

Strategy and Infrastructure Committee

OPEN AGENDA

Meeting Date: **Wednesday 31 May 2017**
Time: **3pm**
Venue: **Main Committee Room
3rd floor Civic Building
231 Hastings Street
Napier**

Council Members	Councillor Price (In the Chair), the Mayor, Councillors Boag, Brosnan, Dallimore, Hague, Jeffery, McGrath, Price, Tapine, White, Wise and Wright
Officer Responsible	Director Infrastructure Services and Director City Strategy
Administrator	Governance Team

Next Strategy and Infrastructure Committee Meeting
Wednesday 19 July 2017

ORDER OF BUSINESS

APOLOGIES

Nil

CONFLICTS OF INTEREST

PUBLIC FORUM

Dr Charles Daugherty (Chair – Hawke’s Bay Biodiversity Implementation Planning Group) – presentation

ANNOUNCEMENTS BY THE MAYOR

ANNOUNCEMENTS BY THE CHAIRPERSON

ANNOUNCEMENTS BY THE MANAGEMENT

CONFIRMATION OF MINUTES

That the Minutes of the Strategy and Infrastructure Committee meeting held on Wednesday, 19 April 2017 be taken as a true and accurate record of the meeting.

NOTIFICATION AND JUSTIFICATION OF MATTERS OF EXTRAORDINARY BUSINESS

(Strictly for information and/or referral purposes only).

AGENDA ITEMS

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3	Clifton to Tangoio Coastal Hazards Strategy 2120 - Progress Update	49
4	Land legalisation - 2 Hastings Street & 12 Browning Street, Napier	64

PUBLIC EXCLUDED

Nil

MINUTES

19 April 2017	67
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AGENDA ITEMS

1. RETAIL STRATEGY

Type of Report:	<i>Enter Significance of Report</i>
Legal Reference:	<i>Enter Legal Reference</i>
Document ID:	354524
Reporting Officer/s & Unit:	Dean Moriarity, Team Leader Policy Planning

1.1 Purpose of Report

The purpose of this report is for Council to acknowledge its existing Retail Strategy, confirm its philosophical approach as still sound, and to authorise officers to review the strategy to ensure it remains fit for purpose for the next several years.

Officer's Recommendation

That Council

- a. Acknowledge that the basic philosophical approach and strategic direction of the existing Retail Strategy (2003) remains fundamentally sound and
- b. Authorise a review of the existing Retail Strategy, including a seminar for elected members, to ensure it remains 'fit for purpose' whilst noting the intention to retain the current overall strategic direction.

CHAIRPERSON'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

1.2 Background Summary

The rapidly changing dynamics of retailing in the early 2000's, in particular the rapid growth and expansion of large format retailing ('LFR'), resulted in the Napier City Council taking a proactive approach towards providing for the long term retail needs of the City.

A retail strategy working group was established made up of Councillors, stakeholders, interest groups and staff and a series of workshops held with several rounds of consultation undertaken, before Council adopted its Retail Strategy in October 2003. A copy of the Strategy is shown at Attachment A.

The Retail Strategy sets the direction of consolidating the strong links between the inner city commercial centre, (incorporating the iconic art deco building resource, accommodating mainly specialty retailing), and the fringe commercial area supporting a range of commercial uses including retailers needing larger footprints. However, the Strategy also recognises that the current commercial zoning has limitations in providing for the scale of development demanded by some large format retailers, and to this end separate provision was made for them in an area of the City where the appropriately sized land holdings were available.

The Strategy ultimately involved a plan change to the District Plan, to introduce a new (LFR) zone that specifically caters for large format retail development along Prebensen

Drive that aimed to limit adverse effects on the cultural heart of the City, as well as industry which were at the time competing for sites with LFR.

The three key aspects associated with large format retailing that were identified as affecting the sustainability of the natural and physical resources of the City, were:

- The Effects on the Historic and Cultural Art Deco Building Resource; and
- Sustainable Growth of Industry; and
- Accessibility of Large Format Retailing

Art Deco Building Resource

Large format retailing demands larger buildings and larger land holdings and as such poses a threat to the existing art deco building resource. LFR is attractive to shoppers and in order for the existing art deco commercial centre to maintain its share of the retail dollar the two retail sectors need to complement one another. Ideally this would be achieved by locating individual LFR developments around the edge of the art deco quarter of the city. In this regard there has been some success to date in Napier although the ability to achieve the required land holdings to accommodate the larger areas of land required is difficult.

Sustainable Growth of Industry

In order to obtain sufficient land for large format retailing, developers have previously made resource consent application to use industrially zoned land at Pandora on the main arterial route north from the City. This area of the City has traditionally been the preserve of large industries, but the ability to obtain large sites for a relatively low cost proved highly attractive to developers trying to put a package together for multiple large format retailers to operate in a single destination.

The Large Format Zone in the District Plan was designed to cater specifically for the larger retail developments so that they did not need to compete with industrial activities on land designed and serviced for industrial needs.

Accessibility

One of the major issues for consideration in large format retailing is the accessibility of the site. It is important for the development to be located at a prominent location to ensure that it is highly visible and also to assist in mitigating the effects of the traffic attracted to the development, on the road network.

One of the issues that is recognised in the Retail Strategy as being critical to reducing the impacts of LFR on the existing inner city commercial environment is the linkages between the two areas. As previously discussed the ideal would be to locate LFR development on the fringe of the commercial centre. However, this cannot be comprehensively achieved in all cases and therefore the Large Format Retail zone does need to be as accessible to the inner city area as possible.

Prebensen Drive is one of the main arterials into the city with a relatively unencumbered route to the city centre. It also has the advantage of having direct links to the Hawke's Bay Expressway. The Retail Strategy identified that the travel times between the LFR Zone and the inner city facilitated opportunities for cross shopping between the two separate locations.

Key Principles and Recommendations of the Strategy

Ultimately the Retail Strategy proposed a large number of recommendations for how to take a strategic approach to accommodate all forms of retailing within the city so as to derive the maximum benefit for the city and its people by sustainably managing all of its natural and physical resources. The key principles and recommendations involve a wide ranging combination of methods (many of which are non-regulatory) including (but not limited to):

- Enabling an efficient, competitive and innovative retail sector through effective planning and governance
- Ensuring that the location of retail activities leads to efficient use and development of the City's resources
- Maintaining and enhancing the high levels of amenity enjoyed by the residents and visitors to Napier
- Recognising and protecting the Art Deco heritage values of the City by ensuring that future retail activities complement and maintain these values
- Enabling large format retail to locate as close as possible to the Central City
- Ensuring maximum connectivity and possible integration between new retail development and the Central City
- Enhancement of the Central City shopping and retail experience
- Encouraging more people to live in the Central City
- Minimising the potential adverse traffic and parking effects associated with future development in the Central City

To give effect to these key principles the primary regulatory response recommended in the Strategy (and which was adopted as part of the LFR Zone Plan Change) was for LFR developments outside of the central city:

- Individual tenancies have a minimum floor area of 500m² and
- At least 75% of tenancies have a floor area of equal to or greater than 1,000m².
- Café and /or lunch bar ancillary to, on the basis of a maximum of one such facility per 10,000m² of floor area.
- Encourage LFR to locate on arterial roads with appropriate access arrangements.
- Provide for appropriate parking.

1.3 Issues

Two types of LFR have been identified, the “fast and high” turnout LFR represented by supermarkets, or other chains such as Kmart and the “slow or low” turnout of goods such as furniture suppliers or boat retailers. Despite both types being recognised as destination retail and being a significant draw to the retailing public, it is the fast turnout LFR that could potentially adversely affect the vitality and viability of Napier CBD if not carefully located. In addition, if the LFR manages to also attract a cluster of specialty shops as seen in Hamilton then the negative impact on the main retail centre is worsened.

The negative effects for Napier arises from the potential withdrawal of businesses from the inner city. The inner city has art deco buildings purposely built for smaller specialty shops who could be attracted to collocate around the fast LFR outside the CBD if allowed. This would also disperse new investment and employment away from the city centre.

Maintaining some level of control over the type of development within the Large Format Retail Zone is one of the most important means of maintaining the viability of the inner city commercial area. The Resource Management Act clearly states that market competition is not an issue that may be considered. However, it is recognised that small specialty shops seek to cluster around large format development and that traditional commercial areas

suffer as shop owners relocate to the new development. The Hastings LFR Precinct is provided as an example of the potential to consider a regional approach to some large format retail offerings (see Attachment B) in order to avoid negative impacts on the Napier CBD.

The other issue with LFR locating outside of the centre of town is allowing major traffic generators (e.g. a supermarket) to establish as a permitted activity in any locality as the effects associated with such activities (primarily traffic generation) can be significant unless those effects can be mitigated. It is for this reason that the LFR Zone includes a cap on the number of carparks (as a proportion of floorspace) that can be provided as part of an LFR offering to qualify as a permitted activity, as does any new access onto an arterial road. LFR operations wanting to provide new access arrangements directly off an arterial road or those wishing to provide more parking spaces than the maximum require resource consent. This allows Council to retain discretion to consider the appropriateness of the activity establishing in such a location.

Review of the Retail Strategy

The purpose of the Retail Strategy is to provide the Napier City Council, local retail sector, potential retail investors and other retail interests with a suitable City-wide resource management and planning guide for their respective roles in relation to considering new retail development proposals for the City. In particular the strategy is intended to provide the Napier City Council with a structured framework for assessing future resource consent applications in respect of retail developments.

As the existing strategy has played a valuable role in the growth and development of Napier's retail sector over the past decade, it is considered that an updated version should continue to provide a broad policy reference point that remains fit for purpose for the next several years. As alluded to above a number of the retail issues, policies and actions advocated in the existing strategy remain very relevant today.

Work has already begun on reviewing the existing retail strategy with the intention to include: the wider city strategic development context, city and retail sector economic trends, Napier District Plan retail sector requirements, the current profile of retailing in Napier, retail sector growth challenges for the future, the long-term economic growth outlook and future growth and development considerations for the sector. It is also proposed to assess the retail offerings at a regional level and explore whether there is an opportunity for Hastings and Napier to provide for specific niches which could be complementary.

Once the review of the existing Retail Strategy has been completed and a new Draft Retail Strategy developed we suggest presenting this to Councillors at a seminar and thereafter circulate to all relevant stakeholders and interested people for comment and feedback before the final Retail Strategy is reported back to Council for adoption.

1.4 Significance and Consultation

As identified above it is intended to undertake a consultation process with key stakeholders and other interested parties before finalising the Strategy. Given that it is a review of an existing strategy rather than the development of a new one (and assuming there are no radical regulatory changes proposed) the scope of engagement will be relatively narrow in focus but opportunity will be provided for interested parties to comment in order to obtain feedback on the content.

1.5 Implications

Financial

The review of the Retail Strategy can be accommodated within operational budgets.

Social & Policy

No substantial social or policy implications have been identified as a result of the review of the existing Retail Strategy, but if any emerge they can be reported back to Council prior to adoption of the final Strategy.

Risk

The risk to Council centres primarily around not reviewing the Retail Strategy.

The Retail Strategy is an important policy document that has helped shaped the retailing landscape in Napier since the early 2000's and assisted in Napier retaining a vibrant compact retail heart within its existing CBD. A strategy that promotes and supports specialty retailing in the centre of town supported by larger retailing offerings in close proximity is essential for maintaining the Napier CBD as the premier specialty retailing destination for the whole of the East Coast of the North Island. This status in turn helps support Napier's role and reputation as an important tourist destination.

In order to remain fit for purpose the Retail Strategy needs to be reviewed and updated to ensure it remains fit for purpose in the ever changing retail landscape.

1.6 Options

The options available to Council are as follows:

1. Review the Retail Strategy
2. Not to review the Retail Strategy

1.7 Development of Preferred Option

The preferred option is to review the Retail Strategy for the reasons outlined above.

1.8 Attachments

- A Appendix 1 Retail Strategy [↓](#)
- B Appendix 2 LFR Case Study [↓](#)



RETAIL STRATEGY FOR NAPIER

Adopted by Council 29 October 2003

RETAIL STRATEGY FOR NAPIER

29 October 2003



- 1. Purpose of the Study**
- 2. Evolving Retail Patterns: The Place of BBR**
- 3. City and Regional Patterns**
- 4. Issues for Napier City**
- 5. Trends & Scenarios**
- 6. Options**
- 7. Strategic Directions**
- 8. Methods**
- 9. Anticipated Outcomes**

Glossary





To develop a strategy for managing the future development of retailing in Napier to enable the people and the community of Napier to provide for their social, economic and cultural well-being by:

- ☐ Sustaining the potential of the existing physical resources of the City to meet the needs of future generations.
- ☐ Enabling an efficient, competitive and innovative retail sector through effective land use planning and local governance.
- ☐ Ensuring that the location of retail activities leads to efficient use and development of the infrastructure resources of the City.
- ☐ Maintaining and enhancing the high levels of amenity enjoyed by the residents and visitors to Napier.
- ☐ Recognising and protecting the Art Deco heritage values of the City by ensuring that future retail activities complement and maintain these values.

2 Evolving Retail Patterns: The Place of BBR

- ☐ The question has been asked as to whether the debate should be about “why or why not” more Big Box Retail (BBR) should be allowed into Napier, as opposed to the debate about “where and how much” BBR to allow.
- ☐ This statement implies that BBR is a new phenomenon for Napier. This is factually incorrect as there are already major BBR players in the Central City and elsewhere in urban Napier: Farmers, The Warehouse, Briscoes, Lighting Direct, Retravision, The Warehouse Stationery, Noel Leeming, Bond and Bond, Mitre 10, to name a few. There are also some BBR players in the Taradale Rd retail precinct, eg. Placemakers.
- ☐ These retailers have been present for some time, without any obviously negative effects for the Napier community. The evidence is that customers have supported these facilities, and many of these retailers are now looking for larger premises.
- ☐ By and large the specialty retailers, especially in the Central City have already adapted to their bigger neighbours, and are still in business. Customers have voted with their wallets and their feet.
- ☐ Much has been said about the supposed international experience of BBR which has largely been reported as negative. This has created an incorrect impression, as a review of the evidence shows the impacts are mixed, and there is no real clear pattern. There are also examples of where BBR has worked well for a community as well as examples of where it has apparently not. In the latter context, many examples refer to the USA retailer Wal-Mart.
- ☐ While Wal-Mart is undoubtedly a powerful retailing force, and the world’s largest retailer, and has had an arguably negative impact on some very small towns, this does not mean the situation is directly comparable to the NZ situation, and will inevitably happen here.
- ☐ No local retailer has the same degree of competitive dominance that Wal-Mart has in many small towns – The Warehouse is a strong player to be sure, but in many categories it has very tough competition from players like Briscoes, Farmers and Noel Leeming.

