



Proposed Annual Plan Overview 2008/09

Includes proposed amendments to Hamilton City Council's 2006-16 Long-Term Plan



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your city

Over the past three years Council has formed a strong strategic direction for Hamilton. The development of the city-wide strategies maps out a vision for a healthy, safe and vibrant community that is future-proofed through ongoing sustainable development. Hamilton City Council's 2008/09 Annual Plan is putting that vision to work.

In partnership with other key stakeholders, implementation of the Social Well-Being, Creativity and Identity and CityScope (Urban Design) strategies will continue throughout 2008/09, along with the Access Hamilton, Environmental Sustainability and Economic Development strategies that are also taking shape.

The start of construction of the events and conference centre at Claudelands; City Heart redevelopment; additional funding for graffiti removal; design of a new swimming pool for the north-east of the city; the start of construction for a multi-million dollar upgrade of the wastewater treatment plant; and stage 1 of the Peacocke growth cell – are just some of the projects which form a significant work programme for the coming year.

Council is proposing an average rates rise of 5.09% for existing city ratepayers in 2008/09. This increase includes a change to the rates remission policy criteria for hardship relief so that more ratepayers will qualify for a remission on their rates. However, the overall rates increase is still below the 6.56% increase shown in Council's ten year Long-Term Plan.

Council recognises that a number of Hamilton's ratepayers find it difficult to pay their residential rates, particularly given the ongoing increases in the cost of living. By changing the threshold limits, Council hopes to allow more ratepayers who are suffering financial hardship to qualify. This change will have a total estimated budget impact of \$125,000 in 2008/09 and equates to 0.14% of the rates rise.

City Heart aims to develop a quality urban environment and revitalise the centre of the city. Through a public and interactive Enquiry by Design process, a range of potential concepts were developed for Victoria Street, the River Road Carpark, O'Neill Street, Claudelands Bridge and Garden Place, late last year.

The options take a fresh approach to how we see the city and focus on manageable, staged investment that is led by Council. The creation of safe places to which people are naturally drawn is paramount throughout. City Heart is driven by a need to deliver connectivity and cohesiveness in the city's future redevelopment. Redevelopment of Claudelands is a prime example of how delivering

cohesiveness and connectivity can make great things happen. With the contract for the Claudelands project soon to be let, construction on the project will commence later this year.

By improving pedestrian access between the redeveloped centre and other City Heart destinations in parallel, event goers will be encouraged to also utilise the central city to take advantage of the broader range of hospitality, transport and other services available.

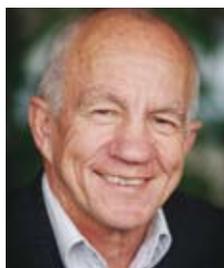
Access Hamilton projects are funded by a targeted rate and key projects will include increasing passenger transport options and progressing important access routes of the E1 designation and Wairere Drive extension.

The Poets Corner Community Renewal Project will continue to take shape this year. Co-led by Hamilton City Council and Housing New Zealand under the Social Well-Being Strategy, the project aims to work with the community to build capacity and pride - fostering a healthy community and transforming the neighbourhood into a great place to live. We will now engage widely with all stakeholders using the Enquiry by Design process which will guide the project's overall development.

Council continues to be committed to investing in infrastructure and leveraging events as the main strategy for promoting the city. Each year we continue to add to an already impressive list of hallmark events including World Rally Championships, World Rowing Championships 2010, the National Fieldays, Balloons over Waikato, The Great Race and Great Race Ball, Parachute Music Festival, test rugby and international cricket, the Fuel Festivals of New Zealand Theatre and Music and the Hamilton Gardens Summer Festival. Moving into the coming year we will see the second Hamilton 400 staged in the city and Hamilton will be broadcast to 154 countries worldwide as the FIFA U17 Women's World Cup Soccer comes to the city.

Now is your opportunity to have your say and shape the future direction that Hamilton takes. Public submissions on the Proposed 2008/09 Annual Plan can be made between 20 March and 22 April this year. A freepost submission form is included in this overview document, or submissions can be made online at: www.hamilton.co.nz/annualplan.

Elected members and Council staff will be available to discuss any aspects of the plan with you at the Your City Expo, Saturday 29 March at The Meteor (on the corner of Victoria and Bridge Streets). Come along, learn more, discuss issues and find out more about what is planned for Hamilton this year.



BOB SIMCOCK
Hamilton Mayor



MICHAEL REDMAN
Hamilton City Council
Chief Executive

the plan

what is the annual plan?

Council is required to produce an Annual Plan in the two years between each three-yearly Long-Term Plan (the Long-Term Plan serves as the Annual Plan for the first year of its 10-year focus).

The Annual Plan provides the accountability base for the setting and assessing of rates for that year (rates cannot be set until the Annual Plan has been adopted). It is intended to be a companion document to be read in conjunction with the base Long-Term Plan.

The purpose of the Annual Plan is to:

- Detail the budget and funding impact statement for that year.
- Identify any variations (and reasons for these) to that specific year of the Long-Term Plan.
- Support the 10-year Long-Term Plan in providing integrated decision-making and coordination of Council's resources
- Provide a basis for the accountability of Council to the community.
- Provide an opportunity for the public to participate in decision-making processes on the projects and programmes to be undertaken by Council for that year.

This overview summarises the major matters contained in Council's Proposed 2008/09 Annual Plan.

Where does Council's Long-Term Plan fit in?

The Long-Term Plan is Council's primary long-term planning document that outlines the contribution that Council intends to make to Hamilton's development over the next 10 years. The Long-Term Plan provides an opportunity for people to participate in decision-making processes on the activities that Council plans to undertake. Council's current Long-Term Plan covers the period from 2006 - 2016.

Council's Proposed 2008/09 Annual Plan provides an update to year three (2008/09) of the 2006-16 Long-Term Plan.

find out more

Copies of both documents can be obtained from the main Council office in Garden Place or at any branch of Hamilton City Libraries. For a copy of the full document visit www.hamilton.co.nz/annualplan or www.hamilton.co.nz/longtermplan, email strategic@hcc.govt.nz or phone 07 838 6810.

Elected members and Council staff will be available to discuss any aspects of the plan with you at the Your City Expo, Saturday 29 March at The Meteor.



“ the annual plan is your chance to have a say on projects and programmes ”



Council's vision for Hamilton is driven by eight city-wide strategies that form the city's strategic foundation. The strategies provide a planned direction for the city's development. They focus the operational component of Council business and align high-level governance. The strategies communicate Council's direction with key stakeholders and enable them to align their strategic planning with it. They highlight those unique urban issues facing Hamilton, which are of a different nature to that of the region.



The strategies will deliver on Council's vision for a vibrant Hamilton, Hamilton's community outcomes and Council's three strategic intentions: Investing In Our People, Creating Identity and Prosperity, and Protecting Our Future.

Three of the eight strategies have been developed to date – the Social Well-Being Strategy, Creativity and Identity Strategy and CityScope (Urban Design Strategy). The Economic Development, Environmental Sustainability and Access Hamilton strategies are currently under development. The Active Communities and Urban Growth strategies will commence in mid-2008.

