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Report 02.222

23 April 2002

File: E/6/1/4

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Minutes of the Special Meeting of the Wellington Regional Council held in the Wellington Regional Council Chamber, The Regional Council Centre, 142-146 Wakefield Street, Wellington on Tuesday 23 April 2002 at 11.25am

Present

Councillors Shields (Chairperson), Aitken, Barr, Buchanan, Evans, Kirton, Laidlaw, Long, McDavitt, Thomas, Turver, Werry and Yardley

Officers Present

Messrs Forlong, Darroch, Maguire, Schollum and Dr Watson

Public Business

Matters for Consideration

66 Apologies

There were no apologies.

67 Public Participation

There were no members of the public who wished to participate in the meeting.

Reports of Committees

68 Policy and Finance Committee – 23 April 2002

Report 02.214

File: G/6/1/5

Resolved

(Chairperson/Cr Laidlaw)

That the recommendations of the Policy and Finance Committee meeting held on 23 April 2002 be adopted.

69 Special Orders

(1) Stadium Purposes Rate

Report 02.204

File: G/6/1/5

Resolved

(Cr Buchanan/Cr Evans)

The Wellington Regional Council hereby resolves, by way of Special Order, pursuant to Section 5 of the Wellington Regional Council (Stadium Empowering) Act 1996, Sections 34, 80, 84 and 85 of the Rating Powers Act 1988, Section 716B of the Local Government Act 1974, and all other relevant enabling, as follows:

1. *That alterations be made to the system of differential rating applying to the works and services rate known as the Stadium Purposes Rate.*
2. *That the alteration to that system of differential rating, as set out below, be introduced with effect from 1 July 2002.*
3. *That in accordance with section 84(1)(c) of the Rating Powers Act 1988, the following statement be made on the alteration of the differential basis:*
 - 3.1 *Matters that were taken into account in altering the differential rating system as required by section 5 of the Wellington Regional Council (Stadium Empowering) Act 1996:*
 - (a) *The degree of benefit, both direct and indirect, derived or likely to be derived from the proposed multi-purpose regional stadium by any category of property in different parts of the Region. To this end the following benefits were defined:*

- (i) *Economic Benefits - arising from flow-on economic activity from the Stadium through increased business and employment opportunities.*
 - (ii) *Existence Benefits - arising from the opportunity to attend events at the Stadium which would not otherwise be held in Wellington.*
 - (iii) *Other Benefits - covering publicity for the region, civic pride, critical mass in tourism, promotion of increased participation in sport and physical leisure and ability of the region to attract new residents and businesses.*
- (b) *The net equalised capital value of different parts of the Region.*
 - (c) *The type of employment by industry in the different parts of the Region.*
 - (d) *Mean travel times from different parts of the Region to the Stadium.*
 - (e) *The population of different parts of the Region.*
 - (f) *The average incomes of households in different parts of the Region.*
 - (g) *The Capital Value of each class of ratepayer in different parts of the Region.*
 - (h) *Submissions received during public consultation when the system of differential rating for the Stadium Purposes Rate was first proposed.*
 - (i) *The reconsideration of the foregoing matters when the Council's Funding Policy was reviewed on 15 June 2000 and it was resolved there be no change to the either the Funding Policy or Funding Mechanism originally adopted.*
 - (j) *The addition of utilities' distribution networks within the region as rateable property and the consequent requirement to consider making and levying rates in respect of such property.*
4. *Alteration to the categories of property for differential rating*

That for the purposes of this alteration to the system of differential rating by Special Order, properties in the region shall be divided into the following categories, defined by reference to the rating roll of the territorial authority in whose district those properties are located:

- Wellington City Business - all separately rateable properties not classified Residential, Rural or Farm in the rating roll of Wellington City.*
- Wellington City Residential - all separately rateable properties classified Residential in the rating roll of Wellington City.*
- Wellington City Rural - all separately rateable properties classified Rural and Farm in the rating roll of Wellington City.*
- Lower Hutt Business - all separately rateable properties not classified Residential or Rural in the rating roll of Lower Hutt City.*
- Lower Hutt Residential - all separately rateable properties classified Residential in the rating roll of Lower Hutt City.*
- Lower Hutt Rural - all separately rateable properties classified Rural in the rating roll of Lower Hutt City.*
- Porirua Business - all separately rateable properties not classified Residential and Other or Rural in the rating roll of Porirua City.*
- Porirua Residential - all separately rateable properties classified Residential and Other in the rating roll of Porirua City.*
- Porirua Rural - all separately rateable properties classified Rural in the rating roll of Porirua City.*
- Upper Hutt Business - all separately rateable properties not classified Residential or Rural in the rating roll of Upper Hutt City.*
- Upper Hutt Residential - all separately rateable properties classified Residential in the rating roll of Upper Hutt City.*
- Upper Hutt Rural - all separately rateable properties classified Rural in the rating roll of Upper Hutt City.*
- Kapiti Coast Urban - all separately rateable properties not classified Rural in the rating roll of Kapiti Coast District.*
- Kapiti Coast Rural - all separately rateable properties classified Rural in the rating roll of Kapiti Coast District.*