- ☐ The demise of Deka is an example of what happens to retail “icons” when they no longer meet consumer needs.
- ☐ Many of the so-called objections to BBR appear to emanate from those implicitly seeking some form of protection from trade competition. This is especially true of some smaller retailers.
- ☐ It is necessary to ask ourselves whether we can realistically expect to exist in a time capsule. Who would do without the convenience of the supermarket format today ? Who would be prepared to put up with the high prices, shoddy service and poor surroundings of shopping for food and groceries at the local dairy/corner superette - as happened in the past prior to the advent of supermarkets, and is often still true today ? (this is admittedly a generalisation).
- ☐ The key point is that the development of retail formats move in cycles, and the BBR format is no different. The ultimate sustainability of BBR will be determined by whether customers vote for them with their feet and wallets.
- ☐ Of course, smaller retailers do not need to sit idly by, like “possums in the headlights”. They have the advantage of being nimbler, and being able, if well organised, to offer their customers a superior level of service, often difficult to get in BBR. This often requires investment in key areas of the business: IT systems, marketing, staff training and so on. The choice is theirs as to whether they choose to respond.
- ☐ Consumers benefit from competition, provided it is neither dysfunctional nor destructive. The evidence from elsewhere in NZ is that consumers want BBR as part of their choice. Retail sales in BBR formats now account for almost 20% of retail sales, up significantly over the last 5 years.
- ☐ BBR can contribute positively to communities. BBR-related development activities are likely to affect land prices positively, freeing up money for the local economy, and promoting the more efficient use of infrastructure and resources.
- ☐ They can stimulate net job creation in the retail and service sector, and from those firms supplying the BBR: transport operators, couriers, security services, communications, cleaning, catering services, accountancy, personnel services and so on.
- ☐ It is also significant that retail is often an industry which attracts young people – the further development of the retail industry in Napier can play a role in helping to retain younger people in Napier.

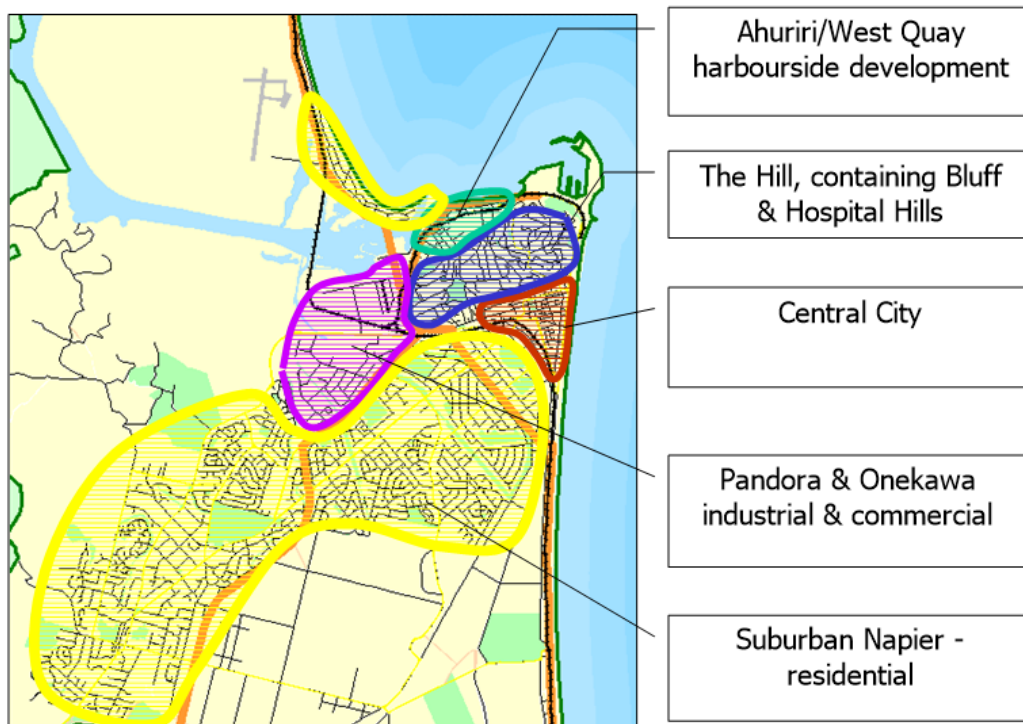
- ❑ This is not to suggest that BBR will only have positive effects, rather to make the point that there are potential positive effects to be considered along with the potential negative effects which are often claimed.
- ❑ Finally, it is unlikely a local authority can prevent BBR development under district plan provisions. In addition, any amendments to the district plan which are perceived to be draconian, and hence challenged by developers or BBRs, are likely to prove to be very difficult to defend, without a robust policy framework based on sound logic.
- ❑ The purpose here is to construct that policy framework (not necessarily “draconian”) as part of the retail strategy (which includes both management and incentive elements), so as to shape the way in which BBRs can establish in Napier, to maximise the positive opportunities, minimize the potential negative effects, and to ensure that the community benefits in a balanced way.
- ❑ A policy framework based on the District Plan forms only one, but vital component of the retail strategy we have been asked to develop for Napier. There are other methods available as well.
- ❑ It is also important to consider the strategy should address the issue of specialty retailing as well. It would be a significant, mostly adverse, event, if a regional (specialty) shopping mall was established in Napier, or between Hastings and Napier, as this would undoubtedly impact negatively on the Central City. Our approach should be holistic, in trying to encourage both BBR and specialty retailers to locate as close as possible to the Inner City.
- ❑ The strategy should be managing and enabling, rather than controlling in its approach.

3 City and Regional Patterns

Napier is one of the two key cities of the Hawkes Bay and has a prominent role in the economy of the region. Some key features are:

- ☐ Napier now has 37% of Hawkes Bay's population and 45% of its retail spend
- ☐ The Inner City has developed into a robust centre of specialist retailing and leisure activity
- ☐ The growth of tourism has and will continue to contribute to the City's economy
- ☐ BBR outlets are an existing feature of retailing in Napier and there are a number currently scattered throughout the urban area of Napier
- ☐ Inner City retailing has survived and grown with the advent of BBR in Napier
- ☐ BBR retailing located on the fringe of the Inner City is contributing to its attraction for shopping and recreation

Defining Precincts



Retail Strategy for Napier – 29 October 2003

The City's precincts also play a vital role in support of business and as such are key elements of future retail in the City.

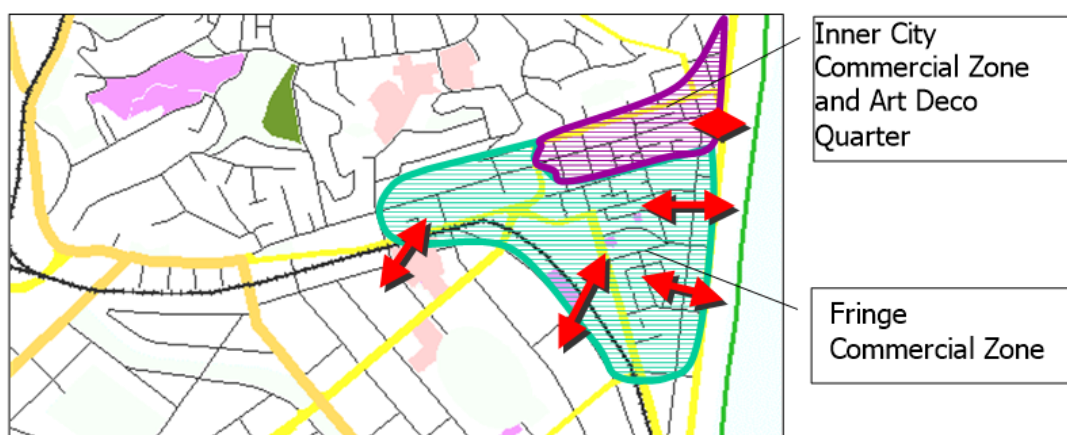
The characteristics of these areas are therefore also important in the analysis of the urban area. To get a perspective of their role their 'sense of place' is provided below.

Analysing layers of characteristics

Outlining the sense of place of the precincts and highlighting key elements, including:

- Living
- Leisure
- Tourism
- Access and circulation

Central City



- ❑ **Living:** only of subordinate nature, area dominated by retail and offices. Declining residential component.
- ❑ **Leisure:** Beach front activities, restaurants and pubs contribute to a lively environment, but dispersed offering (eg. Cinemas) diluting the potential.
- ❑ **Tourism:** Strong generator in the area: Art Deco of national importance. Not supported by other potential elements essential to create balanced urban environment
- ❑ **Access and circulation:** Access across railway physically limited and hill which limits interconnection with the surrounding residential area. Current Activities in the Fringe Commercial Zone are not conducive to easy flow from residential to Inner City area. There is also a lack of connection between Central City and beach front.

The Hill

The Hill containing Bluff & Hospital Hills forms a distinct precinct

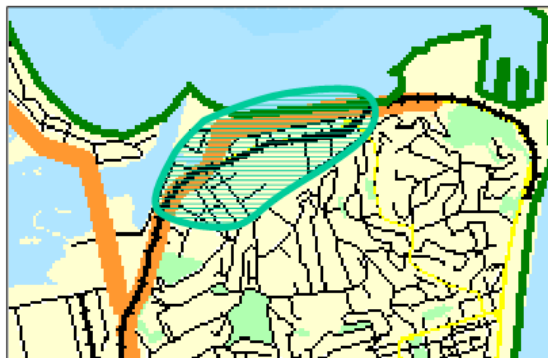
- ❑ **Living:** A select and evolving location for living, good infrastructure, schools
- ❑ **Leisure:** Parks and Botanical Gardens, stunning views
- ❑ **Tourism:** only has subordinate relevance (eg. Botanic Gardens)
- ❑ **Access and circulation:** limited but good access and interconnection with the Central City. Visually isolated position in the hills but within walking distance of the action.



Ahuriri

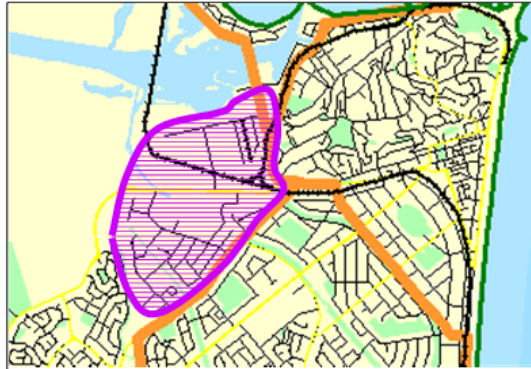
The distinctive harbourside development which was a historic Maori site and later became an industrial site close to the port

- ❑ **Living:** Fast developing but still limited residential, with mixed use activities
- ❑ **Leisure:** Popular boating, cafes, bars and recreational activities in what was once an industrial area
- ❑ **Tourism:** Popular destination for boating, fishing, dining and partying
- ❑ **Access and circulation:** De-facto highway running through the area, heavy vehicle circulation. Limited connections to Central City.



Pandora and Onekawa Industrial

- ☐ **Living:** No residential activity
- ☐ **Leisure:** Not a current destination, undervalued Inner Harbour
- ☐ **Tourism:** No activities
- ☐ **Access and circulation:** Good access to arterial roads, no direct connections to waterfront and Inner Harbour
- ☐ **Employment:** Highly diverse and valuable employment areas serving a regional catchment



Suburban Napier

- ☐ **Living:** Residential areas of Napier, low density, sprawl with considerable revitalisation taking place. Characterised by magnificent tree-lined boulevards
- ☐ **Leisure:** Numerous facilities (pool, reserves, parks) but no identifiable comprehensive design concept
- ☐ **Tourism:** Not significant relevance apart from scattered accommodation and key leisure and accommodation focus at Kennedy Park and pool activities
- ☐ **Access and circulation:** Well served with arterial roads. Many cul-de-sacs limit circulation within residential areas. New expressway opens up wider regional connections. Central City access essentially limited to east and west ends
- ☐ **Retail:** Focused on suburban requirements with new developments keeping it relevant



Recommendations

Apart from pure retail outcomes there are numerous aspects of the living environment which can assist to achieve positive outcomes for the Central City and suburban centres. These include:

- Promote clustering of activities (leisure, etc) in key locations as opposed to dispersal

- Improve the streetscape of the Fringe Commercial Zone to make it attractive to higher density residential and hotels/motels
- Promote a strong office core in the Central City
- Improve connections between the Fringe Commercial Zone and the surrounding residential areas
- Improve the access routes to the Central Area (quality and legibility, signage and identity)
- Create a stronger connection between the Central City and the Bay and clustering activities to proximity of those access points
- Promote other attributes of Napier City as well as Art Deco





The study addressed the following key issues with regard to future location and development of retail facilities:

- ☐ Potential for deterioration of the Art Deco heritage of the City.
- ☐ Adverse effects on local amenity created by large-scale retail activities.
- ☐ Adverse effects on the sustainability of the existing physical resource of the City resulting from major “greenfield” retailing development.
- ☐ Heavy demands on the roading network of the City caused by inappropriate location of large scale retail activities.
- ☐ How to accommodate growth in demand for retail space.
- ☐ How to sustain the vibrancy of the Inner City and extend it to the whole of the Central City.
- ☐ Reverse sensitivity effects of retail activity in inappropriate locations.



The Scenario Planning technique has been used to assess the possible futures for Napier Retail. These scenarios assume that no changes are made to current policies.

Scenario Analysis

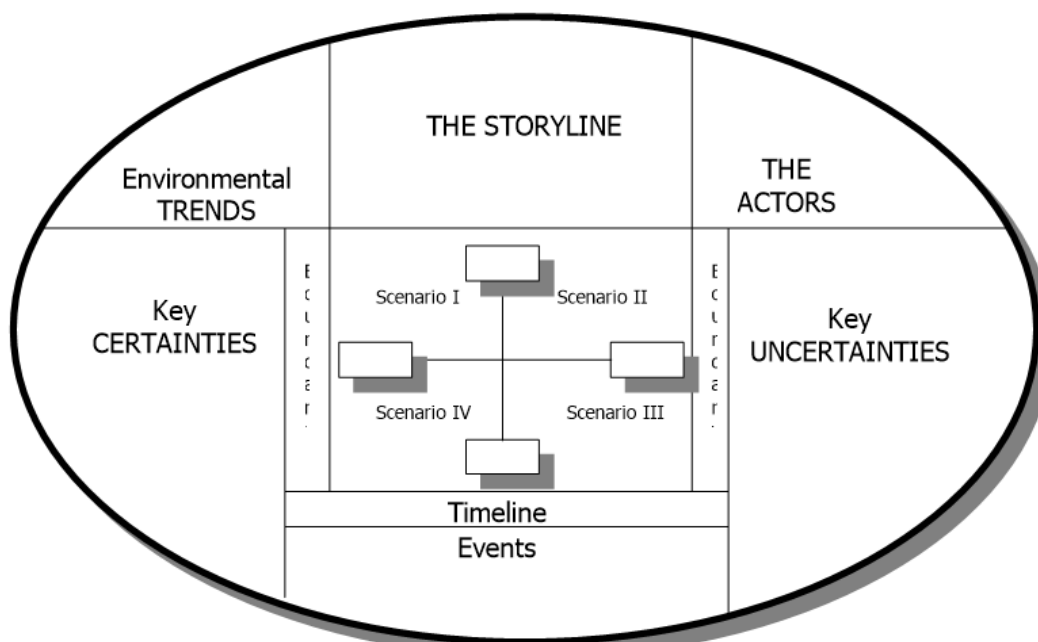
The analysis addresses the key questions which keep decision makers awake at night:

- ☐ What will be the economic and social impact of more BBR on the existing retail scene?
- ☐ What other tourist attractions can be created to support growth in tourism?
- ☐ Should Napier be competing or co-operating with Hastings? Other regional players?
- ☐ How do we balance economic growth while maintaining and enhancing Napier's quality of life?
- ☐ What strategy should be created in response to BBR that is both viable and defensible?
- ☐ Our focus is the medium to long-term, at least the next 5-10 years.