Over the next one to three years the Social Well-Being Strategy will deliver real results on the ground. The strategy's suite of eight joint flagship projects includes: the Economic Development Through Home Ownership project, addressing the declining affordability of housing for people on low incomes; the Poet's Corner Community Renewal Project, making sure the neighbourhood becomes a great place to live; the Tainui Rangatahi Summit, improving pride and self-identity and rebuilding pathways to cultural heritage; and Cool Things for Youth To Do, ensuring young people are optimistic about their future. Many more projects are in the making.

The goal of the Creativity and Identity Strategy is to ensure that advantage is taken of any creative opportunities and to encourage city stakeholders to form innovative partnerships to undertake projects that contribute to the creativity and identity of the city.

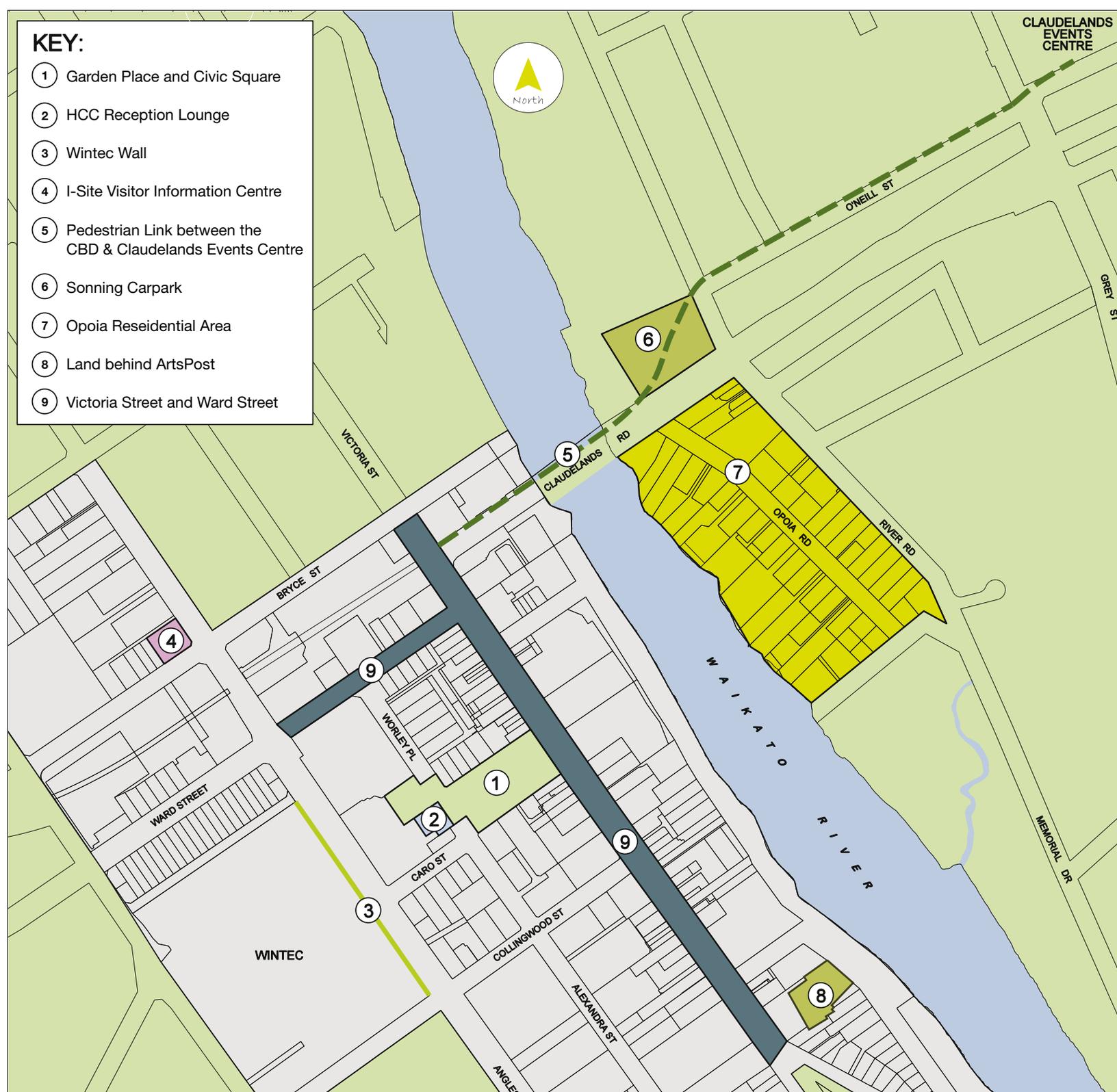
To support the implementation of the Social Well-Being and Creativity and Identity strategies, Council has budgeted \$100,000 per annum for each strategy through until 2015/16.

Two of the key components of the CityScope strategy are Vista (Hamilton City Design Guide) and the Hamilton Urban Design Panel. Vista outlines Hamilton's expectations for better-designed environments; describing how a well-designed place should look, feel and function. Vista will be used as the basis for Hamilton's newly formed Urban Design Panel in the review of significant development proposals in the city.

city heart revitalisation project

Council's 2006-16 Long-Term Plan makes funding provision of \$25.845m over the plan's 10-year period to enable the redevelopment of the CBD following initial work undertaken in 2005 on the CBD 2020 project. The City Heart Revitalisation Project builds on this former work. City Heart aims to create a vibrant and distinctive city heart for Hamilton and to produce physical spaces that reflect Hamilton's unique identity. \$7.394m (Strategic Action Plan # 228.0) has been allocated for work to be undertaken in 2008/09.

A 'place based' approach was used to look at options to bring a number of central city areas to life, including: Garden Place and the Civic Square; the Hamilton City Council Reception Lounge; the Wintec Wall; the iSite Visitor Information Centre; the Pedestrian Link between the CBD and Claudelands events centre; the River Road Sonning Car park; Opoia residential area, the land behind ArtsPost; and Victoria and Ward Streets.



KEY STEPS IN THE CITY HEART REVITALISATION PROJECT DEVELOPMENT

| | | |
|-----------------------------------|---|--|
| 29 October 2007 | Staff consultation | Staff workshop – identification of key issues in the CBD. |
| 13 - 15 November 2007 | Initial targeted consultation | Focus groups with business owners and developers, arts interest groups, community interest groups, youth and a sample of resident and retailer groups. |
| 19 - 23 November 2007 | Enquiry by Design (EbD) process | <ul style="list-style-type: none"> • Public presentation outlining the EbD process. • Technical presentations from Council staff to the City Heart Design Team. • EbD workshops held. • Presentation to elected members. |
| 21 December 2007 | Feedback presentations | Presentation to elected members and Council staff. |
| 23 January 2008 | Public meeting | A public meeting was held which detailed the City Heart Revitalisation concepts and advised of the processes for public feedback and submissions. |
| 11 February - 7 March 2008 | Public display | <p>Informal public feedback period on the City Heart Revitalisation Project:</p> <ul style="list-style-type: none"> • Public display held in Council's Reception Lounge. • Information provided on Council's website – www.hamilton.co.nz/cityheart. |
| 20 March - 22 April 2008 | Council's Proposed 2008/09 Annual Plan open for submissions | <ul style="list-style-type: none"> • Formal feedback on the City Heart project will be received via submissions to Council's Proposed 2008/09 Annual Plan. • Information on the City Heart project will be available at the Your City Expo on 29 March 2008. |
| 22 April 2008 | Council workshop | Discussion between elected members and Council staff on concepts, costs and programme phasing. |
| 19 - 21 May 2008 | Proposed 2008/09 Annual Plan hearings | Hearings for submitters who wish to speak to Council in support of their written submission. |
| 9/10 June 2008 | Decisions made on 2008/09 Annual Plan submissions | City Heart Revitalisation report and recommendations considered by Council as part of the 2008/09 Annual Plan decision days. |
| 30 June 2008 | Adoption of 2008/09 Annual Plan | Council adopts the final 2008/09 Annual Plan and 2006-16 Long-Term Plan amendments and confirms the rates strike for 2008/09. |

