Director: Finance. The development project, to take place over 3 stages, is estimated to cost \$1.4 million with a \$400,000 ASB Trust grant already being secured. As part of the proposal the Association has made a request that Council forgo the original 1986 loan by way of a grant.

The most recent financial statements have been examined and the organisation is in a sound financial condition and given the nature and growth of the sport there is no reason to indicate that this situation will not continue. The Association, over recent years, with the exception of the deferred debt in question, has efficiently settled all other loans and guarantees that it has taken on. The Association however does not generate cash surpluses of any significance from its operations and if it were to take on this extension programme and borrow further for it (ie \$100,000 Community Sports Fund loan) it is unlikely that it would be able to service that loan and the deferred 1986 loan at the same time in the short to medium term. The deferred loan is costing Council approximately \$8,500 pa in forgone interest.

This Finance and Operational Performance Committee now needs to consider the course of action to take with regard to the loan with the main options being as follows:

**Option 1** Turn the loan into a grant (write off the loan) as requested by the Association. It should be noted that there is no budget provision in the current years annual plan to cover the cost if this request were agreed to.

**Option 2** A further deferral of interest and principle repayments for a period of 5 years so that the Association can concentrate on completing the proposed extensions and fully repay the \$100,000 Community Sports Fund loan (still pending).

**Option 3.** A deferral of principle repayments only for a period of 5 years. Monthly interest payments at Councils current borrowing rate of 7% would cost the Association approximately \$8,500 per annum

**Option 4.** No further deferral with the Association being required to repay the loan along with associated interest from this point on. Principle repayments would cost the Association \$12,300 per annum (10 year loan) plus the interest cost of \$8,500 per annum reducing as the loan balance reduces.

It should be noted that if options 4 were adopted this would put considerable pressure on the Associations finances and would impact its ability to take on any further debt burden associated with the proposed extensions to the extent that it is unlikely that the Director: Finance would approve the issuing of the \$100,000 Community Sports Fund loan which has been authorised pending clearance from the Director.

## CONCLUSION

The Waitakere Badminton Association has an outstanding loan with Council of \$123,286 which has been in various states of deferment since it was advanced in 1986. The last deferment of the loan from Council expired in 2002 however this loan has not been pursued to date to enable other financial obligations with Council to be met. The Association now wishes to undertake a significant extension to their facility in Massey and as part of their proposal to Council they are requesting that consideration given to converting the original loan to a grant. An examination of the Associations finances indicates that they would have difficulty in meeting interest and principle repayment commitments in respect of the original loan and any new financial obligations resulting from funding requirements relating to the proposed extensions.

Extra revenue from the extended facility and growth of the sport should allow the Association to fund the interest on the existing loan while fulfilling their obligation in respect the proposed Community Sports Fund loan. When the Community Sports Fund loan is repaid in approximately 5 years time the Association should be in a position to start repaying the principle of the earlier loan.

## **RECOMMENDATIONS**

1. That the Waitakere Badminton Association - Deferred Loan report be received.
2. That the extended deferral of interest and principle payments in respect of the original loan from January 2002 until present be endorsed.
3. That, in respect of the original 1986 loan, the Waitakere Badminton Association be granted a deferral of principle repayments only for a period of 5 years from 1 August 2005 but that they be required to pay monthly interest payments on the outstanding loan balance (\$123,386) at a rate of 7% per annum. From 1 August 2010 the principle will be repaid in equal monthly instalments over a period of 10 years.

Report prepared by: Alec Third, Group Manager, Financial Operations.



## **16 PROJECT TWIN STREAMS CYCLE/WALKWAYS PROJECT - PROPOSED CONSULTATION**

### **PURPOSE OF REPORT**

The purpose of this report is to provide information to the Finance and Operational Performance Committee on the consultation in relation to the routes and design of new cycle and walkways as part of Project Twin Streams, and to outline the proposed approach to this consultation. This information provides context regarding the community interaction process to supplement approvals by the Finance and Operational Performance Committee for property purchases (August 2003, September 2004, and July 2005).