<i>Masterton Urban -</i>	<i>all separately rateable properties not classified Rural in the rating roll of Masterton District.</i>
<i>Masterton Rural -</i>	<i>all separately rateable properties classified Rural in the rating roll of Masterton District.</i>
<i>Carterton Other -</i>	<i>all separately rateable properties not classified Rural and Rural/Industrial in the rating roll of Carterton District.</i>
<i>Carterton Rural -</i>	<i>all separately rateable properties classified Rural and Rural/Industrial in the rating roll of Carterton District.</i>
<i>South Wairarapa Other -</i>	<i>all separately rateable properties not classified Rural, Rural/Commercial and Rural/Retail in the rating roll of South Wairarapa District.</i>
<i>South Wairarapa Rural -</i>	<i>all separately rateable properties classified Rural, Rural/Commercial and Rural/Retail in the rating roll of South Wairarapa District.</i>

5 *Preserving Relationships*

The Stadium Purposes Rate has the object of establishing and preserving, as far as practicable, the following relationships between the total proceeds of rates received from any type or group of property and any other type or group of property.

The Stadium Purposes Rate shall be made and at such rates in the dollar as are required to yield (as nearly as practicable) the following proportions of the total revenue for the rate from each of the following categories:

<i>Wellington City Business</i>	<i>20.55%</i>
<i>Wellington City Residential</i>	<i>38.56%</i>
<i>Wellington City Rural</i>	<i>0.29%</i>
<i>Lower Hutt Business</i>	<i>5.09%</i>
<i>Lower Hutt Residential</i>	<i>14.20%</i>
<i>Lower Hutt Rural</i>	<i>0.23%</i>
<i>Porirua Business</i>	<i>1.24%</i>
<i>Porirua Residential</i>	<i>5.80%</i>
<i>Porirua Rural</i>	<i>0.14%</i>
<i>Upper Hutt Business</i>	<i>0.79%</i>
<i>Upper Hutt Residential</i>	<i>4.27%</i>
<i>Upper Hutt Rural</i>	<i>0.20%</i>

<i>Kapiti Coast Rural</i>	0.43%
<i>Kapiti Coast Urban</i>	4.41%
<i>Masterton Rural</i>	0.53%
<i>Masterton Urban</i>	1.47%
<i>Carterton Rural</i>	0.31%
<i>Carterton Other</i>	0.39%
<i>South Wairarapa Rural</i>	0.38%
<i>South Wairarapa Other</i>	0.72%

6 *Effect on the incidence of rates*

The alteration of the Stadium Purposes Rate results from the requirement to treat utilities' distribution networks as rateable property. The categories in this Special Order have therefore been changed to reflect the classification of utilities' distribution networks in each of the territorial authority rating rolls. The amendments made do not alter the proportions of the total rate paid by each category of ratepayer.

The overall amount of the rate proposed for 2002/03 is unchanged from 2001/02 at approximately \$3 million for the year. The rating of utilities' distribution networks has no effect on the total amount of the Stadium Purposes Rate payable. However, it will affect the incidence of such rates generally within the business category.

The impact of the Stadium Purposes Rate on an individual property will vary depending on the movement of that property's capital value and movements in the capital value experienced by that rating category.