project concepts

A range of potential concepts were developed for the City Heart Revitalisation project. The concepts and ideas were developed through the design team's analysis of the initial consultation with key stakeholders, the Enquiry by Design (EbD) process and informal community involvement and consultation. An informal feedback period occurred from 11 February – 7 March 2008 on the project concepts. Council is also inviting further formal feedback. Formal public submissions can be made between 20 March and 22 April as part of the 2008/09 Annual Plan process.

All ideas and comments that were raised through the EbD process were analysed by the design team. From this analysis some key themes have emerged.

GARDEN PLACE AND CIVIC SQUARE

- Enhance existing features such as the trees, water feature and wall.
- Proposed shared space network from Worley Place to Alexandra Street, which can be used by pedestrians, cyclists and slow-moving traffic. The space would be designated by bollards on existing paving.
- Proposed shared space network going through Garden Place onto Victoria Street, which includes carparks for easy access to shops and businesses in Garden Place.
- Creation of a wi-fi (wireless-fibre) space situated outside the central library, which will encourage the flow of information into Garden Place.
- Creative linkage from the Wintec Media Arts Building through to Civic Square and Garden Place to attract talent into the CBD.
- Fostering intellectual and cultural connection through public art.



ABOVE CONCEPT SKETCHES Top to bottom, Northern View of Garden Place. View of Victoria Street (heading north from Garden Place).

COUNCIL RECEPTION LOUNGE

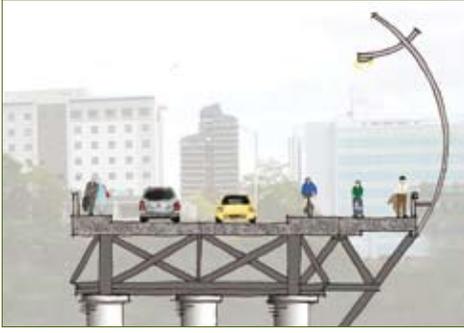
- Encourage an indoor/outdoor flow and opening the Reception Lounge out onto Civic Square and Garden Place by using glass doors/windows and an open passageway.
- This space could be utilised as a large exhibition space open for community groups and the public to use.
- Convert the existing Council ground floor training room into a boardroom facility, which can be utilised by external groups and organisations.
- Establish a café area within the Council building situated near the existing kitchen, which services the reception lounge and training room.

I-SITE VISITOR INFORMATION CENTRE

- Six potential sites have been identified to relocate the I-Site Visitor Information Centre. The centre is currently housed in Hamilton's Transport Centre.

OPOIA RESIDENTIAL AREA

- There is an opportunity to increase the height and density of apartment and residential buildings (this is unlikely to change in the short-term).



CLAUDELANDS

The area of consideration includes the City Heart and Claudelands Events Centre (CEC) pedestrian link and the wider area around the Claudelands Events Centre site. For Claudelands, the following concepts were developed:

- The addition of a clip-on to the existing Claudelands Bridge, which would be utilised by pedestrians.
- The creation of another iconic landmark for the city.
- The widening of footpaths on O'Neill Street to encourage pedestrian flow onto the Claudelands Bridge and into the City Heart.
- The land opposite the CEC to be utilised for commercial and retail activity and to accommodate event parking overflow from the CEC. A longer term vision will see these premises also attracting residential apartments on higher levels.

ABOVE CONCEPT SKETCHES Top to bottom, View of Claudelands Bridge Pedestrian Clip-On. View of Sonning Carpark Development.

SONNING CARPARK ON RIVER ROAD

- Establish a mixed use complex in partnership with a private developer. The complex may feature apartments, high-end retail and longer-term niche apartments or a boutique hotel.
- The development would still accommodate carparking requirements.
- Inclusion of a walkway, which would connect to Claudelands Bridge and provide a clear accessway onto River Road.

LAND BEHIND ARTSPOST

- Linking it to the Waikato River by a possible extension of the Museum or ArtsPost building, in partnership with a private developer.
- Possible development of riverside residential apartments with an active ground floor space, such as retail, a café or an art gallery.

VICTORIA STREET

- Widen the median strip and increase car parking.
- Remove the Alma Street roundabout.

WARD STREET

- Change Ward Street from a one-way street into a two-way street.
- Remove the Ward Street/Worley Place roundabout.
- Widen the footpath and provide tasteful plantings and street furniture to lift the amenity of the area.
- Investigate a covered walkway between Downtown Plaza and Centreplace Mall.
- Install bike stands outside the malls and the Hamilton Environment Centre.
- Establish Ward Street as an up-market high street.
- Public investment to coincide with private investment, through some redevelopment of Centreplace by Centreplace and Downtown Plaza owners Kiwi Income Property Trust.
- Investigate the link between Wintec, Ward Street and the Claudelands Events Centre redevelopment.

key projects and programmes

GRAFFITI REMOVAL PROGRAMME

Strategic Action Plan # 842.0 & 843.0

2008/09 Funding: \$113,000

This additional funding for graffiti removal is to enable an effective graffiti eradication, education and enforcement programme. This will be achieved through a coordinated approach with local communities and the Police.

TRANSPORT CENTRE SECURITY

Strategic Action Plan # 854.0

2008/09 Funding: \$70,000

This project, which is co-funded by Environment Waikato, provides for a new City Safe Patrol Team with primary responsibility for the Hamilton Transport Centre. The patrol team will provide extended security at the Transport Centre and surrounding area (including Garden Place) during off-peak periods. They will operate from noon until 8:00pm, Monday to Wednesday; noon until 5:00am Thursday to Saturday and 1:00pm until 5:00pm on Sundays. Monitoring of the City Safe Crime Prevention Cameras will also be extended from the current operating hours of 6:00pm until 5:00am, to noon until 5:00am every day.

RECREATION EQUIPMENT PROGRAMME

Strategic Action Plan # 137.0

2008/09 Funding: \$163,900

This programme enables Council to contribute towards the provision of recreational equipment in the newly developed areas of the city and towards the upgrade of existing playgrounds throughout the city for the enjoyment of the local community. In 2008/09 the programme provides for the completion of Claudelands Park playground, the development of a new playground at Brymer Glen Reserve and an upgrade of the existing playground at Pygmalion Park.