This is the storyline which the scenarios set out to answer.

Framework

The scenario framework is shown below:



Key Certainties

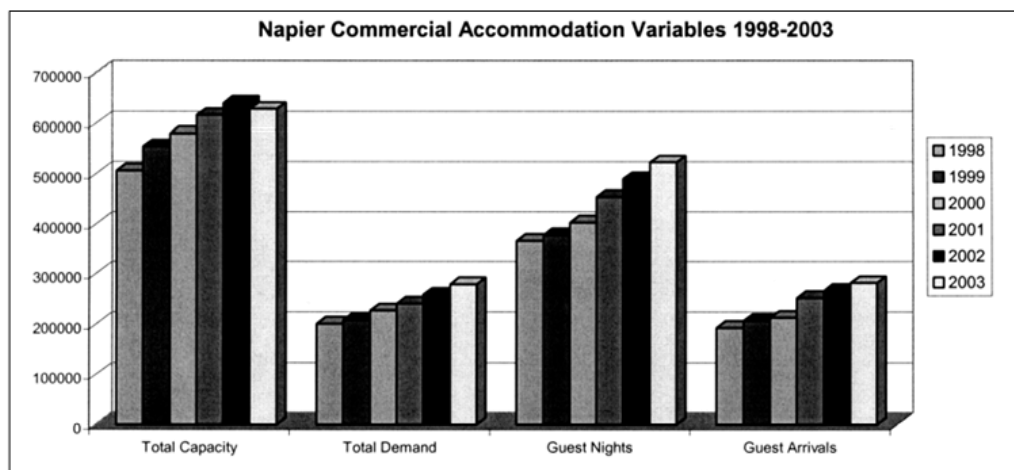
The following key trends have been identified as determinants of the future shape of Napier's retail environment:

- ❑ Population:
 - Size (current): 55,000 (est.) ¹
 - Growth Rate (NZ): 0.5% p.a. (1.1%) for next 5-10 years
- ❑ Demographic Composition (NZ averages)²: current
 - Median age: 37.2 years (34.8)
 - Aged 65+: 15.2% (12.1)
 - Aged 15-: 22.3% (22.7)
 - Median income: \$16,900 (\$18,500)

Sources:

¹ Economic Solutions, April 2003

² 2001 Census



Visitor Growth

- ❑ Visitor growth will continue for the foreseeable future.
- ❑ Growth in January 2003 on last year: +6% to +7% ¹

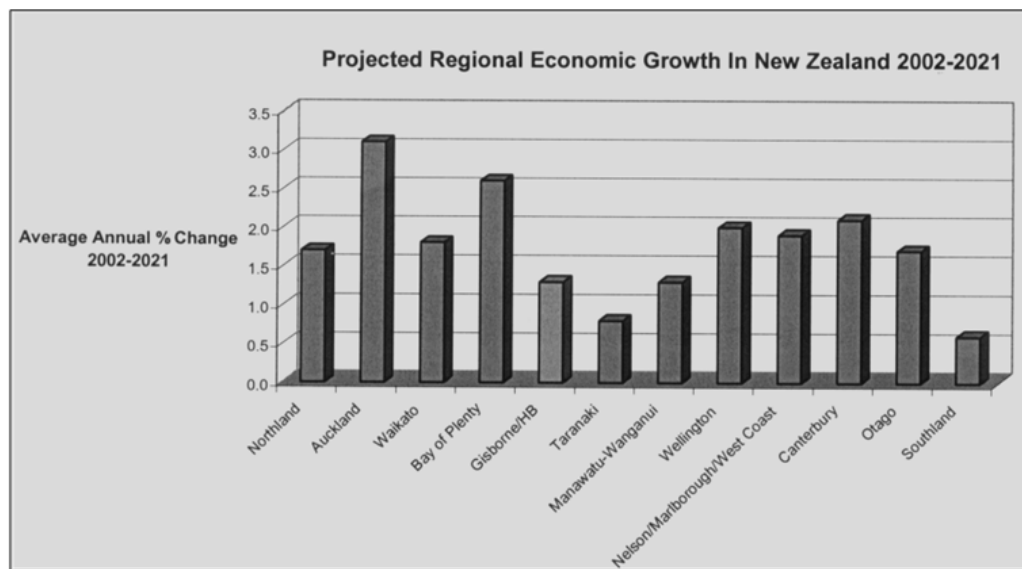
- Central City shoppers who were visitors ²
 - 15% (2002)
 - 10% (1999)

Sources:

¹ Economic Solutions, April 2003, excludes those staying with family

² Central City Marketing

Economic Growth



Sources: NZIER.

Economic growth will continue at a rate in line with historical averages. The NZIER predicts growth of between 1 to 1.5% for the period 2002 – 2021.

Retail Market Growth:

We have assumed that growth in retail spend over the next 5-10 years will average 2% to 4% p.a.. This growth is likely to come from some population growth and migration, some visitor growth, and some increased retail spend per capita, as a result of increased economic activity.

Other Key Certainties identified in the Study:

- ☐ Ageing population and stable growth
- ☐ Growing visitor numbers
- ☐ Art Deco resource will be retained
- ☐ Physical constraints to growth and developments of the City
- ☐ Demand for larger format retailing options
- ☐ Market responds to price discounting
- ☐ Motor vehicles will remain the primary means of transport
- ☐ Nature of product will determine distance people are willing to travel for it
- ☐ Napier cannot control the pattern and form of retailing in Hastings
- ☐ Increased use of technology over time
- ☐ Continued regional dependence on agribusiness/commodities

Key Uncertainties

Key uncertainties are those key factors which are inherently uncertain and which will determine the nature of Napier retail in a significant way:

Most critical to future outcomes:

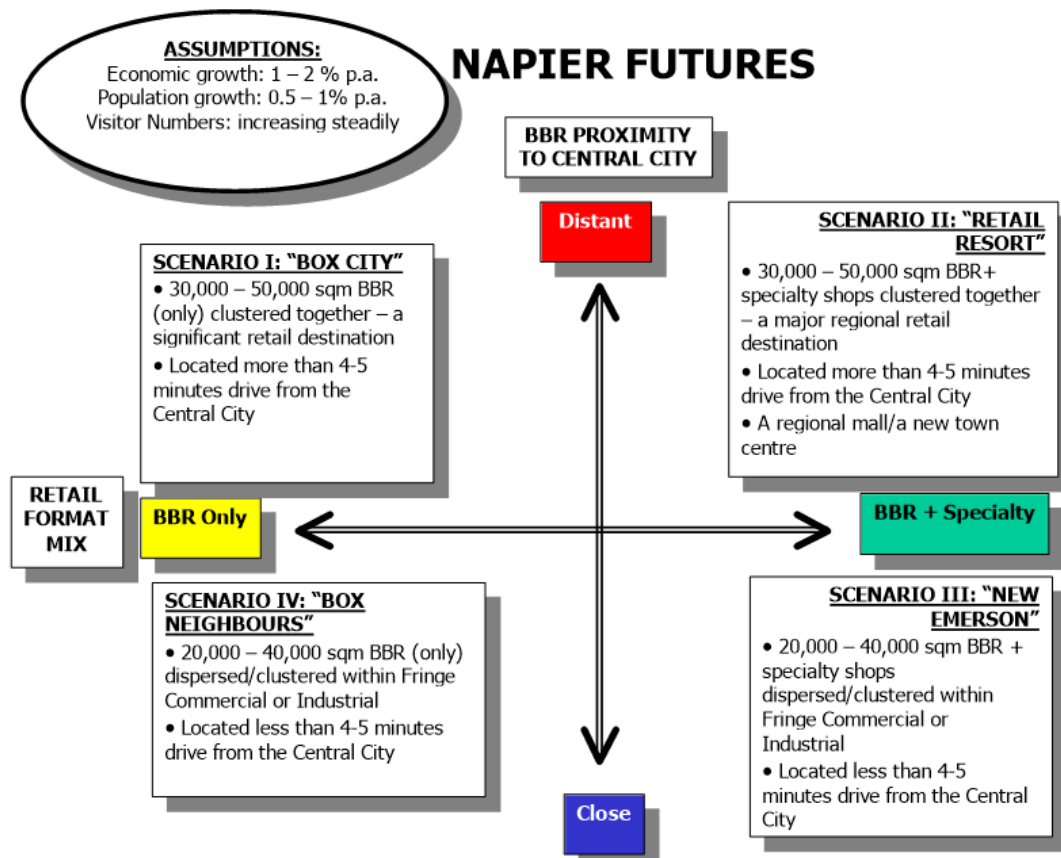
- ☐ [1] Impact of (BBR) on Inner City
- ☐ [2] Whether large retailers will remain in the Central City
- ☐ [3] Extent of demand for BBR
- ☐ [4] Location of BBR
- ☐ [5] Whether Hawkes Bay can sustain a large greenfield option.

Less critical to future outcomes:

- ☐ Impact of technology on retailing (eg. internet)
- ☐ Use/activities in Central City in future
- ☐ Level and composition of migration to region
- ☐ Health of nation's economy
- ☐ Composition of local government
- ☐ Impact of Napier-Hastings expressway
- ☐ Perceived level of safety in Central City

Scenario descriptions

Four scenarios for the future have been constructed. All scenarios are equally likely if there are no policy changes as a result of this study. The scenarios all have a 5-10 year time horizon. The scenario assumptions are shown below:



NOTE: The 4-5 minutes definition is a construct for analytic purposes only and refers to the approximate drive time from the intersection of Emerson and Dalton Streets.

So how do we use them?

- ☐ There is no preferred scenario
- ☐ The scenarios will in any event have significantly different effects
- ☐ The scenarios are not strategic options

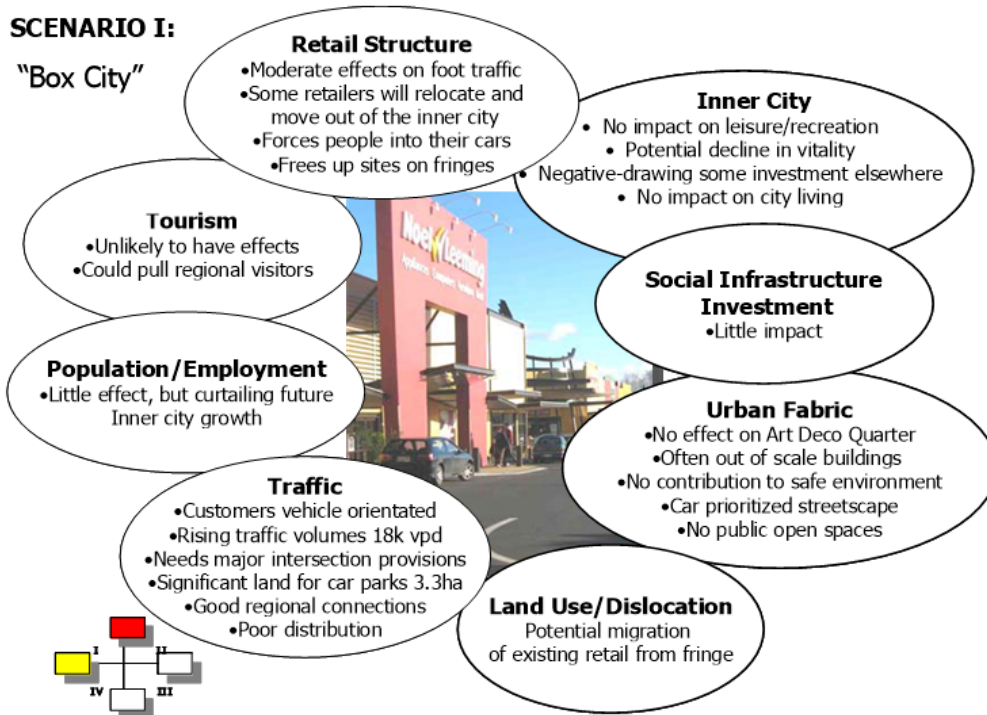
The Scenario analysis process considers the potential elements which could be affected:

- ☐ Retail Structure:
 - Central City
 - Foot Traffic
 - Specialty
 - Existing BBR
 - Suburban shopping Centres
 - Fringe Commercial
 - Shopping Patterns
 - Product categories
- ☐ Central City
 - Vitality
 - City living: population
 - Leisure and recreation
 - Investment
 - Rating Value
 - Social Infrastructure
- ☐ Urban Fabric
 - Streetscape
 - Heritage
 - Scale
 - Ease of movement
 - Open Space qualities
 - Safety
- ☐ Land use/dislocation
- ☐ Traffic
 - Traffic arrivals
 - Traffic volumes
 - Traffic connectivity
 - Traffic Access and infrastructure
 - Car parking
- ☐ Population/location
 - Suburban living
 - City living
- ☐ Tourism/visitors
- ☐ Employment
 - City
 - Suburban
- ☐ Regulatory instruments

The charts which follow summarise the likely effects on Napier under each of the four possible scenarios. These effects assume no policy changes, and are meant to guide thinking on the recommended policy options.