### **BACKGROUND**

Project Twin Streams is a multi-faceted project of Waitakere City Council, which aims to achieve long-term sustainable management of the Opanuku and Oratia Stream catchments. The project weaves together integrated stormwater management and the restoration of 125km of stream banks, within a community development model that seeks to connect local people with each other and their local environment. A full update report on Project Twin Streams is going to Council on 20 July 2005 and to Community Boards in August 2005.

As part of Project Twin Streams, an application was made to Infrastructure Auckland for \$5.5 million to construct cycle and walkways along the Opanuku, Oratia and Waikumete Streams. This application was approved in 2004. There are timing pressures to complete these cycle and walkways, as the Infrastructure Auckland funding requires their construction by December 2006.

### **STRATEGIC CONTEXT**

These cycle and walkways contribute to the vision of Council's Walking and Cycling Strategy, for Waitakere City to be a "walking and cycling friendly" city, where cycle and walkways are safe, enjoyable and popular forms of transport and leisure. Key objectives for the cycle and walkways are as follows.

- To improve access to town centres, community facilities and rail stations on foot and by bicycle;
- To encourage walking and cycling for day to day transport;
- To enhance the safety of pedestrians and cyclists by providing good quality routes that are separate from the road environment;
- To improve safe pedestrian/cycle links between communities and schools;
- To support sustainable development through reduced congestion, reduced air pollution emissions and improved safety;
- To offset the effects of urban intensification by promoting enjoyment of open spaces;
- To improve access for people with disabilities and those with small children;
- To provide recreational opportunities that are free or low cost, and health benefits, through more exercise and reduced vehicle emissions;
- To develop a sense of community through the creation of linkages between communities;
- To promote greater awareness of existing natural features within the city;
- To improve access to streams and open space;
- To create central points of interest - giving structure and form to residential and commercial suburbs;
- To connect people with their local neighbourhoods and local stream;
- To develop local people's involvement in the management and maintenance of their local environment.

## ISSUES

### Staged approach to consultation

There are four distinct cycle and walkways areas:

1. Lower Oratia;
2. Lower Opanuku;
3. Upper Opanuku;
4. Waikumete.

Note that the Lower Oratia Stream area includes the areas covered by the Draft Lower Oratia Stream Reserve Management Plan. It is proposed that consultation on the cycle and walkways in this area is combined with consultation on the Draft Lower Oratia Stream Reserve Management Plan. This issue is the subject of an agenda item on the 8 July 2005 City Development Committee agenda, and on the Henderson and Waitakere August 2005 Community Board agendas.

A31

The first areas proposed for consultation, attached at page A31 along with the proposed time frames, are as follows.

Area	Timeframe
Lower Oratia, from Great North Road to Parrs Park, including the Draft Lower Oratia Stream Reserve Management Plan area, and the Lower Waikumete to Parrs Park.	22 July 2005 to 23 September 2005 (allowing an 8 week statutory consultation period for the Reserve Management Plan)
Lower Opanuku, from Great North Road to Border Road	22 July 2005 to 23 September 2005

The remaining areas will be consulted upon later in the year, with suggested dates and process to come back to Council for approval.

## **Key Issues for Consultation**

Consultation will focus on the following issues:

1. Proposed routes for the cycle and walkways;
2. Key design elements (eg art works, materials);
3. How to ensure the safety and user friendliness of the cycle and walkways;
4. How to meet and balance varying needs of users, including walkers, cyclists, children, those with disabilities etc;
5. How to incorporate local stories, character, knowledge, Maori and non-Maori cultural heritage and reflect local wishes in development and design;
6. How best to develop and sustain community involvement and ownership of the areas.
7. How to maximise use of the cycle and walkways;
8. Key issues for consultation in the Draft Lower Oratia Stream Reserve Management Plan.

## **Proposed Approach to Consultation**

The cycle and walkways consultation process will rely on aerial photographs to show the proposed routes, and artists impressions of key design elements such as bridges. Artists will also attend consultation events to hear from local people the themes that should inform the artistic input to the cycle and walkways. The general approach to consultation is to utilise existing community groups, activities, events and networks to publicise and draw people in to provide feedback, on both the cycle and walkways and the Draft Lower Oratia Stream Reserve Management Plan.