CRICKET WICKET RENOVATIONS AT JANSEN PARK

Strategic Action Plan # 834.0

2008/09 Funding: \$132,600

Hamilton has eight wicket blocks that are used for senior grade premier cricket, including four blocks at Jansen Park and four blocks at Galloway Park. All wicket blocks have been in place for a number of years and require special types of clay to be used in order to prepare suitable wickets. Both wicket blocks will be renovated, with the Galloway Park blocks completed in 2007/08 and Jansen Park blocks in 2008/09.

ROTOTUNA WASTEWATER TRUNK PIPELINES

Strategic Action Plan # 242.0

2008/09 Funding: \$1.293m

This project provides for extensions to wastewater trunkmains to service urban growth in Rototuna. In 2008/09 trunk pipelines will be extended in conjunction with the construction of Borman Road and with development in the North City Road area.

WILLOUGHBY CLOSED LANDFILL GAS MITIGATION MEASURES

Strategic Action Plan # 563.0

2008/09 Funding: \$893,800

Council manages closed landfills at Willoughby Street, Rototuna and Cobham Drive. Works at the Willoughby closed landfill in 2008/09 will include improvements to the landfill gas barrier, building gas alarms and an extension to active gas extraction.

DESIGN OF THE NEW NORTH-EAST SECTOR POOL

Strategic Action Plan # 351.0

2008/09 Funding: \$1.064m

The development of a new pool in the north-east sector is an increasingly high priority due to the capacity pressure placed on current facilities and the rate of city growth. The scope of the project includes a 10 lane 25 metre pool, leisure fun pool, learners pool, toddlers pool, hydroslide, café and gym facilities. Specification of the design is due to be completed in 2008/09 with construction scheduled for 2010/11 and 2011/12.

REPLACEMENT OF THE WAIKATO STADIUM MAIN FIELD

Strategic Action Plan # 488.0

2008/09 Funding: \$478,800

The replacement of Waikato Stadium's main field will commence in 2008/09 and will be completed over two financial years. The playing surface has a life expectancy of 10 years and requires the removal of sand back to the Loksand surface and relaying of turf to renew the surface. With the Rugby World Cup in 2011 it is important to have the ground in premium condition.

CLAUDELANDS EVENTS CENTRE UPGRADE

Strategic Action Plan # 524.0

2008/09 Funding: \$29.272m

Claudlands development and upgrade continues in 2008/09, as year two of the three year project. A total of \$57m (not including inflation) has been allocated over three financial years with expected completion being at the end of 2009/10. 2008/09 will see the completion of the detailed design phase of the Indoor Arena and Conference Centre with construction expected to commence in late 2008. The Claudlands Grandstand, which was relocated in 2007/08 from Heaphy Terrace to the centre of Claudlands Park is expected to be completed in 2008/09.

ZOO DEVELOPMENT

Strategic Action Plan # 310.0

2008/09 Funding: \$353,200

Two exhibits for South-East Asian animals are planned. A redesign of the Zoo's popular Rainforest exhibit will see two of the primate (monkey) enclosures combined to provide an exciting habitat for Siamang Gibbons, a new species for Hamilton Zoo that will be made available through the regionally managed breeding programme. New exhibits provide a focal point for the advocacy of conservation and environmental issues and ways that the Zoo's visitors can be empowered to assist with solutions. Simple, new enclosures are also planned for South-East Asian cats. Both golden cats and fishing cats will benefit from the new areas, which will focus on animal welfare and breeding these little known animals. Hamilton Zoo recently obtained approval to keep fishing cats and is working on importing an unrelated pair. These will be the first representatives of this species seen in New Zealand.

WASTEWATER TREATMENT PLANT UPGRADE

Strategic Action Plan # 238.0

2008/09 Funding: \$6.4m

The Wastewater Treatment Plant upgrade programme has been developed over a number of years and focuses primarily on increasing the capacity of the plant to cater for growth, construction of new components, and process improvements to ensure compliance with conditions from the recently renewed resource consents. The upgrade works include the construction of a new digester, clarifier and aeration basin, as well as multiple process enhancements. The construction work is programmed to occur over a five-year period, commencing in 2008/09.

UPGRADE OF STORMWATER CAPACITY

Strategic Action Plan # 172.0

2008/09 Funding: \$532,000

This programme provides for additional capacity in the stormwater network that is required as a result of zone changes in the Proposed District Plan. More extensive site coverage with impermeable surfaces in high density development zones causes increased stormwater flows. The programme provides increased stormwater drainage capacity to cope with the more intensive land development. In 2008/09 an upgrade of stormwater capacity is planned for the Lorne Street area.

WATER NETWORK MAINS RENEWALS

Strategic Action Plan # 269.0

2008/09 Funding: \$1.17m

The purpose of this programme is to maintain the operation of the water supply network by replacing existing 'at risk' water mains, increasing the security of supply to customers, maintaining the current "a" network rating by the Ministry of Health and meeting the current level of service. Watermain renewals in 2008/09 are planned for a number of streets throughout the city, including Dey Street, Rata Street and Lake Domain Drive.

WATER SUPPLY SECURITY TO TEMPLE VIEW

Strategic Action Plan # 477.0

2008/09 Funding: \$1.138m

Temple View is currently serviced by only one water supply pipeline. The pipeline in Tuhikaramea Road is vulnerable as it is constructed of asbestos cement (a brittle material) and laid in unstable soils (the roadway is formed over soft peat lands). Works will be undertaken in 2008/09 to provide a more secure supply by constructing an additional pipeline along an alternative route utilising Wallace Road, Deseret Street and unformed road reserve to form a ring main.

CARRIAGEWAY RESEALS

Strategic Action Plan # 44.0

2008/09 Funding: \$2.046m

This is an ongoing programme of road resurfacing work required to maintain the existing network in accordance with the Road Resurfacing Strategy approved by Council in April 2003. The following areas are planned: Aberfoyle Street, Maynard Place, Taniwha Street, Thode Place, Wedgewood Place, Beadle Place, Brough Place, Minnie Place, Epsom Place, Hume Place, Balfour Crescent, Riro Street, Anthony Crescent, Horsham Downs Rotary, areas of River Road, Wairere Drive (Eastbound), Cambridge Road, areas of Te Rapa Road and Bridge Street.

SCHOOL / BUSINESS TRAVEL PLANS

Strategic Action Plan # 741.0

2008/09 Funding: \$393,700

The purpose of this programme is to develop and promote the introduction and use of school and business travel plans in the city. A pilot School Travel Plan Project for selected schools in Hamilton East began in 2006/07 and will continue during 2008/09. There are currently nine schools in the pilot, with eight of the schools new to school travel planning (one has an existing plan that is continuing with support). Resources and initiatives are currently being developed to encourage the use of active transport modes.

WALKWAY AND CYCLEWAY RIVER CROSSING TO DAY'S PARK

Strategic Action Plan # 772.0

2008/09 Funding: \$106,400

A shared cycling and walking bridge from a location near to Day's Park/Swarbrick Landing to a suitable location on the St Andrews side of the Waikato River is being considered. A feasibility study is being undertaken in the 2007/08 financial year. Assuming the project is feasible, funding for the design of the bridge will be carried out in 2008/09, with construction anticipated in 2009/10.