SCENARIO I:

"Box City"

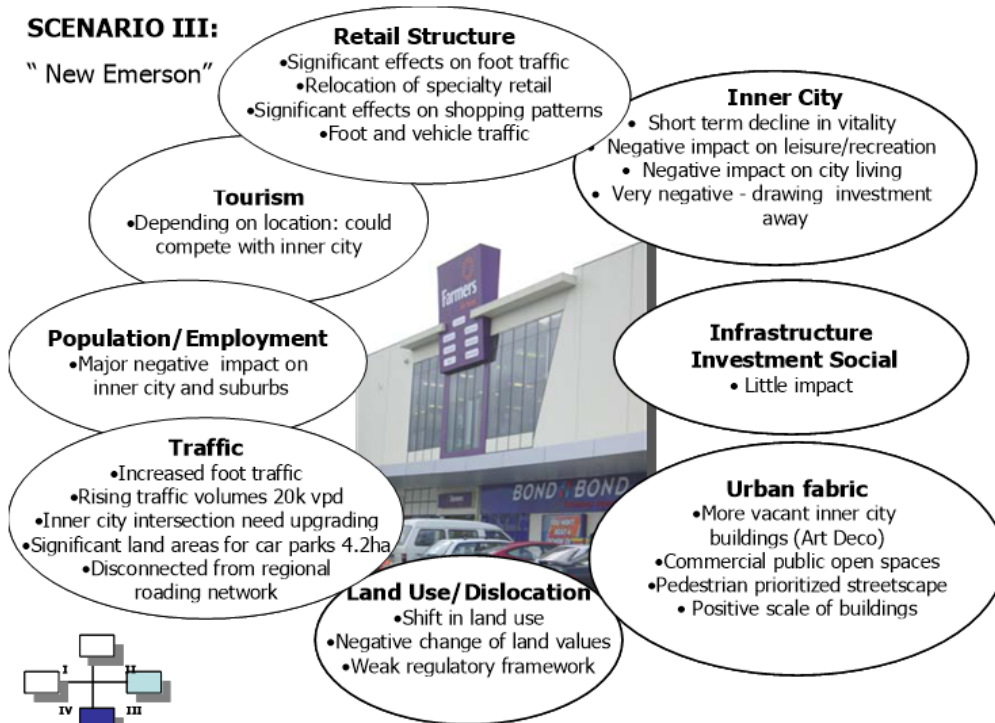


SCENARIO II: "Retail Resort"

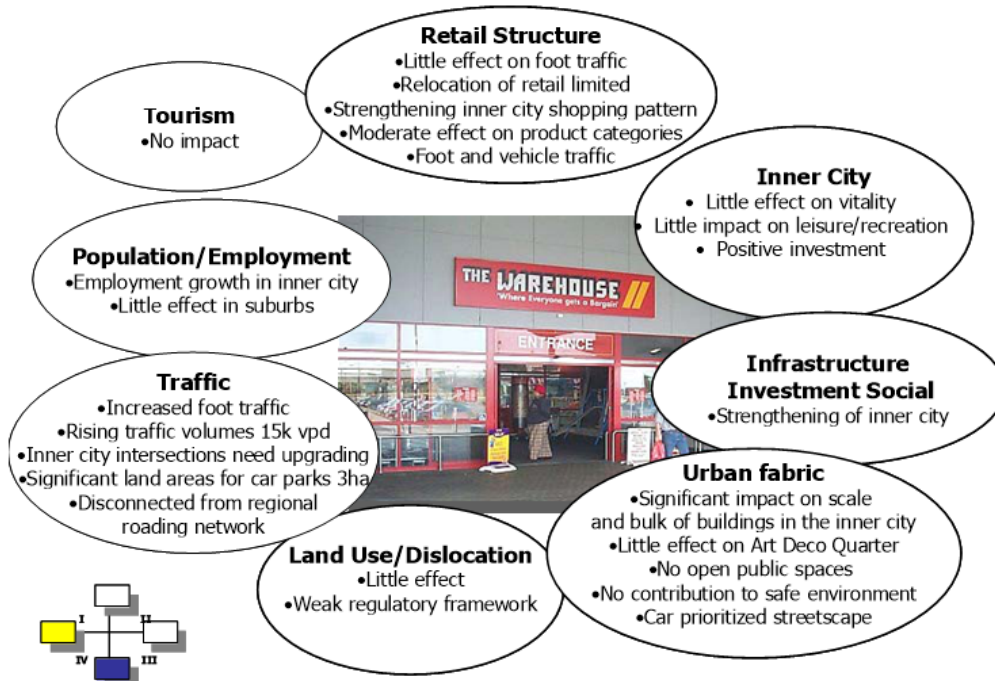


SCENARIO III:

"New Emerson"



SCENARIO IV: "Box Neighbours"





This study does not attempt to choose a scenario. It is also important to be aware that, in the absence of new strategies, all scenarios are equally possible.

Accordingly a strategic approach needs to be able to cope with all of the possible scenarios.

Three broad strategic options in response to the possible scenarios for the future are:

- **Option 1:** “do nothing” or laissez faire – the status quo.
- **Option 2:** enable the development of a substantial retail node away from the Central City.
- **Option 3:** enable large scale retail development to locate as close as possible to the Inner City.

In the context of the Options and the Recommended Strategy, “close” refers to the outer limit of the Fringe Commercial zone as per the Proposed District Plan.

The “do nothing” option is not a realistic option because of the potentially significant adverse effects on the Inner City if development were to occur in an unmanaged manner. It is important that any new retail development contribute to the vitality of the Inner City.

The next option of “location away from the Central City” is also not a desirable option because this too would undermine the vitality of the Inner City. Fundamentally this option opens up the possibility of a competing retail “destination”(s) of a substantial scale, whether it is BBR or specialty dominated, or both. This development option should be discouraged until all possible options closer to the Inner City have been exhausted.

The recommended strategic direction is to encourage integrated development close to the Inner City, so as to maximize the opportunities for cross-shopping and strengthen the vibrancy of the Central City.

TABLE – Benefits and Cost Analysis of Options

Development Option	Benefit	Cost
Option 1: Do nothing or laissez faire	<ul style="list-style-type: none"> <input type="checkbox"/> Will allow flexibility for larger format retail <input type="checkbox"/> Won't put pressure on Fringe Commercial Zone 	<ul style="list-style-type: none"> <input type="checkbox"/> Puts Inner City vibrancy at risk <input type="checkbox"/> Provides no clear direction <input type="checkbox"/> Disperses new investment away from Central City <input type="checkbox"/> Will disperse employment away from city centre <input type="checkbox"/> May require investment in additional traffic measures while capacity in Central City will be under utilized
Option 2: Enable substantial retail node development away from Central City	<ul style="list-style-type: none"> <input type="checkbox"/> May allow utilisation of under-utilised resources and won't put pressure on Fringe Commercial Zone <input type="checkbox"/> Could create a regional destination <input type="checkbox"/> Less pressure on parking in Central City 	<ul style="list-style-type: none"> <input type="checkbox"/> Lose Central City vibrancy <input type="checkbox"/> Adverse effects on Central City investment and employment <input type="checkbox"/> Will require investment in additional traffic measures, with significant investment in certain areas <input type="checkbox"/> Competes with Hastings retail investment <input type="checkbox"/> May use scarce industrial land resource <input type="checkbox"/> May lead to reverse sensitivity issues
Option 3: Enable BBR to locate as close as possible to Central City	<ul style="list-style-type: none"> <input type="checkbox"/> Consolidates retail focus on Central City <input type="checkbox"/> Utilisation of under-utilised space through aggregation of sites <input type="checkbox"/> Reinforces the Central City as the premium destination by enabling cross-shopping 	<ul style="list-style-type: none"> <input type="checkbox"/> Sound traffic measure investment required <input type="checkbox"/> Risk of land not being made available <input type="checkbox"/> Risk of developer frustration

The recommended option is to develop a suite of methods, both district plan – related and other methods, to facilitate achievement of the strategic direction, specifically encouraging development of retail close to the Inner City.



We recommend adoption of the following strategic intent:

- ☐ Enable the establishment of activities which contribute to a vibrant and economically viable City
- ☐ Provide a suite of non-regulatory methods to achieve a robust and vibrant Central City.
- ☐ Provide positive incentives for retailing activity which sustains the Art Deco resource of the Central City
- ☐ Provide planning measures to manage the future pattern of retail development so that it enables the sustainable use and development of the physical and cultural resources of Napier.
- ☐ Ensure that appropriate land resources are available for the full range of land uses requirements of the city, including residential and industrial activities.
- ☐ Ensure that the roading network of the City is not compromised by poorly located large-scale retail developments
- ☐ Ensure that BBR meets the full infrastructure costs of locating on the periphery of the City.

The key principles of the strategic direction are:

- ☐ It is concluded that it is neither feasible nor desirable to attempt to prevent the expansion of BBR in Napier.
- ☐ Enabling large format retail to locate as close as possible to the Central City.
- ☐ Ensuring maximum connectivity and possible integration between new retail development and the Central City.
- ☐ The enhancement of the Central City shopping and retail experience.
- ☐ Encouraging more people to live in the Central City.
- ☐ Minimising the potential adverse traffic and parking effects associated with future development in the Central City.

Factors that would encourage BBR to locate near the Inner City:

General factors:

- ☐ Clustering a variety of retail, leisure and services in close proximity to the Inner City – being and remaining the major retail destination and attraction in the region
- ☐ Cross-shopping – i.e. ease of pedestrian movement from larger format retail to and from the Inner City
- ☐ Making it viable for larger format retail to accumulate large enough properties to satisfy their needs
- ☐ Making parking provision simpler for the operators but effective for the user
- ☐ Ease of access and circulation for cars and other modes of transport – opening up the key routes
- ☐ Breaking down the barriers to the Central City - providing easily legible routes connecting to the surrounding suburbs
- ☐ Make legible 'entry' points to the Central City
- ☐ Making it less attractive to go elsewhere in the city
- ☐ Dispersed approach and departure routes that enable customers to arrive and depart from a number of directions
- ☐ Potential for multi-trip visits by people who are already visiting the Central City
- ☐ Shorter travel times for most customers
- ☐ Shared use of the substantial area of carparking could facilitate further or improved development in the Central City

Retail-specific factors:

All retailers:

- ☐ Availability of parking
- ☐ Proximity to like-minded retailers, including competition: increases comparative shopping – physical and perceptual connections
- ☐ Availability of right size (“envelope” or “footprint”) sites
- ☐ Affordable rentals, security of tenure
- ☐ Reasonable lease provisions
- ☐ Close to customers, or attractive destination for customers
- ☐ Precinct image that is consistent with their image
- ☐ Evidence of market growth
- ☐ Balance of local authority controls:
 - flexibility with regard to:
 - opening hours
 - sidewalk trading at promo periods
 - signage
 - external appearance
 - traffic controls
 - health controls
 - control of street traders

Specialty retailers:

- ☐ Availability of smaller footprint sites (typically less than 500 sqm)
- ☐ Good footcount/traffic, similar to mall or good high street
- ☐ Moderate level of competition, facilitates comparative shopping
- ☐ Locating in an existing “destination”
- ☐ Non-national retailers: training and marketing support

Larger format (BBR) retailers:

- ☐ Larger footprint sites (typically greater than 500 sqm)
- ☐ Easy access for vehicle traffic
- ☐ Moderate level of competition
- ☐ Lower rentals (per sqm) than in high street/mall environments
- ☐ Mixed use with specialty retailers – creating a “destination”

Key Categories of Methods

We have identified the following sets of methods to achieve the strategic direction. These include a range of management techniques, urban design elements and incentives.

- ☐ Retail-specific incentives
- ☐ Mixed use incentives
- ☐ Co-location incentives
- ☐ Aggregation incentives
- ☐ Traffic and parking management
- ☐ Land use management
- ☐ Central City support/rejuvenation incentives
- ☐ Urban Design Elements

These methods can be selectively applied to different parts of the City to achieve the strategic direction.

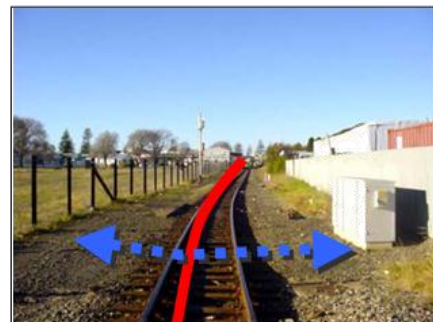


The range and combination of methods used will differ from one part of the city to the other. These are targeted at two broad objectives:

- Ensuring a strong and vibrant Central City that sustains its potential as the commercial heart of Napier.
- Avoiding the potential adverse effects of large scale retail development outside of the Central City.

Within the Central City

- Attract development of 'living' into the Central City through a combination of planning and design actions.
 - Reduced financial contributions for residential development
 - Reduce parking requirements for apartments/accommodation
 - Require minimum building setbacks
 - Relaxation of height requirements outside the Art Deco Quarter
 - Require acoustic control (noise insulation) between buildings
 - Locate bars (liquor licenses) where they will not heavily impact on living quarters
 - Improve lighting, footpaths and planting
 - Provide small playlots combined with seating for mothers/fathers
 - Provide small streetside squares
- Make access and circulation on foot and cycles as easy as possible
 - Make the pedestrian network highly legible



Railway: A physical and psychological barrier

- Ensure a well-connected network, guiding pedestrians and cyclists where they want to go and where they need to go.
 - On key routes provide 'anchor' items to guide pedestrians and cyclists (banners, trees, paving patterns, etc).
 - Provide pedestrian and biking signage to key destinations.
 - Improve lighting – especially through alleys and parks.
 - Provide seating at key places.
 - Provide safe and amenable street and rail crossing points for pedestrians.
 - Improve the quality of the footpath surface and provide clear cycling lanes.
 - Provide key focus areas or plazas and meeting places.
 - Make Emerson Street the most accessible and attractive hub – a great attraction.
 - Improve urban design elements – eg. street furniture – revamp.
 - Check Dickens Street design treatment.
 - Run link bus down Dickens Street.
 - Parking on Dickens St – Council.
-
- ❑ Promote clustering of activities to grow potential synergies and visual experience, including:
 - Recreation and leisure
 - Restaurants and café's
 - Larger format retail
 - Offices
 - Encourage residential mixed use with BBR retail and/or office use.



Entrance to CBD not visible from the beach

- ❑ Provide incentives for BBR to locate in Fringe Commercial Zone.
 - Set a minimum permitted floor area for new retail tenancies in the Fringe Commercial zone at 500 m², with some provision for existing businesses.
 - Allow development bonuses where BBR provides or contributes to public amenities, such as:
 - Public parking.
 - 24 hour security/lighting.
 - Public art/open space.
- ❑ Encourage aggregation of titles for BBR in Fringe Commercial Zone by:
 - Financial incentives (eg rating relief) when developer/retail aggregates titles within Fringe Commercial.
 - Waive consent processing fees for retail proposals in Fringe Commercial which aggregate titles.
- ❑ Provide development support for Inner City retailers, such as:
 - Improving stability and continued presence of key anchor retailers by catering to their specific needs
 - Training/Customer Service package for firms employing < 10 – perhaps a special rate.
 - Back-to-back investment commitments, eg. Quality systems, mystery shopper programmes – on a quid pro quo basis with small retailers.
- ❑ Integrate parking, public transport and traffic measures in Central City.
 - Provide incentives for shared use of parking by different activities (eg. BBR, accommodation etc)
 - Provide free minibus circuit via public parking areas, Inner City and BBR
 - Allow reduction in parking requirements for BBR in Fringe Commercial Zone.
- ❑ Develop other Inner City attractions as well as Art Deco



*Clear street legibility of Kennedy Rd
through avenue of palm trees*

Retail Strategy for Napier – 29 October 2003

- Link Central City visually to key surrounding precincts – promote distinctive gateways
 - by car and
 - on foot

Outside Central City

- Provide good visual connections from adjacent precincts to Central Area.
- Ensure effective foot and car connections within Precincts.
- Make Precincts as attractive possible for their current activities and users.
- Consolidate retail and business areas in clearly defined and easily accessible areas outside of Industrial Zone.
- Build defining character themes into the public domain to assist in making the neighbourhoods more sustainable.
- Link Central City visually and tacitly to
 - Sea and beach
 - The hill
 - Promote distinctive gateways (take different modes of transport into account)
 - The surrounding precincts
 - Allow for significant uses and activities to support the network
 - Create feature parks at key junctures
- Manage BBR locating outside the Central City to avoid adverse effects. In the Industrial Zone:



Central City isolated by strong barriers and limited connections

- Retail developments shall be provided for where:
 - Individual tenancies have a minimum floor area of 500m²
 - And at least 75% of tenancies have a floor area of equal to or greater than 1,000m².
 - Café and /or lunch bar ancillary to, on the basis of a maximum of one such facility per 10,000m² of floor area.
- Encourage BBR to locate on arterial roads with appropriate access arrangements.
- Provide for appropriate parking.