7 *This Special Order shall be submitted for confirmation at a meeting of the Wellington Regional Council, to be held on 27 June 2002, after due public notice has been given.*

(2) *Publicly notify its intention to confirm the attached Special Order at the meeting of Council set down for Thursday 27 June 2002.*

(2) Regional Transport Rates**Report 02.193**

File: G/6/1/1

*Resolved**(Cr Buchanan/Cr Evans)*

The Wellington Regional Council hereby resolves, by way of Special Order, pursuant to Sections 34, 80 and 84 of the Rating Powers Act 1988, Section 716B of the Local Government Act 1974, and all relevant enabling provisions, as follows:

- 1. That alterations be made to the system of differential rating applying to the works and services rate known as the Regional Transport Rate.*
- 2. That the alteration to that system of differential rating, as set out below, be introduced with effect from 1 July 2002.*
- 3. That in accordance with section 84(1)(c) of the Rating Powers Act 1988, the following statement be made on the alteration of the differential basis:*
 - 3.1 Matters taken into account in altering the proposed system of differential rating:*
 - (a) the degree to which different parts of the Region are served by regional transport services; and*
 - (b) the degree of benefit derived or likely to be derived by any category of property from regional transport services provided in that part of the Region; and*
 - (c) the population of that part of the Region; and*
 - (d) the value of infrastructural assets to be provided within different parts of the Region.*
 - (e) The addition of utilities' distribution networks within the region as rateable property and the consequent requirement to consider making and levying rates in respect of such property.*

3.2 Proposed groups of property for differential rating

For the purposes of this Special Order properties in the region shall be divided into the following categories, defined by reference to the rating roll of the territorial authority in whose district those properties are located:

<i>Area of Benefit</i>	<i>Category</i>	<i>Description</i>
	<i>Wellington City Downtown City Centre Business</i>	<i>All separately rateable non-residential properties within the Downtown City Centre, currently shown on Map 32 of the Proposed District Plan of Wellington City, as may</i>

		<i>be amended from time to time by Wellington City Council (Copy of Map 32 on Page 6).</i>
	<i>Wellington City Business</i>	<i>All separately rateable properties classified Non-residential in the rating roll of Wellington City outside the Downtown City Centre.</i>
	<i>Wellington City Residential</i>	<i>All separately rateable properties classified Residential in the rating roll of Wellington City.</i>
	<i>Wellington City Rural</i>	<i>All separately rateable properties classified Rural and Farm in the rating roll of Wellington City.</i>
<i>Lower Hutt City</i>	<i>Lower Hutt City Business</i>	<i>All separately rateable properties not classified Residential or Rural in the rating roll of Lower Hutt City.</i>
	<i>Lower Hutt City Residential</i>	<i>All separately rateable properties classified Residential in the rating roll of Lower Hutt City</i>
	<i>Lower Hutt City Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of Lower Hutt City.</i>
<i>Porirua City</i>	<i>Porirua City Urban</i>	<i>All separately rateable properties not classified Rural in the rating roll of Porirua City.</i>
	<i>Porirua City Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of Porirua City.</i>
<i>Upper Hutt City</i>	<i>Upper Hutt City Urban</i>	<i>All separately rateable properties not classified Rural in the rating roll of Upper Hutt City.</i>
	<i>Upper Hutt City Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of Upper Hutt City.</i>
<i>Kapiti Coast District (Otaki Ward)</i>	<i>Otaki Ward Urban</i>	<i>All separately rateable properties not in the Rural rating area of the Otaki Ward of Kapiti Coast District.</i>
	<i>Otaki Ward Rural</i>	<i>All separately rateable properties in the Rural rating area of the Otaki Ward of Kapiti Coast District.</i>
<i>Kapiti Coast District (excluding Otaki Ward)</i>	<i>Kapiti Coast Urban</i>	<i>All separately rateable properties not in the Rural rating areas of the Paekakariki/Raumati, Paraparaumu and Waikanae Wards of Kapiti Coast District.</i>

	<i>Kapiti Coast Rural</i>	<i>All separately rateable properties in the Rural rating areas of the Paekakariki/Raumati, Paraparaumu and Waikanae Wards of Kapiti Coast District</i>
<i>Masterton District</i>	<i>Masterton District Urban</i>	<i>All separately rateable properties not in the Rural rating areas of Masterton District.</i>
	<i>Masterton District Rural</i>	<i>All separately rateable properties in the Rural rating areas of Masterton District.</i>
<i>Carterton District</i>	<i>Carterton District Urban</i>	<i>All separately rateable properties not classified Rural and Rural/Industrial in the rating roll of Carterton District.</i>
	<i>Carterton District Rural</i>	<i>All separately rateable properties classified Rural and Rural/Industrial in the rating roll of Carterton District.</i>
<i>South Wairarapa District</i>	<i>South Wairarapa District Urban</i>	<i>All separately rateable properties not classified Rural in the rating roll of South Wairarapa District.</i>
	<i>South Wairarapa District Rural</i>	<i>All separately rateable properties classified Rural in the rating roll of South Wairarapa District.</i>

3.3 *In each rating year the amount of the Regional Transport Rate shall be calculated as follows:*

The Region is divided into the following areas of benefit - Wellington, Lower Hutt, Upper Hutt, Porirua, Kapiti Coast (excluding Otaki Ward), Otaki Ward of Kapiti Coast District, Masterton, South Wairarapa and Carterton.