ENVIRONMENTAL EDUCATION – WASTE SMART STREET CHALLENGE

Strategic Action Plan # 203.0

2008/09 Funding: \$50,000

The "Waste Smart" Street Challenge aims to capture the attention of a broad cross-section of the community through a high profile and positive multi-media campaign. The programme will be rolled out over a six month period with 10 streets across Hamilton competing against each other to see which is most effective at reducing the amount of waste sent to landfill each week. The main target areas for the campaign are kitchen and garden waste, paper and junk mail, glass (recyclables) and nappies. Participants will have the opportunity to attend workshops in their street to learn first hand the most effective ways to reduce waste.

proposed long-term plan changes



Although the 2006-16 Long-Term Plan sets out Council's direction for the next 10 years, changes to projects, programmes and core policies contained in the plan are often inevitable. Reasons for such changes can include:

- Changes in expectations or priorities from Hamilton's residents.
- Changes in the priorities of elected members.
- Changes to central government legislation that impacts on Council's operations.
- Changes in funding arrangements from other providers and organisations that are co-funding a specific project or programme.
- More detailed or newly updated information becomes available.
- Unforeseen changes to the timing and cost of projects and programmes occur.
- Natural disasters or other environmental incidents take place.

Changes like these are categorised as either amendments or variations to the Long-Term Plan.

proposed amendments

What is an amendment?

The Local Government Act 2002 (LGA 2002) makes specific provision for Council to make amendments to its Long-Term Plan. An amendment is where Council proposes to make a significant change to the direction of a project or core policy contained in its Long-Term Plan.

The following two proposals are proposed amendments to Council's 2006-16 Long-Term Plan:

- Review of Council's Development and Financial Contributions Policy.
- Review of Council's Rates Remission - Hardship Relief policy.

review of council's development and financial contributions policy



Hamilton is a growing city. As the city's residential and business populations increase, greater demands are placed on Council-provided infrastructure such as roads, wastewater and stormwater and amenities such as reserves and public libraries.

The purpose of the Development and Financial Contributions Policy is to enable Council to recover from developers the costs of providing growth-related public infrastructure.

Following a review of the 2007/08 policy, a number of changes are proposed for 2008/09. A summary of the significant changes is outlined below.

Revised Development Contribution Charges

Council has reduced development contribution charges for residential, commercial and industrial developments on both Infill and Greenfield sites. This is due to:

- Slower expenditure on some growth related projects than previously budgeted.
- Some growth related projects have been delayed. The effect of this has been to delay the development contribution funded loan requirements and therefore reduce the financing costs in the short term.

Partially offsetting the impact of these changes is an increase in the interest rate assumed in the financing component of the charge. The impact of the above changes on the development contribution charges is as follows.

| Greenfields | Current 2007/08 (excl. GST) | Proposed 2008/09 (excl. GST) |
|--|--------------------------------|---------------------------------|
| Residential | \$26,005 | \$25,142.40 |
| Commercial (per 100m²) | \$7,345.39 | \$6,581.73 |
| Industrial (per 100m²) | \$5,710.98 | \$5,005.21 |
| Infill | | |
| Residential | \$9,620.74 | \$9,440.38 |
| Commercial (per 100m²) | \$5,707.42 | \$4,946.32 |
| Industrial (per 100m²) | \$4,653.73 | \$3,942.08 |



Stormwater Contributions on Industrial and Commercial Sites

Council has revised the policy to allow stormwater charges to be assessed on certain developments that were previously exempt. The following developments will now be assessed for stormwater charges:

- Developments of additional buildings and extensions to existing buildings on industrial or commercial sites that had a resource consent or title granted prior to Council adopting its Development and Financial Contributions Policy (pre 1 July 2005).
- Developments on previously vacant industrial or commercial sites that had a resource consent or title granted prior to Council adopting its Development and Financial Contributions Policy (pre 1 July 2005).

These types of developments are placing demands on Council infrastructure. However, they were not assessed for development contribution charges as an assumption was previously made that Council had an opportunity to request a financial contribution for stormwater infrastructure under the Resource Management Act 1991, resulting in no stormwater charges being assessed.

Clarification of Development Contribution Charges on Vacant Residential Sites

Under the current policy, where the developer had title or a resource consent granted prior to the Development Contributions Policy being adopted, a developer is exempt from water, reserve, stormwater, transport and wastewater development contributions for the first residential development on a site. In these instances the developer only has to pay the community infrastructure charge.

These exemptions are considered appropriate, as sites such as these were created prior to Council having a Development Contributions Policy. Given this, the owners of these sites would not have had an expectation that they would have to pay development contributions upon development of their land.

There are a number of residential lots in Hamilton that existed on or before 30 June 2005 that are smaller than the minimum size required for development under the District Plan. Without a resource consent, these sites can only be developed if they are combined with adjacent sites to create bigger development sites. The policy has been revised to clarify that where sites below the minimum size required for development are combined with larger adjacent sites, the smaller site will not be eligible for separate exemptions other than that granted to the larger site.

Special Assessment Policy

Council has developed a new Special Assessment Policy. This gives the developer the right to request a "Special Assessment" of the applicable development contribution charges should the demand created by the development under a given component (e.g. transport, stormwater) fall below 50% of the anticipated levels for a development of this type (i.e. commercial, industrial, residential). Under the revised policy the developer will be required to provide information as to why the development will have a lower demand on Council infrastructure.

Interest Paid on Refunded Development Contribution Charges

In accordance with the LGA 2002, Council is required to refund development contributions in the following circumstances:

- If a subdivision, resource or building consent lapses or is surrendered and development or building does not proceed.
- If Council does not provide the infrastructure for which the contribution was collected within 10 years of that contribution being received.

The current policy states that Council will refund the development contributions paid plus "any interest accrued". Council has revised the policy to remove the requirement to refund interest on the development contributions received. This brings the policy in line with the requirements of the LGA 2002.

Changes to the Layout of the Policy

Council has restructured the policy to improve its user-friendliness. This includes providing top-level information on the growth related infrastructure projects to which development contributions will contribute.

The full proposed amendment is included in Part B (Section 2.0) of the Proposed 2008/09 Annual Plan.



find out more

For further information about the review of Council's Development and Financial Contributions Policy, please contact James Carter, Development Contributions Officer. Ph 07 838 6672, fax 07 838 6693 or email james.carter@hcc.govt.nz

review of council's rates remission - hardship relief policy



Council's first Rates Remission - Hardship Relief Policy was introduced in February 2000. The Local Government (Rating) Act 2002 makes provision for local authorities to remit part of residential rates owing on a rating unit in cases of extreme financial hardship. The Rates Remission - Hardship Relief Policy was last reviewed as part of Council's 2006-16 Long-Term Plan. The current policy provides for a maximum remission of up to \$325 of an annual residential rates bill, which is adjusted every year for inflationary changes.

The purpose of the policy is to provide financial assistance to residential ratepayers who are on low incomes and find it very difficult to meet the rates instalments on their property. In the 2006/07 financial year, Council processed 380 qualifying rates remissions under the policy totalling approximately \$82,000 (GST exclusive).