The anticipated outcomes from implementation of the strategy include:

- ☐ Consolidation of the Central City as the “commercial heart” of Napier.
- ☐ Through urban design measures ensure the continued and increased attractiveness of the Central City as a place to visit, live and work in.
- ☐ Building Art Deco into all future plans as an essential element of the character of the Inner City.
- ☐ Setting opportunities and controls to ensure that new development will not place unsustainable demands on the City’s infrastructure.
- ☐ Ensuring that a wide range of activities continue to, and increasingly in the future find a home in the Central City.
- ☐ Integrate parking and public transport in the Inner City to ensure efficient use of available land.
- ☐ Ensure that there is sufficient land resource in the Industrial Zone for foreseeable future industrial needs.
- ☐ Ensure that reverse sensitivity issues do not discourage growth and development in the Industrial Zone.



Art Deco Quarter This zone identifies the concentration of art deco buildings that makes Napier unique. It includes all of Emerson Street and the significant building in the south end of Hastings Street.

Big Box Retail ("BBR") Large footprint retail shops usually on one level with associated parking. Generally part of a national chain with a strong brand image, focussing on a limited product range, price, advertising with heavy discounting. Often promoted as destination shopping.

Central City The commercial core of Napier including the Inner City Commercial Zone, the Art Deco Quarter and the Fringe Commercial Zone as defined in the City of Napier Proposed District Plan.

Inner City Includes the Inner City Commercial Zone and the Art Deco Quarter as defined in the City of Napier Proposed District Plan.

Inner City Commercial Zone The Inner City Commercial Zone surrounds the Art Deco Quarter. It extends as far as Station Street to the south and Browning Street to the north. It is the retail area of the inner city but does not include the concentration of the art deco building based around Emerson and Tennyson Streets.

Fringe Commercial Zone The Fringe Commercial Zone surrounds the inner city retailing core. It extends as far as Faraday Street to the west, Sale Street to the south and includes the former railway yards. It is characterised by larger scale commercial activities such as supermarkets and furniture showrooms. This area is easier to access by heavy vehicles than the core retail area.

Specialty Retailing Often small and medium-sized shops, but can include larger Department Stores such as Farmers. Usually characterised by high levels of personal service, and wider product ranges for a wide range of products, eg. clothing, personal items and household accessories. Typically smaller than 500 sqm in size.

Square Metres This term refers to retail space measured as per the Gross Floor Area (GFA) definition of the Property Owners Council.

Suburban Commercial Zone The Suburban Commercial Zone covers all of the shopping centres outside of the Inner City area such as Taradale, Marewa, Tamatea etc.



Large Format Retail Case Study

Consideration as to the position of Large Format Retail (LFR) within a CBD is critical. LFR sectors reduce the quality of experience, both from an amenity perspective but also from a City identity view point. By its nature LFR relies on people driving to the destination by car, thereby reducing the amount of foot traffic and pedestrian numbers within the city network, and is characterised by inactive shop frontages and poor urban design principles. These large buildings are inward facing and surrounded by expansive areas of carpark which add little to the businesses and properties adjacent.

“Doughnut Cities” or the “Doughnut Effect” is a recognised phenomenon encountered around the world. It refers to a city that focusses retail and/or business outside of the city centre, thereby impacting negatively any activity at the city core. More and more small cities are experiencing this. A local NZ example is provided in Hamilton where Large Format Retail (LFR) has been situated far from the existing town centre, drawing shoppers and activity away from the heart of the city, and adding limited value to the city’s unique character and identity.



Hamilton LFR Precinct
(Inward facing, extensive central carpark, large oversized buildings)

Napier is a small (on an international scale) seaside City. It is renowned for its beautiful Art Deco architecture, its proximity to the coast, and its fantastic climate. A key ‘point of difference’ for Napier is that we have managed to retain our compact CBD, and subsequently have a much more vibrant City Centre than many others of our size. Although some LFR already exists in Napier, it is appropriately located on the outer fringes of the commercial area, within easy walking distance of its retail heart. Any future LFR in Napier would equally need to be appropriately located and designed to ensure seamless integration with the CBD.



Hastings CBD and LFR location

Napier's close proximity to Hastings' LFR enables Napier to avoid duplication of offerings, and supports Napier's commitment to its vibrant retail heart. There may be benefit to both cities in Hawkes Bay to adopt a regional approach to Large Format Retail. Such an approach enables Napier City Council to protect the City's existing vibrant city centre while at the same time strengthening the region's economic base and increasing prosperity across the region.

2. HERITAGE IMPROVEMENT GRANT ADMINISTRATION CHANGES

Type of Report:	<i>Operational and Procedural</i>
Legal Reference:	<i>N/A</i>
Document ID:	<i>350991</i>
Reporting Officer/s & Unit:	<i>Fleur Lincoln, Strategic Planning Lead</i>

2.1 Purpose of Report

The purpose of this report is to obtain Council's approval to redistribute Napier City Council's Heritage Improvement Grant to the Art Deco Trust, so that it may be added to a much larger funding pool available for the restoration of Napier's heritage.

Officer's Recommendation

That Council:

- a. Agree to disestablish the Napier City Council Heritage Improvement Grant annual fund of \$10,000 per year as of 30 June 2016
- b. Approve that for the 2017/18 financial year, the fund allocation be transferred to the Art Deco Trust to combine with a larger Robert McGregor Heritage Fund; and
- c. Approve that an agreement to manage the administration and expectations associated with this be prepared.

CHAIRPERSON'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

2.2 Background Summary

Napier City Council (Council) currently has \$10,000 available per year for its Heritage Improvements Grant. The Grant is available to owners of Heritage-listed buildings in the Art Deco Quarter, or outside of the CBD but of commercial nature and a significant example of the Art Deco era style. Details of this grant can be found in the background of the 2015 report to Council found in Appendix 1. The changes approved in 2015 introduced the ability for building owners to claim for scaffolding costs associated with the repainting. The changes made have had the desired effect of increasing the number of buildings being repainted, and subsequently, the Grant is now over-subscribed, with a list of building owners who are waiting for funding to be available to complete their work. In the future it is hoped that Council's contribution to this fund is increased to maintain/refurbish a higher number of buildings in the future. As a comparison, the Hastings District Council fund for the same purpose is \$22,000/year. In the meantime, Council Officers have been approached by the Art Deco Trust to make some changes to the way in which this Grant is administered.

Following a strategic review by the Art Deco Trust, the Trust has sought to return to the reason they established – to advocate for and support the retention, restoration, and enhancement of Napier's art deco heritage. As such, they are looking to establish their own heritage fund (the Robert McGregor Heritage Fund), which may include some private sponsorship from individuals and/or companies, and other grants received by the Art Deco Trust for this purpose. This fund would provide for a variety of heritage improvement projects including repainting, restoration work, maintenance, and repair, and would be paid out to successful applicants (building owners) on a regular basis as part of funding

rounds. A committee would administer the fund, and would be made up of representatives of contributory funders and other heritage-related persons.

The Art Deco Trust approached Council a few months back to ask whether Council would consider allocating its existing Heritage Improvement Grant of \$10,000 per year to this larger fund, administered via the Trust through the committee. There are both benefits and potential disadvantages associated with this change.

Napier City Council and the Art Deco Trust already have a strong working relationship through the Service Agreement administered by Council's Community Development department. The Service Schedule outlines those services expected from the Trust in exchange for this grant, and can be found in Appendix 2. Although consistent with the expectations outlined in the Service Agreement, the redistribution of the \$10,000/year to the Trust as outlined in this item will be separate to the former grant, as it will be allocated directly to private building owners for restoration projects.

Benefits

- Council's contribution would increase the fund available to building owners and create one large fund available.
- The larger fund available means that the scope of the fund can be widened beyond façade painting.
- Re-allocating Council's fund to the Art Deco Trust would avoid duplication of funds available in Napier, and the consequent confusion that could ensue if this does not occur.
- The close working relationship between Council and the Art Deco Trust would be further strengthened, especially in the eye of the public.
- Council would continue to have considerable control over the allocation of these funds through its representative(s) on the committee that assesses applications for the grant.

Disadvantages

- The fund would not be seen as solely a Council initiative.
- Decisions made on the allocation of funds would sit with the Committee and not solely with Council.

The Art Deco Trust have indicated (see attached email in Appendix 1) that they aim to raise \$80,000 per year to contribute to the wider funding pool.

2.3 Issues

The potential issues have been identified above in 1.2 and include the possibility that the public no longer sees the fund as being an initiative of Councils, and that Council loses its sole control over the fund.

2.4 Significance and Consultation

This item does not meet the criteria established in the Napier City Council Significance and Engagement Policy.

2.5 Implications

Financial

At this stage, there is no request to increase the amount of funding for this grant, however it is likely that a request will be made in the near future to cover the demand. Any increases would be assessed at that point in time.

If the Officer's recommendation is accepted, the \$10,000 per year grant will be disestablished, and the fund allocation transferred to the Art Deco Trust for administration, subject to meeting a number of conditions. These are yet to be finalised, but will include requirements such as having at least one representative from Council on the funding committee; and the requirement to redistribute 100% of the funds to building owners for heritage building restoration work. Council's representative will be significantly involved in the preparation of the criteria and management of the fund, as well as marketing and communications.

Social & Policy

It is believed that no Council Policies are required to be amended as a result of this change. An agreement will be put in place to manage the redistribution of the funds and relationship and expectations between Council and the Art Deco Trust.

Risk

Any risks to Council are minor and can be easily managed through written agreements and effective communication.

2.6 Options

The options available to Council are as follows:

1. Accept the Officer's recommendation to disestablish Council's Heritage Improvement Grant of \$10,000/year and redistribute the funds allocated to the Art Deco Trust so that it may be used in conjunction with a larger fund for heritage building restoration (the Robert McGregor Heritage Fund).
2. Reject the Officer's recommendation and retain the Heritage Improvement Grant as it currently is.

2.7 Development of Preferred Option

The Officer's preferred option is (1) above. It is believed that the benefits of this option outweigh the potential costs or risks, as noted in section 1.2 above. In addition, the benefits of a city that protects, celebrates, and supports its heritage fabric, particularly one as unique as Napier, cannot be under-estimated. Napier is already a drawcard for thousands of tourists a year, and this is expected to continue to increase as cheaper flights, more cruise ship arrivals, and improved transportation links make Napier an attractive destination. In a world where globalisation has the potential to create 'sameness' in our cities, our heritage is what makes us unique. A larger heritage fund that can support building owners whose costs are generally higher than owners of more modern buildings, will contribute to the creation of a more attractive, vibrant, and resilient city.

2.8 Attachments

- A 2015 Council Minutes - Changes to Heritage Improvement Grant [↗](#)
- B NCC_ADT Service Schedule 2015-2017 [↗](#)
- C Email from Art Deco Trust - Request for fund allocation [↗](#)

Ordinary Meeting of the Napier City Council – 23 September 2015 – Open Minutes

2. APPEALS IN RESPECT OF DISTRICT PLAN CHANGE 10

Significance of Report: Procedural
Legal Reference: Resource Management Act 1991
Reporting Officer & Unit: Michelle Hart, Policy Planner

2.1 Purpose of Report

To provide the Council with an update on the progress of Plan Change 10 following the closing date for appeals.

MAORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

COUNCIL RESOLUTION	Councillors Pyke / Hamilton That the report be received.
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CARRIED

3. HERITAGE IMPROVEMENT GRANT – SCAFFOLDING COSTS

Significance of Report: Operational
Legal Reference: N/A
Reporting Officer/s & Unit: Fleur Lincoln, Heritage Planner

3.1 Purpose of Report

To bring to the Council's attention the issues faced by building owners with changes to health and safety requirements in relation to painting buildings and the effect this is having on the take up of our Heritage Improvement Grant; and to seek authorization of Council to amend this policy to cover scaffolding costs.

Councillor Jeffery declared a conflict of interest and abstained from discussion and voting.

MAORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

COUNCIL RESOLUTION	Councillors Pyke / Hamilton a. That Heritage Improvement Grant Policy be amended to extend the grant to cover a proportion of scaffolding costs: \$4,000 of the budgeted \$10,000 would be set aside for scaffolding costs, covering 50% of scaffolding costs until the allocated budget is exhausted. \$6,000 would remain available to cover the cost of paint as per the existing policy. b. That the success of this amendment be reviewed at the end of the 2015/2016 financial year.
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CARRIED

First Schedule

Provider: ART DECO TRUST NAPIER		Service schedule 1 July 2015 - 30 June 2018	
Outcome: Engage the local community and visitors with the Art Deco experience			
Activity		Agreed deliverables	
Actively promote Art Deco services and activities		<ul style="list-style-type: none">• Maintain and update website to promote activities and information• Undertake marketing to enhance Art Deco brand and promote activities• Provide access to Art Deco material through retail store• Maintain worldwide links with other Art Deco interest groups.	
Offer a range of events with wide appeal		<ul style="list-style-type: none">• Encourage other Napier businesses to engage in Art Deco activities• Support local groups to lead and/or participate in Art Deco activities	
Outcome: Celebrate Napier's Art Deco Heritage			
Activity		Agreed deliverables	
Provide high quality information to locals and visitors		<ul style="list-style-type: none">• Provide daily guided tours• Provide information on the Art Deco history of Napier at the Art Deco Visitor Centre• Support and undertake educational programmes to build awareness of the importance of Napier's Art Deco heritage.	
Showcase Napier's Art Deco heritage through annual signature events		<ul style="list-style-type: none">• Facilitate Annual Art Deco weekend and Winter Art Deco weekend	
Outcome: Preserve Heritage Buildings in Napier's Art Deco Quarter			
Activity		Agreed deliverables	
Encourage preservation and restoration of Art Deco buildings		<ul style="list-style-type: none">• To persuade owners that their Art Deco buildings are worthy of preservation• Prepare painting schemes for property owners/occupiers in order to receive the NCC Heritage Improvement Grant.• To recognise restoration projects with its annual Art Deco Awards.	
Provide advice to Council and building owners		<ul style="list-style-type: none">• To advise owners on the restoration and enhancement of their buildings• Provide an advisory service to Council planners in relation to resource consents, signage in the Art Deco Quarter, and any relevant policy or strategic matter.	
Outcome: Volunteers are valued and supported			
Activity		Agreed deliverables	
Volunteers are adequately trained		<ul style="list-style-type: none">• All new volunteers receive induction training• All new volunteers attend a tour with an experienced tour guide before guiding independently• All volunteers are trained in the Trust's Health and Safety policy and processes	
Volunteer effort is recognised		<ul style="list-style-type: none">• Annual volunteer celebration• Vouchers are provided to volunteers	

Fleur Lincoln

From: Heritage Officer - Art Deco Trust <heritage@artdeconapier.com>
Sent: Tuesday, 11 April 2017 14:43
To: Fleur Lincoln
Cc: GM Art Deco Trust Napier
Subject: Heritage Improvement Grant Scheme

Hi Fleur,

Further to our conversation last week regarding the Heritage Improvement Grant, I provide the following for your consideration.