Key consultation methods include:

- Planting/drop-in days;
- Use of existing and planned community events and activities to publicise the consultation and gain community feedback;
- Web based information and feedback form.

At least 3-4 significant events in each locality will be undertaken, alongside separate meetings with specific groups (for example the Youth Council). Meetings with key groups are being held to inform them of the consultation and establish whether they are willing and able to assist. These groups include:

- Community groups on Corban Estate;
- McLaren Park Community Development Group;
- Resident and Ratepayer Groups including Henderson Valley, McLaren Park, Western Heights and Sunnyvale.

As well as the above, target groups to consult will include:

- Property owners adjacent to the alignment;
- Local residents;
- Schools including;
  - Henderson High School
  - Bruce McLaren Intermediate School
  - Henderson South Primary School
  - Henderson Valley Primary School
  - Sunnyvale Primary School
  - Kura kaupapa at Hoani Waititi

- Youth Council;
- Local businesses, especially those on cycle/walkway boundaries;
- Both iwi and Hoani Waititi Marae;
- Pacific Islands Advisory Board and the Ethnic Council;
- Interested groups, including cyclists, people living with disability, safety groups, recreation groups;
- Key entities such as Watercare and railways.

## RESOURCES

A Specialist Consultation Co-ordinator has been engaged to co-ordinate the consultation process, alongside the Project Twin Streams team. Other staff from Council will be used for technical support.

## CONCLUSION

In line with Council's Walking and Cycling Strategy and the objectives of Project Twin Streams, new cycle and walkways are being developed in key areas of the City. Information is provided for the consultation on the first two areas (Lower Oratia and Lower Opanuku), and of the general approach to consultation.

## RECOMMENDATION

That the Project Twin Streams Cycle/Walkways Project - Proposed Consultation report be received.

Report prepared by: Garry Peters, Project Director, Project Twin Streams.



## PART E - REPORTS FROM THE SUBCOMMITTEES

### 17 EMERGENCY SERVICES SPECIAL COMMITTEE

**THE SPECIAL COMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON TUESDAY, 14 JUNE 2005.**

#### MATTERS CONSIDERED

A32-A33

The Special Committee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A32 to A33.

#### **The Special Committee Recommends:**

That the Meeting report of the Emergency Services Special Committee held on Tuesday, 14 June 2005 be received.

DQ Battersby, JP  
**CHAIRPERSON**



18 **TENDERS SUBCOMMITTEE**

**THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON FRIDAY, 18 MARCH 2005, FRIDAY, 10 JUNE 2005 AND FRIDAY, 24 JUNE 2005.**

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**MATTERS CONSIDERED**

A34-A42

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A34 to A42.

**The Subcommittee Recommends:**

That the Meeting reports of the Tenders Subcommittee held on Friday, 18 March 2005, Friday, 10 June 2005 and Friday, 24 June 2005 be received.

JM Clews, QSO, JP

**CHAIRPERSON**



**PART F - PUBLIC EXCLUDED MATTER**

**19 PROJECT TWIN STREAMS - PROPERTY PURCHASE**

**20 THE WAITAKERE REGIONAL SPORTS TRUST - FINANCIAL ASSISTANCE**

These items will be considered in the Confidential Supplement of the agenda, and has been circulated to members separately with this agenda.

**PROCEDURAL MOTION TO EXCLUDE THE PUBLIC**

That the public be excluded from the following parts of the proceedings of this meeting, namely Project Twin Streams - Property Purchase, and The Waitakere Regional Sports Trust - Financial Assistance.

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation of the matters, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of the matters to be considered.	Reason for passing this resolution in relation to the matters.	Ground(s) under Section 48(1)(a) for the passing of this resolution.
<ul style="list-style-type: none"> <li>• Project Twin Streams - Property Purchase.</li> <li>• The Waitakere Regional Sports Trust - Financial Assistance</li> </ul>	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> <li>• enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> <li>• protect information where the making available of the information - would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;</li> </ul>	<p>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 7(2)(i) and 7 (2)(b)(ii) of that Act which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public as follows:

- The reports contain information which if released, could affect the Council's negotiations.