Why the Policy is Being Reviewed

Council recognises that a number of Hamilton's ratepayers (in particular superannuitants and families on a low income) find it difficult to pay their residential rates, particularly given the ongoing increases in the cost of living. Council is of the view that it has a role to play in offsetting some of these living costs through the provision of a rates remission scheme.

Council would like to see an increase in the uptake of the rates rebate scheme amongst eligible ratepayers. In order to do this, Council is proposing to improve communication of the new income thresholds by working with agencies such as Work and Income New Zealand to increase publicity of the scheme.

Given the ongoing increases in the cost of living since the introduction of the policy in 2000, Council has reviewed the policy and is proposing to increase the annual income threshold for those eligible for a rates rebate from \$12,450 to \$16,000. Increasing the income threshold will enable more people to be eligible for a rates rebate. This will require additional funding provision in 2008/09 of \$125,000 to fund the proposed changes to the policy.

Government Rates Rebate Scheme

In addition to Council's Rates Remission - Hardship Relief Policy, a Government Rates Rebate Scheme has been in operation since 1973. Applications for the Government Rates Rebate Scheme for 2007/08 close on 30 June 2008. More information on the Government Rates Rebate Scheme can be found on the Department of Internal Affairs' website www.dia.govt.nz.

find out more

For further information about the Review of Council's Rates Remission - Hardship Relief Policy, please contact John Gibson, Revenue Manager.
Ph 07 838 6747, fax 07 838 6616
or email john.gibson@hcc.govt.nz

what is a variation?

The LGA 2002 requires Council to disclose in its Annual Plan key variations (including reasons for the variations) to the projects shown in the corresponding year of its Long-Term Plan.

This 2008/09 Annual Plan must show variations to year three (2008/09) of Council's 2006-16 Long-Term Plan.

Key variations to 2008/09 are defined by the following criteria:

- A change to the budget provision for a project (where the amount that is proposed to change is \$500,000 or more).
- A change to the timing of a project (for projects where the amount is \$100,000 or more).
- The addition of any new projects.
- The deletion of any planned projects.

The following projects provide examples of key variations and how they are reported in the full Proposed 2008/09 Annual Plan. Each project is given a number known as a Strategic Action Plan (SAP) number. These numbers correspond with the SAP numbers shown in Council's 2006-16 Long-Term Plan. Information on all of the key variations for 2008/09 is provided in Section 9.0 (Council's Significant Services) of the full Proposed 2008/09 Annual Plan.

A full list of all proposed variations to capital projects for 2008/09 (including budget changes less than \$500,000 and timing changes less than \$100,000) is also shown in the Capital Expenditure Statement in Section 11.0 (Financial Section) of the full proposed plan.

| HOUSING UPGRADE PROGRAMME | | Strategic Action Plan # 654.0 |
|--|---|-------------------------------|
| Variation | Reason | |
| \$3.662m was budgeted for 2008/09 to refurbish Council's Sullivan Crescent housing units. The upgrade programme has been deferred and will be re-assessed as part of the 2009-19 Long-Term Plan process. | The housing upgrade programme was approved on a cost neutral basis and funded from the sale of three Council assets, and was subject to Housing New Zealand Corporation (HNZC) funding. HNZC's funding allocation was reduced in 2006/07 as a result of the national budget report. Consequently, funding available to Council was withdrawn. | |
| PEACOCKE STAGE 1 | | Strategic Action Plan # 797.0 |
| Variation | Reason | |
| This project provides for wastewater disposal from a limited area of the Peacocke growth cell. Funding is proposed to decrease in 2008/09 from \$6.118m to \$3.059m. | The scope of works for this project has changed to allow for an improved solution. The original plan was to construct a wastewater storage tank, however the revised approach is to expand the capacity of the existing pipe network, which is a more cost effective option. | |
| WAIRERE DRIVE (Including designation, land, intersections and four-laning) | | Strategic Action Plan # 544.0 |
| Variation | Reason | |
| Funding of \$212,800 for this project has been deferred from 2008/09. | Council has reviewed its 2008/09 work programme. As a result aspects of this project have been re-phased. In 2008/09, construction will continue on the Wairere Drive extension from Hukanui Drive to Tramway Road. The design of Wairere Drive four-laning from Pukete Road to Resolution Drive will also be progressed. | |

financial overview

RATES LEVIED

For the 2008/09 financial year, Council has budgeted income from rates of \$98.381m (2007/08 \$92.249m). Rates income will increase by 6.65% for the 2008/09 financial year, which includes the Access Hamilton targeted rate. Taking account of growth in the city's rating base, this represents an average increase of 5.09% to existing Hamilton ratepayers. The rate table below shows the total rates and rate increase for year 3 (2008/09) of the 2006-16 Long-Term Plan (LTP) and the 2008/09 Annual Plan excluding⁽¹⁾ and including⁽²⁾ the adjustment for growth in the city's rating base.

| | LTP 2008/09 | Annual Plan 2008/09 |
|---|-------------|---------------------|
| Total rates levy | \$99.5m | \$98.4m |
| Rates levy (total increase) ⁽¹⁾ | 8.26% | 6.65% |
| less rating growth (new ratepayers) | (\$1.4m) | (\$1.4m) |
| Rates levy increase to existing ratepayers ⁽²⁾ | 6.70% | 5.09% |
| Targeted rate - Access Hamilton | 3.20% | 1.56% |
| Inflation (CPI) adjustment | 3.10% | 3.20% |
| Rate increase to existing ratepayers above inflation (CPI) adjustment | 0.40% | 0.33% |

RATES BY PROPERTY SECTOR

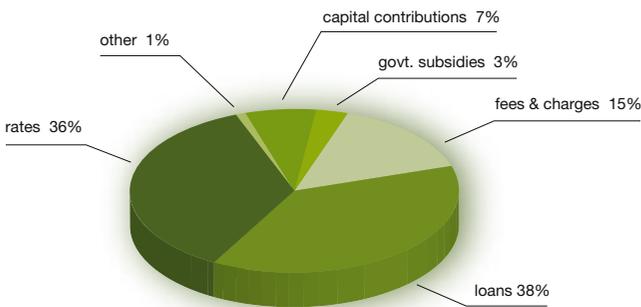
The indicative rates levy for 2008/09 on the average value of each property sector is:

| | Annual Plan 2008/09 |
|-------------------|---------------------|
| Residential | \$1,533 |
| Inner city | \$1,006 |
| Commercial | \$9,120 |
| Multi-unit | \$4,013 |
| Rural residential | \$3,081 |
| Rural large | \$4,797 |
| Rural small | \$1,991 |

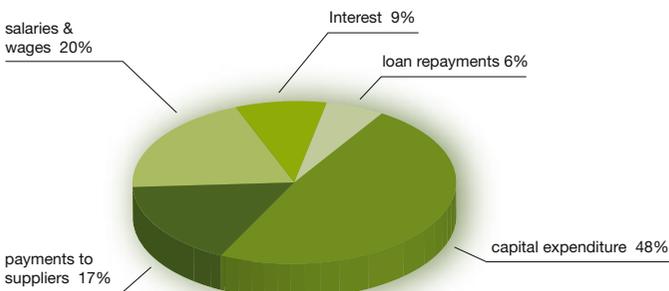
CASH FLOW

The estimated sources and uses of cash for the year ended 30 June 2009 is summarised as follows:

SOURCES OF CASH (\$273m)

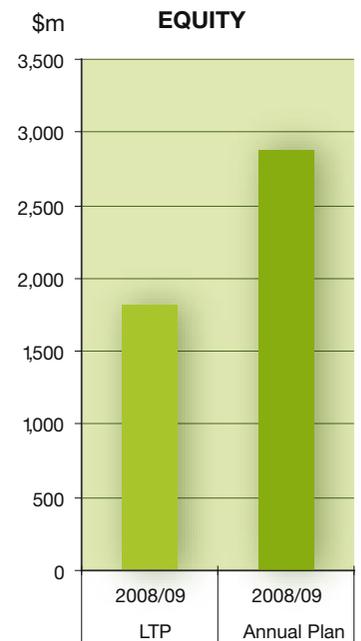
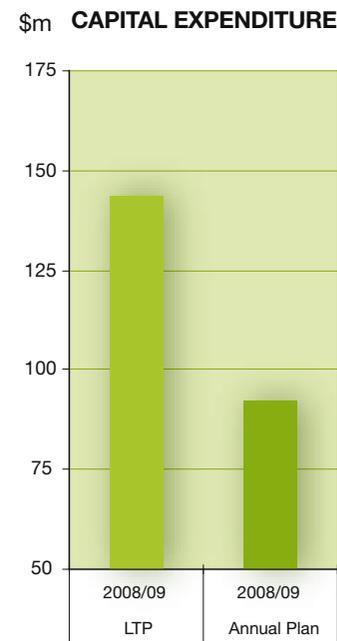
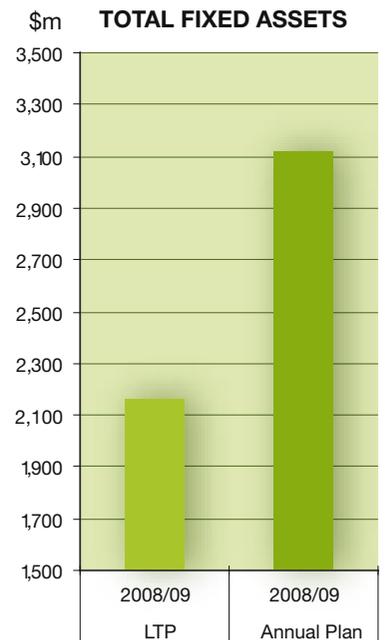
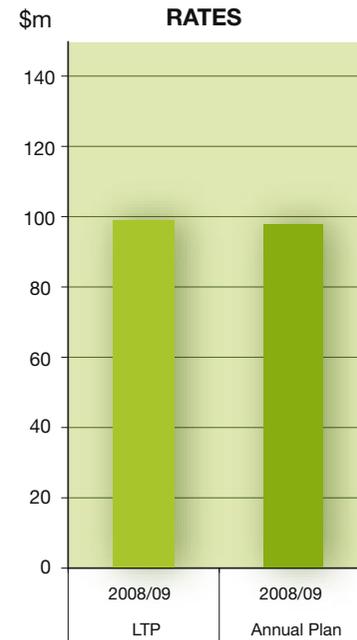


USES OF CASH (\$273m)



FINANCIAL SUMMARY

A graphical presentation of key financial statistics for the year ended June 2009 as indicated in the LTP and the 2008/09 Annual Plan is shown as follows.



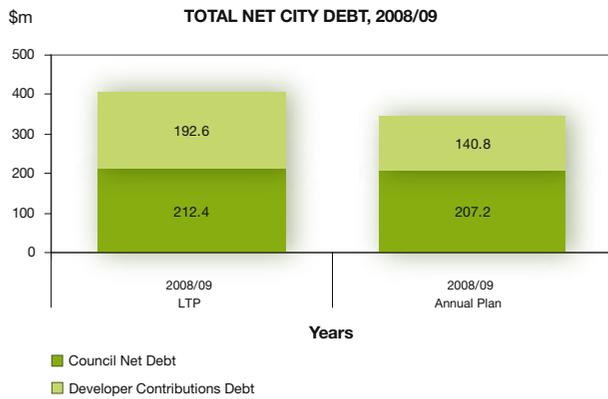
| | LTP 2008/09 (\$m) | Annual Plan 2008/09 (\$m) |
|---|-------------------|---------------------------|
| Rates (including penalties less remissions and rates charged to Council properties) | 99 | 98 |
| Total fixed assets | 2,160 | 3,102 |
| Equity | 1,807 | 2,875 |
| Capital expenditure | 144 | 92 |

CITY DEBT

The overall level of net city debt including internal borrowing will total \$348m for the 2008/09 financial year. This compares to \$405.1m for 2008/09 as indicated in the LTP. Council has budgeted for internal borrowing from special funds and other cash funds of \$25m. Rather than sourcing all its borrowing externally, Council utilises funds from reserves and working capital to reduce external borrowing and charges an interest rate on these funds, which is then added to the reserves. There are two categories of Council debt. These being:

1. Council debt comprising debt funded by reserves and Access Hamilton (Knox St carpark), debt funded by Access Hamilton Reserve, and debt funded by rates, and
2. Debt funded by development contributions

Debt funded by development contributions at the end of the 2008/09 financial year is \$140.8m. The graph below shows the total net city debt levels for the year ended June 2009 as indicated in the LTP and in the 2008/09 Annual Plan, split between Council net debt and debt to be funded by development contributions.



DEBT BALANCES (including internal borrowing)