The Napier City Council's Heritage Improvement Grant Scheme has remained at \$10,000 for some period. While this has proved adequate in recent years, and as you are aware a number of large funding applications and increased activity in façade renewal promotion by the Art Deco Trust has seen demand on the fund increase, and we anticipate this to continue.

The Art Deco Trust's major reason for existence, as stated in our Mission Statement is to be "committed to the preservation, restoration promotion and celebration of our Art Deco era heritage". We believe that by ensuring as far as possible that Napier's CBD building facades are in appropriate era colours and in excellent condition that this fosters pride in our city, and provides a major draw card for tourists – ideals which the Napier City Council also shares. In order to progress this work even further, and to include some building restoration work, the Art Deco Trust is committed this year to creating our own heritage fund. The Art Deco Trust would raise funds for the heritage fund and provide the appropriate criteria for building owners to apply to the fund. Applications would then be assessed by a committee made up of three to four members of inside and outside the Art Deco Trust.

In order to kick start our fund, the Art Deco Trust would like to request that the Napier City Council give the funds to us that are currently used for the Heritage Improvement Grant, and thereafter each financial year. We would administer the grant money as part of our heritage fund. As the fund has stayed at \$10,000 for some considerable time, we would also like to request that allocation is increased to \$20,000 per annum. Our aim is to raise \$80,000 per annum for the fund, plus Napier City Council's \$20,000.

The economic benefits, as we all know of the Art Deco Buildings to Napier are considerable. In having the CBD looking as smart as possible will help maintain Napier's reputation as the Art Deco capital.

We would look forward to your response.

Kind regards,

Michael Fowler
HERITAGE OFFICER
ART DECO TRUST
P O Box 133, Napier, New Zealand 4110
PHONE: (64) 6 835 0022 Ext 703
CELLPHONE: 027 4521056
EMAIL: heritage@artdeconapier.com
WEBSITE: www.artdeconapier.com

My hours of work are Monday, Tuesday 8.30pm to 5pm and Thursday 1-5pm

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3. CLIFTON TO TANGOIO COASTAL HAZARDS STRATEGY 2120 - PROGRESS UPDATE

Type of Report:	<i>Enter Significance of Report</i>
Legal Reference:	<i>Enter Legal Reference</i>
Document ID:	352640
Reporting Officer/s & Unit:	James Minehan, Development Planner

3.1 Purpose of Report

To inform and update Council about the progress on the Clifton to Tangoio Coastal Hazard Strategy since the last report presented to Council in June 2016 and to obtain approval of funding additional unbudgeted expenditure.

Officer's Recommendation

That Council:

- a. Receives the Officer's Report *Clifton to Tangoio Coastal Hazards Strategy 2120 – Progress Update*.
- b. Endorses the following reports adopted by the Clifton to Tangoio Coastal Hazards Strategy Joint Committee (28 February 2017):
 - Clifton to Tangoio Coastal Hazards Strategy 2120: Coastal Hazard Assessment, Tonkin & Taylor, May 2016 (Attachment A).
 - Clifton to Tangoio Coastal Hazards Strategy 2120: Coastal Risk Assessment Tonkin & Taylor, May 2016 (Attachment B)
 - Stage Two Report: Decision Making Framework, Mitchell Daysh, February 2017, (Attachment C)
- c. Endorses the updated Terms of Reference (Attachment D) adopted by the Clifton to Tangoio Coastal Hazards Strategy Joint Committee (5 December 2016).
- d. Notes that the forecast project costs have now been incurred and that funding of \$110,000 will be sourced from year end budgets.

CHAIRPERSON'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

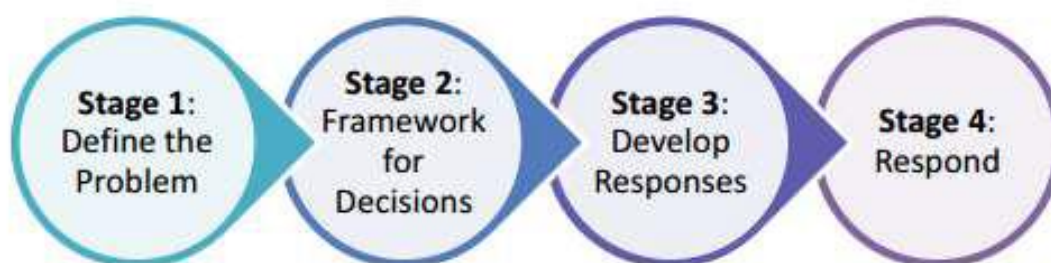
3.2 Background Summary

The New Zealand Coastal Policy Statement requires Local Authorities to consider and plan for coastal hazards risks. Under Policy 24 (1), Local Authorities are required to "Identify areas in the coastal environment that are potentially affected by coastal hazards (including tsunami), giving priority to the identification of areas at high risk of being affected. Hazard risks, over at least 100 years, are to be assessed..."

Subsequently, in 2014 a decision was made to form a joint committee made up of representatives of the Hawke's Bay Regional Council, Hastings District Council and Napier City Council together with representatives from Maungaharuru-Tangitu Trust, Mana Ahuriri Incorporated and He Toa Takitini. The committee was set-up to look at coastal hazards over the period 2016-2120. The strategy is to determine options for managing coastal hazard risks, namely beach erosion, inundation through overtopping and sea level rise and tsunamis.

The Clifton to Tangoio Coastal Hazards Strategy Joint Committee (Joint Committee) was re-established by resolution of the Hawkes Bay Regional, Hastings District and Napier City Councils at their respective first meetings following the 2016 local elections. The Technical Advisory Group (TAG) recommended some changes to the Terms of Reference to the Joint Committee meeting on 5 December 2016. This was to reflect how the strategy had evolved from the original Terms of Reference (2014). Subsequently at the Joint Committee meeting on 5 December 2016 it was agreed to present the updated Terms of Reference back to the partner councils for endorsement.

The Strategy is being progressed in four key stages as shown in figure 1 below.



Stage 1 Define the Problem - commenced in 2014 with two reports being prepared – “Coastal Hazard Assessment” and “Coastal Risk Assessment”. While the coastal erosion component of the reports was peer reviewed by Professor Paul Kench of Auckland University in 2016, his review of the inundation component has just been completed this year.

The peer reviews have confirmed the adequacy of the scientific reports for the purposes of the strategy. At its meeting on 28 February 2017 the Joint Committee received the peer review update and reconfirmed the adoption of both Stage 1 reports. The Joint Committee subsequently recommended that the peer reviewed Stage 1 reports be presented back to the Napier City, Hastings District and Hawke's Bay Regional Councils for their respective adoption.

Stage 2 Framework for Decisions - began in May 2016 with Environmental Management Services (EMS) and Maven Consulting Ltd (Maven) working on a “Decision Making Framework” for community engagement. This provides a framework for communities to consider different management strategies, i.e. “the status quo” (do nothing/monitor the situation), “hold the line” (defend) or “managed retreat” (withdrawing, relocation, or abandonment) for specific areas along the coast. The decision-making framework was explained to Councillors at a workshop with the partner councils on 29 August 2016.

Since then the following activities has been undertaken.

Two main assessment cell areas have been identified. One is to the south of Napier Port extending to Clifton. The other one is to the north, including the Napier Port, and extending to Tangoio (see the figure below). This recognises that for coastal processes, a response in one area may well have impacts on another. These cells themselves represent aggregations of smaller coastal units having distinct characteristics or risk profiles.



Subsequently two cell assessment panels (one southern and one northern) have been formed and are involved in developing and evaluating response options as part of Stage 3 of the project. These panels have community representatives from Tangoio/Whirinaki, BayView, Westshore/Ahuriri, Marine Parade, Clive/East Clive, Haumoana/TeAwanga/Clifton. Other participants include a representative from the port, ahuriri business, NZTA, DOC, recreational interests, and community board (rural). To date each of these panels has completed five out of ten planned workshops.

The panels are supported in their work by staff from the three contributing Councils and a group of scientists and researchers. The team of scientists and researchers are from one of the government's contestable funding initiatives (the national science challenges) known as "Living on the Edge". The Living on the Edge focus is the communities exposed to natural hazards located on the margins i.e. coastal margins and flood plains. Under the guidance of programme leader Professor Paul Kench (University of Auckland) the group has aligned their community case study with that of the Clifton to Tangoio Coastal Hazards Strategy 2120.

Work also continues on the establishment of funding guidelines for the potential protection work, relocation, or retreat options. This will indicate how funding decisions could be made and specifically how private versus public benefits and costs are to be apportioned. This work has input from Maven Consultants and financial staff from the partner councils to assist the panels in their option assessments. This work is currently ongoing but is expected to be completed by the conclusion of the cell assessment panel meetings.

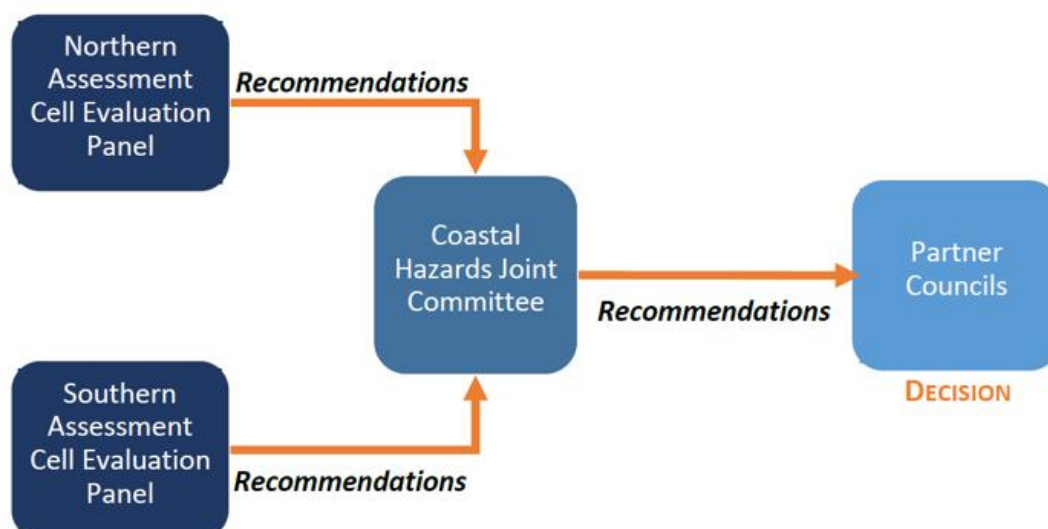
The mechanism for collecting and funding works over longer timeframes linked to climate change/sea level rise poses new challenges for funding. This highlights the need for the following:

- Council collaboration on funding.
- Transparency in decision-making.
- Addressing intergenerational responsibilities.
- Funding frameworks that are able to survive successive political cycles over the longer timeframe.

Stage 3 Develop Responses - An adaptive pathway model has been utilised to assist the panels to map out initial response options. It also indicates the interrelationships between the response options and timelines. This model has been utilised in the Netherlands (known there as “Dynamic Adaptive Policy Pathways”). It is a useful model where risk profiles can change over time and there is uncertainty around rates and magnitudes of change especially over the long term. Effectively it means that there may be several responses to coastal hazards over particular stretches of the coast over the next 100 years (rather than reliance on any single option).

The Technical Advisory Group (TAG) are currently looking at ways to complement the adaptive pathway model with other decision-making methods. These include multi-criteria decision analysis, benefit cost analysis, and real options analysis. These assessment methods has been used in other projects such as the Townville City Council Coastal Hazard Pilot Study (2012) and Greater Wellington Regional Council Hutt River Flood Protection (2015) to assist community lead decision making.

At the conclusion of their deliberations, each Cell Assessment Panel will make final recommendations back to the Joint Committee. Where financial decisions are required about the expenditure of public funds, the Joint Committee will refer these to each partner Council. This relationship is shown in the figure below.



The assessment panels' deliberations will be available to the Joint Committee to make its recommendations back to their respective Councils by the end of this calendar year. This will allow any anticipated funding to be included in draft Long Term Plans and 30 Year Infrastructure Strategies for broader community consultation in the first half of 2018.

3.3 Issues

The issue is to develop a coastal strategy that will deal with changing climate and related sea level rise and the subsequent problems with erosion and inundation.

The New Zealand Coastal Policy Statement requires Local Authorities to consider and plan for coastal hazards risks. Under Policy 24 (1), Local Authorities are required to "Identify areas in the coastal environment that are potentially affected by coastal hazards (including tsunamis), giving priority to the identification of areas at high risk of being affected. Hazard risks, over at least 100 years, are to be assessed..."

Projected increases in sea level between 0.3 and 0.6m by 2065 and 0.6m and 1.5m by 2120 have been adopted for the Strategy. These ranges are based on the latest Intergovernmental Panel on Climate Change (IPCC) estimates for global sea level rise, together with additional local information and reporting. These projected figures align with recent reports prepared by the Parliamentary Commissioner for the Environment. They do not take into account a worst case scenario i.e. rapid melting of the Antarctic ice shelves.

3.4 Significance and Consultation

Clifton to Tangoio is the most developed and populated part of the Hawke's Bay coastline. As well as hundreds of people's homes located along this coast, there are businesses and industry, roads, bridges, electrical/gas/water/sewage services, a seaport and an airport.

Therefore the strategy needs to identify areas that could be affected by various coastal hazards over medium and long term and the risks to public and private property, cultural sites and areas, recreational use and infrastructure services.

The long term vision for the Strategy is that "Coastal communities, businesses and critical infrastructure from Tangoio to Clifton are resilient to the effects of coastal hazards".

As the project has progressed there has been many opportunities for residents, landowners, businesses, and stakeholders to get involved. The website www.hbcoast.co.nz has all the information relevant to the project and is up-dated regularly. On the website the public can find:

- The latest information and research.
- Public presentations and meetings.
- Opportunities for people to learn more and have their say.

There has been extensive stakeholder engagement over the last year including community meetings and meetings at marae. As a result of these engagements two cell assessment panels have now been established with representatives from the various communities of interest. Under this collaborative model the coastal hazard strategy will be developed and response options evaluated.

3.5 Implications

Financial

Council has agreed to contribute a third of the costs of the strategy with Hastings District Council and the Hawkes Bay Regional Council. Napier City Council allocated a budget of \$50,000 this financial year. The actual cost is now \$160,000 resulting in unbudgeted expenditure of \$110,000. This is due to additional unbudgeted, but critical work, to support the assessment panels that make recommendations back to the Joint Committee. It is recommended that funding for the additional cost is sourced through year end budgets. Costs occurred to date have paid for:

- Tonkin and Taylor's coastal erosion assessment, coastal inundation assessment, and a risk assessment and a peer review of these assessments by Professor Paul Kench of Auckland University.
- Initial work by EMS/Maven Consultancies to develop a strategic framework for decision-making and developing funding options.
- Erosion profiles and inundation mapping.
- Communication strategy including website design and set-up.
- Community representatives on the assessment panels have made a time commitment. Those not already in paid employment from representative organisations will receive a modest monetary acknowledgment per meeting they attend.

It is anticipated that another \$100,000 will be required for the next financial year to complete the rest of the work to the end of 2017. This has been included in Council's 2017/18 Annual Plan.

Social & Policy

The social and economic costs to the region of not addressing potential coastal hazards in the medium to long term are high as are the risks to public and private property, cultural sites, recreational areas and infrastructure services.

As a policy issue the initiative provides an opportunity for the community to address coastal issues in an integrated manner and on a regional scale taking into account intergenerational equity arguments (who pays and when).

Risk

The risk assessment undertaken by Tonkin and Taylor indicates the key areas where infrastructure and communities are under threat. This information is available on the HB Coast website and is covered by the Tonkin and Taylor report “Coastal Risk Assessment”. Elements at risk include the safety of the resident population and the loss of economic, social, cultural and environmental/ecological assets.

3.6 Options

The Napier City Council has already made a commitment to this project in terms of staff and funding and agreed to the original Terms of Reference for the Clifton to Tangoio Coastal Hazards Strategy Joint Committee.

The only other option is for Napier City Council to withdraw from the joint strategy and work independently from the other partner councils. This would not achieve the purpose of developing an integrated coastal strategy from Clifton to Tangoio.

3.7 Development of Preferred Option

The Napier City Council is already committed to this project as mentioned above and therefore it would be beneficial for all parties for this to continue.

3.8 Attachments

- A Coastal Hazard Assessment, Tonkin & Taylor, May 2016 (*Under Separate Cover*) [!\[\]\(564903337f30b845a5f6979939a95fe6_img.jpg\)](#)
- B Coastal Risk Assessment, Tonkin & Taylor, May 2016 (*Under Separate Cover*) [!\[\]\(6799d2cf9a6546bbe2fea4f3991acfa2_img.jpg\)](#)
- C Decision Making Framework, Mitchell Daysh, February 2017 (*Under Separate Cover*) [!\[\]\(de7c1d2bea2115f02a9062a37836c733_img.jpg\)](#)
- D Updated Terms of Reference, December 2016 [!\[\]\(9a280f33c8437d678f52e9a3e3cb51f7_img.jpg\)](#)

Terms of Reference for the Clifton to Tangoio Coastal Hazards Strategy Joint Committee

As at 5 December 2016

1. Definitions

For the purpose of these Terms of Reference:

- ☐ “**Act**” means the Local Government Act 2002.
- ☐ “**Administering Authority**” means Hawke’s Bay Regional Council.
- ☐ “**Coastal Hazards Strategy**” means the Coastal Hazards Strategy for the Hawke Bay coast between Clifton and Tangoio¹.
- ☐ “**Council Member**” means an elected representative appointed by a Partner Council.
- ☐ “**Hazards**” means natural hazards with the potential to affect the coast, coastal communities and infrastructure over the next 100 years, including, but not limited to, coastal erosion, storm surge, flooding or inundation of land from the sea, and tsunamis; and includes any change in these hazards as a result of sea level rise.
- ☐ “**Joint Committee**” means the group known as the Clifton to Tangoio Coastal Hazards Strategy Joint Committee set up to recommend both draft and final strategies to each Partner Council.
- ☐ “**Member**” in relation to the Joint Committee means each Council Member and each Tangata Whenua Member.
- ☐ “**Partner Council**” means one of the following local authorities: Hastings District Council, Napier City Council and Hawke’s Bay Regional Council.
- ☐ “**Tangata Whenua Appointer**” means:
 - o The trustees of the Maugaharuru-Tangitu Trust, on behalf of the Maugaharuru-Tangitu Hapu;
 - o Mana Ahuriri Incorporated, on behalf of Mana Ahuriri Hapu;
 - o He Toa Takitini, on behalf of the hapu of Heretaunga and Tamatea.
- ☐ “**Tangata Whenua Member**” means a member of the Joint Committee appointed by a Tangata Whenua Appointer

2. Name and status of Joint Committee

- 2.1 The Joint Committee shall be known as the Clifton to Tangoio Coastal Hazards Strategy Joint Committee.

¹ The Coastal Hazards Strategy is further defined in Appendix 1 to these Terms of Reference.

- 2.2 The Joint Committee is a joint committee under clause 30(1)(b) of Schedule 7 of the Act.

3. Partner Council Members

- 3.1 Each Partner Council shall appoint two Council Members and alternates to the Joint Committee. If not appointed directly as Council Members, the Mayors of Hastings District Council and Napier City Council and the Chairperson of Hawke's Bay Regional Council are ex officio Council Members.
- 3.2 Under clause 30(9) Schedule 7 of the Act, the power to discharge any Council Member on the Joint Committee and appoint his or her replacement shall be exercisable only by the Partner Council that appointed the Member.

4. Tangata Whenua Members

- 4.1 Each Tangata Whenua Appointer may appoint one member to sit on the Joint Committee.
- 4.2 Each Tangata Whenua Appointer must make any appointment and notify all Tangata Whenua Appointers and Partner Councils in writing of the appointment.
- 4.3 The Tangata Whenua Members so appointed shall be entitled to vote.
- 4.4 Under clause 30(9) Schedule 7 of the Act, the power to discharge any Tangata Whenua Member on the Joint Committee and appoint his or her replacement shall be exercisable only by the Tangata Whenua Appointer that appointed the Member.

5. Purpose of Terms of Reference

- 5.1 The purpose of these Terms of Reference is to:
- 6.1.1 Define the responsibilities of the Joint Committee as delegated by the Partner Councils under the Act.
- 6.1.2 Provide for the administrative arrangements of the Coastal Hazards Strategy Joint Committee as detailed in Appendix 2.

6. Meetings

- 6.1 Members, or their confirmed alternates, will attend all Joint Committee meetings.

7. Delegated authority

- 7.1 The Joint Committee has the responsibility delegated by the Partner Councils for:
- ☐ Guiding and providing oversight for the key components of the strategy including:
 - o The identification of coastal hazards extents and risks as informed by technical assessments;

- o A framework for making decisions about how to respond to those risks;
- o A model for determining how those responses shall be funded; and
- o A plan for implementing those responses when confirmed.
- ☐ Considering and recommending a draft strategy to each of the Partner Councils for public notification;
- ☐ Considering comments and submissions on the draft strategy and making appropriate recommendations to the Partner Councils;
- ☐ Considering and recommending a final strategy to each of the Partner Councils for approval.

8. Powers not delegated

- 8.1 The following powers are not delegated to the Joint Committee:
- ☐ Any power that cannot be delegated in accordance with clause 32 Schedule 7 of the Local Government Act 2002.
 - ☐ The determination of funding for undertaking investigations, studies and/or projects to assess options for implementing the Coastal Hazards Strategy.

9. Remuneration

- 9.1 Each Partner Council shall be responsible for remunerating its representatives on the Joint Committee and for the cost of those persons' participation in the Joint Committee.
- 9.2 The Administering Authority shall be responsible for remunerating the Tangata Whenua Members.

10. Meetings

- 10.1 The New Zealand Standard for model standing orders (NZS 9202:2003), or any New Zealand Standard substituted for that standard, will be used to conduct Joint Committee meetings as if the Joint Committee were a local authority and the principal administrative officer of the Hawke's Bay Regional Council or his or her nominated representative were its principal administrative officer.
- 10.2 The Joint Committee shall hold all meetings at such frequency, times and place(s) as agreed for the performance of the functions, duties and powers delegated under this Terms of Reference.
- 10.3 Notice of meetings will be given well in advance in writing to all Joint Committee Members, and not later than one month prior to the meeting.
- 10.4 The quorum shall be 5 Members.

11. Voting

- 11.1 In accordance with clause 32(4) Schedule 7 of Act, at meetings of the Joint Committee each Council Member has full authority to vote and make decisions within the delegations of this Terms of Reference on behalf of the Partner Council without further recourse to the Partner Council.

- 11.2 Where voting is required, all Members of the Joint Committee have full speaking rights.
- 11.3 Each Member has one vote.
- 11.4 Best endeavours will be made to achieve decisions on a consensus basis.
- 11.5 Standing Orders 2.5.1(2) and 3.14.2 which state: The Chairperson at any meeting has a deliberative vote and, in the case of equality of votes, also has a casting vote” do not apply to the Joint Committee.

12. Election of Chairperson and Deputy Chairperson

- 12.1 On the formation of the Joint Committee the members shall elect a Joint Committee Chairperson and may elect up to two Deputy Chairpersons. The Chairperson is to be selected from the group of Council Members.
- 12.2 The mandate of the appointed Chairperson or Deputy Chairperson ends if that person through resignation or otherwise ceases to be a member of the Joint Committee.

13. Reporting

- 13.1 All reports to the Committee shall be presented via the Technical Advisory Group² or from the Committee Chairperson.
- 13.2 Following each meeting of the Joint Committee, the Project Manager shall prepare a summary report of the business of the meeting and circulate that report, for information to each Member following each meeting. Such reports will be in addition to any formal minutes prepared by the Administering Authority which will be circulated to Joint Committee representatives.

14. Good faith

- 14.1 In the event of any circumstances arising that were unforeseen by the Partner Councils, the Tangata Whenua Appointers, or their respective representatives at the time of adopting this Terms of Reference, the Partner Councils and the Tangata Whenua Appointers and their respective representatives hereby record their intention that they will negotiate in good faith to add to or vary this Terms of Reference so to resolve the impact of those circumstances in the best interests of the Partner Councils and the Tangata Whenua Appointers collectively.

15. Variations to these Terms of Reference

- 15.1 Any Member may propose a variation, deletion or addition to the Terms of Reference by putting the wording of the proposed variation, deletion or addition to a meeting of the Joint Committee.
- 15.2 Amendments to the Terms of Reference may only be made with the approval of all Members.

² A description of the Technical Advisory Group and its role is included as Appendix 2 to these Terms of Reference.

16. Recommended for Adoption by

-
- 16.1 The Coastal Hazards Strategy Joint Committee made up of the following members recommends this Terms of Reference for adoption to the three Partner Councils:
-

Napier City Council represented by **Cr T Jeffery**
Cr L Dallimore

Refer to Council paper 2 November 2016

Hastings District Council represented by **Cr T Kerr**
Cr R Heaps

Refer to Council paper 8 November 2016

Hawke's Bay Regional Council represented by **Cr P Beaven**
Cr P Bailey

Refer to Council paper 9 November 2016

Maungaharuru-Tangitū Trust (MTT) represented by **Mrs T**
Hopmans

Mana Ahuriri Inc represented by **Mr T Wilson**

He Toa Takitini represented by **Mr P Paku**

Appendix 1 – Project Background

Project Goal

A Clifton to Tangoio Coastal Hazards Strategy is being developed in co-operation with the Hastings District Council (HDC), the Hawke's Bay Regional Council (HBRC), the Napier City Council (NCC), and groups representing Mana Whenua and/or Tangata Whenua. This strategy is being developed to provide a framework for assessing coastal hazards risks and options for the management of those risks for the next 105 years from 2015 to 2120.

The long term vision for the strategy is that coastal communities, businesses and critical infrastructure from Tangoio to Clifton are resilient to the effects of coastal hazards.

Project Assumptions

The Coastal Hazards Strategy will be based on and influenced by:

- ☐ The long term needs of the Hawke's Bay community
- ☐ Existing policies and plans for the management of the coast embedded in regional and district council plans and strategies.
- ☐ Predictions for the impact of climate change
- ☐ The National Coastal Policy Statement

Project Scope

The Coastal Hazards Strategy is primarily a framework for determining options for the long term management of the coast between Clifton and Tangoio. This includes:

- ☐ Taking into account sea level rise and the increased storminess predicted to occur as a result of climate change, an assessment of the risks posed by the natural hazards of coastal erosion, coastal inundation and tsunamis.
- ☐ The development of a framework to guide decision making processes that will result in a range of planned responses to these risks
- ☐ The development of a funding model to guide the share of costs, and mechanisms to cover those costs, of the identified responses.
- ☐ The development of an implementation plan to direct the implementation of the identified responses.
- ☐ Stakeholder involvement and participation.
- ☐ Protocols for expert advice and peer review.
- ☐ An action plan of ongoing activity assigned to various Members.

The Strategy will:

- ☐ Describe a broad vision for the coast in 2120, and how the Hawke's Bay community could respond to a range of possible scenarios which have the potential to impact the coast by 2120.

- Propose policies to guide any intervention to mitigate the impact of coastal processes and hazards through the following regulatory and non-regulatory instruments:
 - o Regional Policy Statement
 - o District Plans
 - o Council long-term plans
 - o Infrastructure Development Planning (including both policy and social infrastructure networks).

Appendix 2 - Administering Authority and Servicing

The administering authority for the Coastal Hazards Strategy Joint Committee is Hawke's Bay Regional Council.

The administrative and related services referred to in clause 16.1 of the conduct of the joint standing committee under clause 30 Schedule 7 of the Local Government Act 2002 apply.

Until otherwise agreed, Hawke's Bay Regional Council will cover the full administrative costs of servicing the Coastal Hazards Strategy Joint Committee.

A technical advisory group (TAG) will service the Coastal Hazards Strategy Joint Committee.

The TAG will provide for the management of the project mainly through a Project Manager. TAG will be chaired by the Project Manager, and will comprise senior staff representatives from each of the participating Councils and other parties as TAG deems appropriate from time to time. TAG will rely significantly on input from coastal consultants and experts.

The Project Manager and appropriate members of the TAG shall work with stakeholders. Stakeholders may also present to or discuss issues directly with the Joint Committee.

Functions of the TAG include:

- o Providing technical oversight for the study.
- o Coordinating agency inputs particularly in the context of the forward work programmes of the respective councils.
- o Ensuring council inputs are integrated.