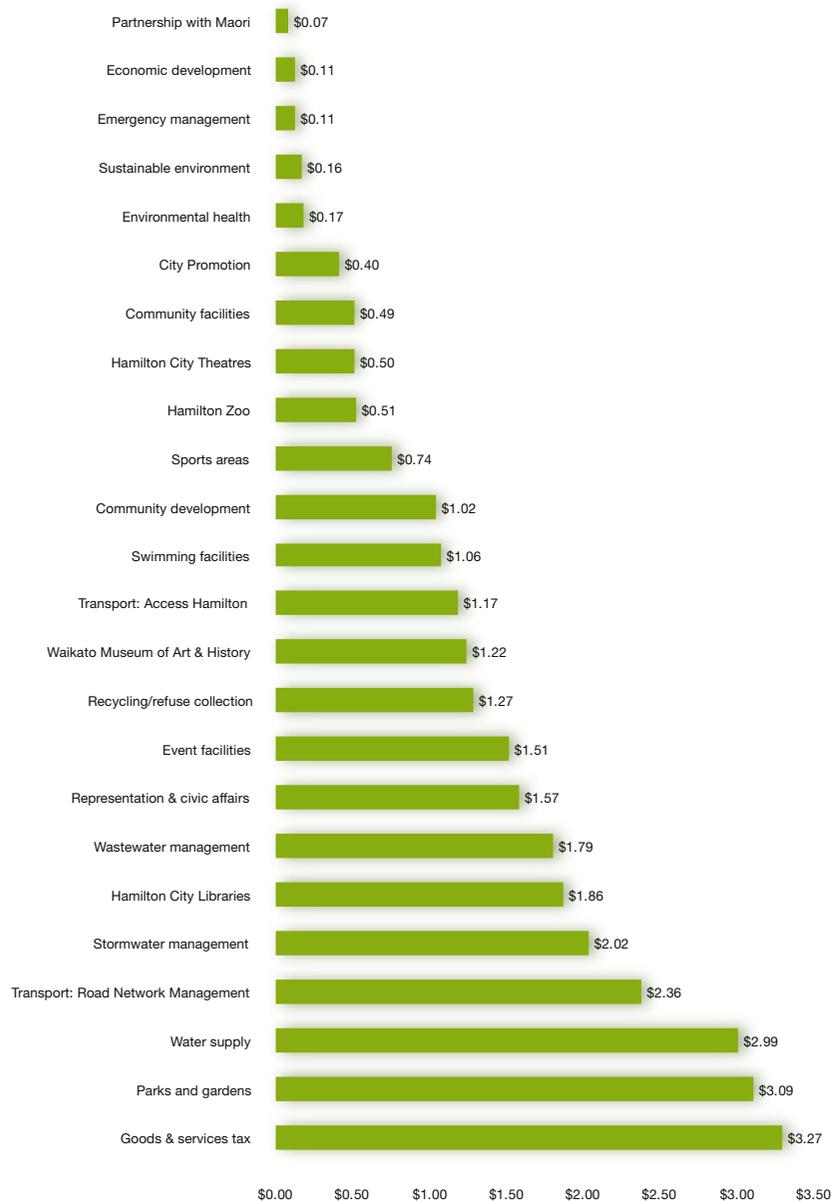
| | LTP 2008/09 (\$m) | Annual Plan 2008/09 (\$m) |
|--|-------------------|---------------------------|
| Funded by Reserves & Access Hamilton (Knox St Carpark) | 7.4 | 7.5 |
| Funded by Access Hamilton Reserve | 29.7 | 24.0 |
| Funded by Rates | 175.4 | 175.7 |
| Closing Balance - Council Net Debt | 212.4 | 207.2 |
| Funded by Development Contributions | 192.6 | 140.8 |
| TOTAL CLOSING BALANCE NET DEBT | 405.1 | 348.0 |

DEBT SERVICING PERFORMANCE LIMITS

| Policy Limits - Council Net Debt | LTP 2008/09 | Annual Plan 2008/09 |
|---|-------------|---------------------|
| 1. Interest on Council debt (excluding interest on DCL debt) as % of total rating income (Max 20%) | 13.3% | 12.3% |
| 2. Net debt (Council) as % of total income (Max 180%) (excluding total DCL contributions received p.a. in income) | 138% | 138% |
| 3. Net debt (Council) per capita (Max \$1,800) | \$1,509 | 1,455 |
| Policy Limits - Total Net debt | | |
| 1. Net debt as % of total assets (Max 25%) | 18% | 11% |
| 2. Net debt as % of total income (Max 300%) | 239% | 207% |
| 3. Interest (total) as % of total income (Max 20%) (including total DCL contributions received p.a. in income) | 15.6% | 13.7% |
| 4. Liquidity (on total net debt & working capital) (Min 110%) | 113.0% | 128.7% |

INDICATIVE RESIDENTIAL RATES

For 2008/09, the rates levy on the average value Hamilton home will be \$1,533, which is about \$29 per week. The indicative rates levy per week is presented graphically below for each significant service of Council.



have your say

Now is your opportunity to have your say and shape the future direction that Hamilton takes. Public submissions on the Proposed 2008/09 Annual Plan can be made between 20 March and 22 April this year. A freepost submission form is included in this overview document, or submissions can be made online at www.hamilton.co.nz/annualplan.



KEY DATES

| | |
|-------------------------------|--|
| September/October 2007 | Strategic listening forums were held with key stakeholders. The feedback assisted Council in developing the Proposed 2008/09 Annual Plan. |
| 12 February 2008 | Council considered and made decisions on the Proposed Annual Plan and Overview. |
| 10 March | Council adopted the Proposed 2008/09 Annual Plan, proposed 2006-16 Long-Term Plan amendments and Audit New Zealand's opinion. |
| Late March/early April | Proposed Annual Plan Overview distributed to all Hamilton households. |
| 20 March – 22 April | Public submissions on the Proposed Annual Plan can be made. |
| 29 March | Elected members and Council staff available to discuss any aspects of the plan with you at the Your City Expo, Saturday 29 March at The Meteor, (cnr Victoria and Bridge streets). |
| 19-21 May | Hearings held for submitters who wish to speak to Council in support of their written submission. |
| 9-10 June | Council makes decisions on submissions. |
| 30 June | Council adopts the final 2008/09 Annual Plan and 2006-16 Long-Term Plan amendments and confirms the rates strike for 2008/09. |
| Late July | Submitters advised of Council's decision on their submission by post. |
| 30 July | Final 2008/09 Annual Plan available to the public. |

contact your council



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Te kaunihera o Kirikiriroa

how to make a submission

Making a submission is straightforward. Just follow the steps below:

1 Read the parts of the Overview or the Proposed 2008/09 Annual Plan that interest you.

2 Write your comments clearly in dark pen on the submission form. It is also helpful if you state in your submission which points/page numbers you are referring to in the Proposed Annual Plan or Overview, and if you are requesting changes, or support or oppose projects and programmes.

3 Tick the 'Yes' or 'No' checkbox showing whether you want to make a verbal presentation at the Council hearings in support of your written submission. Verbal presentations are for clarifying or expanding on your written points, and for outlining new information.

4 If you want to make a verbal presentation, please indicate what dates/time you are NOT available to be heard between Monday 19 May and Wednesday 21 May 2008.

5 Fill in your name and address and other details in Section 1 of the submission form.

6 Your written submission must be received by us before the submission closing date of Tuesday 22 April 2008.

If you have any further questions about how to make a written submission please call the Strategic Group on 838 6810 or email strategic@hcc.govt.nz.

Submissions can be sent by:

Mail: Freepost 11, General Manager Strategic, Hamilton City Council, Private Bag 3010, Hamilton 3240.

Fax: Fax your submission to 838 6464. Remember to fax both sides.

Deliver: You can bring your submission form to the Strategic Group on Floor 2 of Council Offices, Garden Place, Hamilton.

Internet: You can fill in a submission form directly online at www.hamilton.co.nz/annualplan.

REMEMBER

Remember that all submissions must be received by Council no later than Tuesday 22 April 2008. Submissions to Council's Proposed 2008/09 Annual Plan are public.

Your submission will only be used for reports relating to the Proposed 2008/09 Annual Plan, which are made available to the public and the media.

Thank you for your interest.





Please attach extra paper if required.

Remember, submissions must be received no later than
Tuesday 22 April 2008.
Thank you for your interest.



Hamilton City Council
Te kaunihera o Kirikiriroa

Fold Here Second

FreePost Authority Number 11, Hamilton



Attn: General Manager Strategic Group
Hamilton City Council
Private Bag 3010
Hamilton 3240

Fold Here Third

Seal all three sides

Hamilton City Council
Te kaunihera o Kirikiriroa

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