4. LAND LEGALISATION - 2 HASTINGS STREET & 12 BROWNING STREET, NAPIER

Type of Report: Legal
Legal Reference: Public Works Act 1981
Document ID: 352620
Reporting Officer/s & Unit: Bryan Faulknor, Manager Property
Jenny Martin, Property and Facilities Officer

Item 4

4.1 Purpose of Report

To obtain Council approval, pursuant to Section 114 of the Public Works Act 1981 to declare the land in the Schedule to be road.

Officer's Recommendation

That Council

- a. Consents, in accordance with Section 114 of the Public Works Act 1981, to the land described in the Schedule hereto to be declared road and vested in the Napier City Council.

SCHEDULE

Hawke's Bay Land District – Napier City

Area (ha)	Legal Description	Certificate of Title
0.0001	Lot 8 DP 6356	HB 56/57
0.0002	Lot 9 DP 6356	HB 56/59

CHAIRPERSON'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

4.2 Background Summary

In 1935, DP 6356 showed as Lots 8 and 9 corner splays on the intersections of Hershall Street and Hastings Street with Browning Street. Both Lots 8 and 9 and the adjoining Lot 6 were at the time owned by the Crown for education purposes. Lot 6 subsequently passed into private ownership but Lots 8 and 9 have remained in the name of Her Majesty the Queen. The areas are shown on the attached aerial map highlighted in purple (see Attachment A).

It is apparent that the parties had intended Lots 8 and 9 to become road but legalisation was never completed. This has come to light due to proposed road works in the area.

The consent of the Crown (as owner of Lots 8 and 9) has been obtained to declare each lot to be road. Land Information New Zealand have confirmed that Council does not need the consent of any other parties.

A declaration by Council declaring the land to be road is now required.

4.3 Issues

There are no issues.

4.4 Significance and Consultation

Council lawyers have consulted and obtained consent from the Crown. LINZ have also been consulted.

4.5 Implications

Financial

Not applicable.

Social & Policy

Not applicable.

Risk

Not applicable.

4.6 Options

The options available to Council are as follows:

1. To declare, pursuant to Section 114 of the Public Works Act 1981 the land in the Schedule to be road.
2. To not declare the land to be road. This may result in the proposed road works in the area not going ahead.

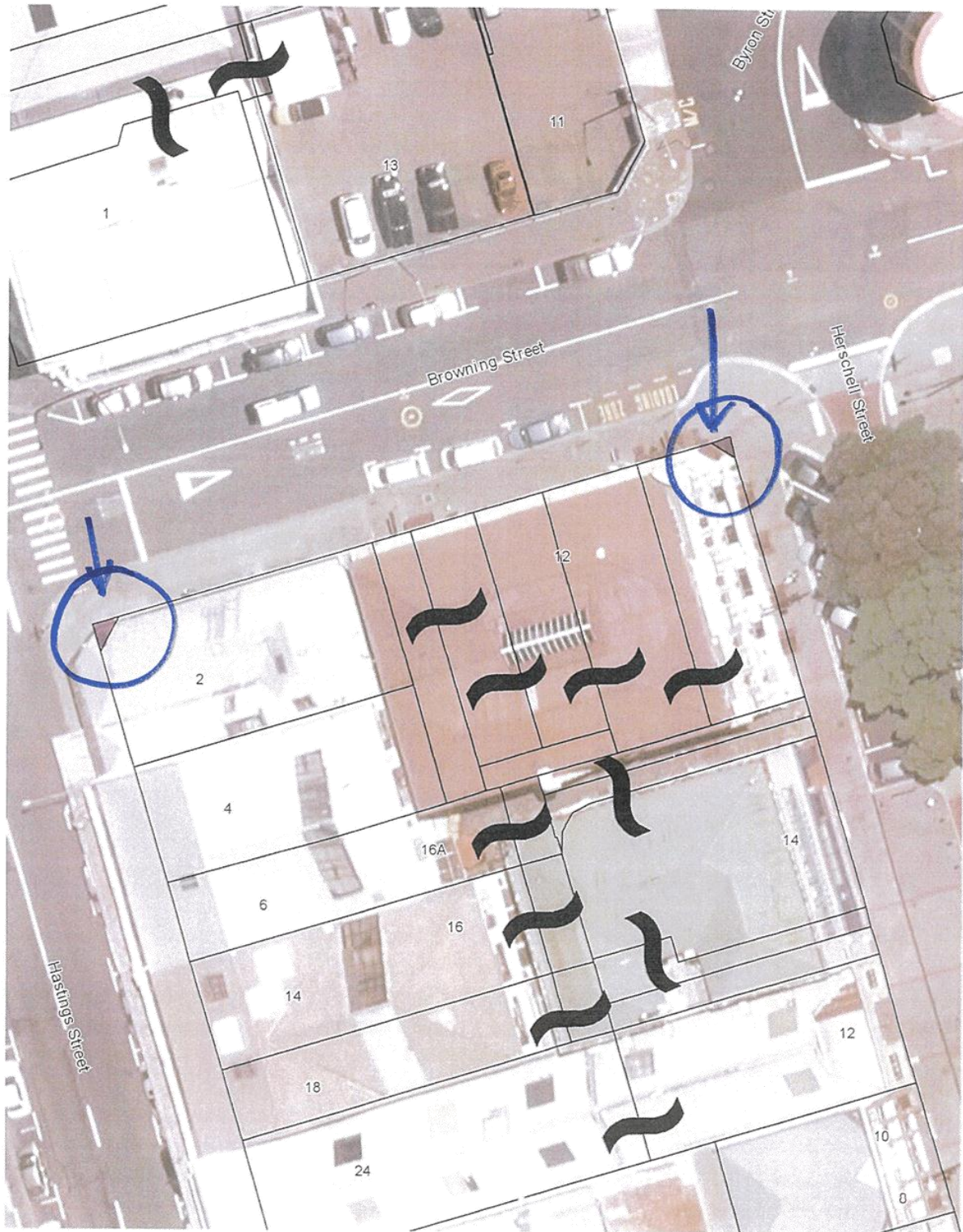
4.7 Development of Preferred Option

It is now appropriate to correct the historic oversight and proceed with the required declaration.

Not applicable.

4.8 Attachments

- A Lot 8 and Lot 9 DP 6356 [↓](#)



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Original Sheet Size A4
Print Date: 8/05/2017

Digital map data sourced from Land Information New Zealand. CROWN COPYRIGHT RESERVED. The information displayed in the GIS has been taken from Napier City Council's databases and maps. It is made available in good faith but its accuracy or completeness is not guaranteed. If the information is relied on in support of a resource consent it should be verified independently.



NAPIERTheArtDecoCity

Napier City Council 231 Hastings St, Private Bag 6010, Napier 4142 New Zealand P 06 835 7579 F 06 835 7574 www.napier.govt.nz



Strategy and Infrastructure Committee

OPEN MINUTES

Meeting Date: **Wednesday 19 April 2017**
Time: **3pm-3.16pm**
Venue: **Main Committee Room
3rd floor Civic Building
231 Hastings Street
Napier**

Present: Councillor Price (In the Chair), the Mayor, Councillors Boag, Brosnan, Dallimore, Hague, Jeffery, McGrath, Tapine, White, and Wise

In Attendance: Director Infrastructure Services, Director Community Services, Manager Communications, Manager City Development

Administration: Governance Team

APOLOGIES

APOLOGIES

COMMITTEE'S RECOMMENDATION

Councillor Jeffery / Councillor Brosnan

That the apology from Cr Wright and Cr Taylor be accepted.

CARRIED

CONFLICTS OF INTEREST

Nil

PUBLIC FORUM

ANNOUNCEMENTS BY THE MAYOR

Nil

ANNOUNCEMENTS BY THE CHAIRPERSON

Nil

ANNOUNCEMENTS BY THE MANAGEMENT

Nil

CONFIRMATION OF MINUTES

Councillors Wise / Brosnan

That the Minutes of the meeting held on 8 March 2017 were taken as a true and accurate record of the meeting.

CARRIED

AGENDA ITEMS

1. PARK ISLAND MASTER PLAN REVIEW

<i>Type of Report:</i>	<i>Legal and Operational</i>
<i>Legal Reference:</i>	<i>Resource Management Act 1991</i>
<i>Document ID:</i>	<i>347334</i>
<i>Reporting Officer/s & Unit:</i>	<i>Antoinette Campbell, Director Community Services</i>

1.1 Purpose of Report

To outline the process undertaken in reviewing the 2013 Park Island Master Plan and provide the updated Park Island Master Plan 2016 for Council's consideration.

At the Meeting

Councillors remarked that this plan reflected the strategic direction of the Council well.

COMMITTEE'S RECOMMENDATION

Councillor Brosnan / Councillor Hague

That Council

- a. Adopt the Park Island Master Plan 2016 and
- b. That a District Plan Change is initiated to rezone Park Island's Northern Sports Hub to meet the Master Plan objectives.

CARRIED

2. MCLEAN PARK RE-TURF PROJECT

Type of Report:	<i>Operational and Procedural</i>
Legal Reference:	<i>Enter Legal Reference</i>
Document ID:	<i>348170</i>
Reporting Officer/s & Unit:	<i>Debra Stewart, Team Leader Parks, Reserves, Sportsgrounds</i>

2.1 Purpose of Report

The purpose of this report is to update Council on the Mclean Park Re-turf Project and seek approval for an additional \$330,000 to be transferred from the Sportsground Renewal fund to enable the hybrid turf to be secured this (2016/17) financial year.

At the Meeting

It was noted that it is necessary to have hybrid turf to future-proof the park for growth in cricket and other sports.

In response to questions on the preferred option of the turf, and risks around timing of installation, the Director Infrastructure Services and Chief Executive advised:

- there will be never be a perfect time to install the turf. There will always be a risk due to the cross-over between the rugby and cricket seasons. Officials have looked at what events could be set aside during the construction period. If they delayed the construction any further then council would lose two 1 day international cricket matches which could result in a three year wait to secure international cricket matches.
- the preferred turf has been around for a number of years and has been tested in a variety of venues in New Zealand and Australia. The other option for turf had not been tested to international game standard, only community games. Therefore, officials selected the turf which has been tried and tested.
- the preferred turf is also versatile and can be upgraded if required in future years.

Director Infrastructure Services advised that the drop-in wicket will be ready for the under-19s world cup which will be held in January 2018. It was hoped it would be ready by now,

but due to unforeseen events it had to be delayed.

COMMITTEE'S RECOMMENDATION

Councillors Jeffery / Wise

That Council:

- a. receive the report titled McLean Park Re-Turf Project.
- b. approve an additional \$330,000 to be transferred to the McLean Park Re-turf Project from the Sportsground Renewal fund to be spent in the 2016/2017 financial year.

CARRIED

3. GROUND LEASE - HAWKE'S BAY SPEEDWAY CLUB INCORPORATED

Type of Report:	<i>Legal</i>
Legal Reference:	<i>Reserves Act 1977</i>
Document ID:	<i>347418</i>
Reporting Officer/s & Unit:	<i>Bryan Faulknor, Manager Property</i>

3.1 Purpose of Report

To obtain Council approval to grant a new ground lease to the Hawke's Bay Speedway Club Incorporated for the land occupied by the Club's racetrack and buildings at Papakura Domain for a term of ten years with one ten year right of renewal.

At the Meeting

A discussion occurred on the following points:

- it was a shame the set-up for the burnout competition was not right.
- the lease term at 10 plus 10 appears longer than standard commercial leases.
- Councillors raised questions on the conditions of the lease including:
 - whether there is a risk of having a lease that is so long and would Council wish to use that land for other purposes?
 - why is council only provided with this decision after the lease has expired?
 - regarding the change to the sub-lease, is there any risk with the burn-out company seeking compensation because they will not be able to use the facility?
- in response to the questions raised, the Director Infrastructure Services and Chief Executive advised
 - the long length of the lease is required to encourage investment into the facilities so that organisations develop and maintain buildings on council land.
 - that it is not uncommon for rights of renewal to be in place for these sorts of activities and this acts as a placeholder while the decision is put to Council. In addition, the negotiations for renewing a lease can take months.
 - the sub-lease was with the speedway club so no obligation of Council to the sub-leasee.

COMMITTEE'S RECOMMENDATION

Councillor Brosnan / Councillor McGrath

That Council

- a. Grant a new ground lease to the Hawke's Bay Speedway Club Incorporated for the land occupied by the Club's racetrack and buildings at Papakura Domain for a term of ten years with one ten year right of renewal; and
- b. That the terms and conditions of the lease will be as per Council's standard terms for leases on Reserve land to community groups.

CARRIED

4. GROUND LEASE - HAWKE'S BAY SEAFARERS WELFARE SOCIETY INCORPORATED

Type of Report:	<i>Legal</i>
Legal Reference:	<i>Reserves Act 1977</i>
Document ID:	<i>347419</i>
Reporting Officer/s & Unit:	<i>Bryan Faulknor, Manager Property</i>

4.1 Purpose of Report

To obtain Council approval to grant a new ground lease to the Hawke's Bay Seafarers Welfare Society Incorporated, for the land occupied by the Seafarers Centre on Marine Parade, for a term of 15 years with one fifteen year right of renewal.

At the Meeting

Questions raised by Councillors included:

- has there been any other identification for the use of the land?
- How much do they pay for it, and does the price go up when Council is renewing the lease?
- By the time the lease comes up they are expired by the time they come to Council for decision. Would it not be better before the lease runs out for Council to make a decision on it.

In response to the questions raised, Director Infrastructure Services and the Chief Executive noted:

- no one has expressed interest in the use of the land other than the leasee.
- It takes time to negotiate new terms with the lease holder, sometimes months, and this is why there is the ability in the lease to go straight into a month by month rolling lease after it expires.

Action required: Director Infrastructure Services to report back on how much the lease is and whether they price will go up when Council is renewing the lease.

COMMITTEE'S RECOMMENDATION

Councillor Brosnan / Councillor Wise

That Council

- a. Grant a new ground lease to the Hawke's Bay Seafarers Society Incorporated, for the land occupied by the Seafarers Centre on Marine Parade, for a term of 15 years with one 15 year right of renewal; and
- b. That the terms and conditions of the lease will be as per Council's standard terms for leases on Reserve land to community groups.

CARRIED

5. OMARUNUI REFUSE LANDFILL JOINT COMMITTEE MINUTES, 17 MARCH 2017

Type of Report:	<i>Information</i>
Legal Reference:	<i>Local Government Act 2002</i>
Document ID:	<i>347158</i>
Reporting Officer/s & Unit:	<i>Jon Kingsford, Director Infrastructure Services</i>

5.1 Purpose of Report

To provide key points of interest and a copy of the minutes from the Omarunui Refuse Landfill Joint Committee meeting held on 17 March 2017.

COMMITTEE'S RECOMMENDATION

Councillor Wise / Councillor White

That Council:

- a. receive the minutes from the Omarunui Refuse Landfill Joint Committee held on 17 March 2017.

CARRIED

The meeting ended at 3.16pm.