The cost of public transport services and public transport infrastructure provided in each area of benefit is allocated on the following basis:

- 42.5% (congestion relief) to the area of benefit of origin (to be charged to residential properties in that district),*
- 42.5% (congestion relief) to the area of benefit of destination (to be charged to the commercial properties in that district),*
- 10% (concessionary) to be divided equally between the residential ratepayers in the area of benefit of origin and the commercial ratepayers in the area of benefit of destination,*
- 5% (social) to all ratepayers in the Region, with a 50% discount in Kapiti Coast District (including Otaki), and a 75% discount in Masterton, Carterton and South Wairarapa.*

The cost of the total mobility programme is allocated between each area of benefit according to the actual expenditure in those areas of benefit where that information is available. Otherwise it is allocated on the basis of weighted population. A 50% discount is applied to rural properties to reflect their reduced access to the service.

The cost of regional transport planning is allocated between each area of benefit according to equalised capital value, a 75% discount to Masterton, Carterton and South Wairarapa, and a further 50% discount applied to rural properties to reflect that metropolitan areas are the major beneficiaries of transport planning.

3.4 Differentials

The Regional Transport Rate shall be made and levied on the capital value of all separately rateable properties in the Region (other than those in Tararua District), at such rates in the dollar as are required to yield (as nearly as practicable) the following proportions of the total revenue required for the rate from each differential category in each area of benefit:

Wellington City

<i>Wellington City Downtown City Centre Business</i>	57.08%
<i>Wellington City Business</i>	1.92%
<i>Wellington City Residential</i>	40.85%
<i>Wellington City Rural</i>	0.15%

Lower Hutt City

<i>Lower Hutt City Business</i>	21.65%
<i>Lower Hutt City Residential</i>	77.94%
<i>Lower Hutt City Rural</i>	0.41%

Upper Hutt City

<i>Upper Hutt City Urban</i>	96.87%
<i>Upper Hutt City Rural</i>	3.13%

Porirua City

<i>Porirua City Urban</i>	98.62%
<i>Porirua City Rural</i>	1.38%

Otaki Ward

<i>Otaki Ward Urban</i>	67.44%
<i>Otaki Ward Rural</i>	32.56%

Kapiti Coast District (excluding Otaki Ward)

<i>Kapiti Coast Urban</i>	98.33%
<i>Kapiti Coast Rural</i>	1.67%

Masterton District

<i>Masterton District Urban</i>	80.52%
<i>Masterton District Rural</i>	19.48%

Carterton District

<i>Carterton District Urban</i>	64.86%
<i>Carterton District Rural</i>	35.14%

South Wairarapa District

<i>South Wairarapa District Urban</i>	69.53%
<i>South Wairarapa District Rural</i>	30.47%

3.5 Effect on the incidence of rates

The approximate changes to the incidence of rates for each class of ratepayer in 2002/03 will be as follows:

Constituent City/District	Residential	Business	Rural
Wellington	+\$323,000	(CBD) +\$432,000 (Suburban) +\$14,000	+\$800
Lower Hutt	+\$117,000	+\$64,000	+\$700
	Urban		
Upper Hutt	+\$48,000		+\$1,500
Porirua	+\$134,000		+\$1,000
Kapiti Coast (Otaki Ward)	+\$2,000		+\$900
(Rest of Kapiti)	+\$68,000		+\$1,200
Masterton	+\$4,000		+\$450
Carterton	+\$1,200		+\$350
South Wairarapa	+\$2,000		+\$500

The impact of the Transport Rate on an individual property will vary depending on the movement of that property's capital value, overall movements in the capital value experienced by that rating category, changes in the level of service as well as changes in the number of properties being rated.

4. This Special Order shall be submitted for confirmation at a meeting of the Wellington Regional Council, to be held on 27 June 2002, after due public notice has been given.
- (2) Publicly notify its intention to confirm the attached Special Order at the meeting of Council set down for Thursday 27 June 2002.
- (3) **Proposed New Rating Classifications – Upper Ruamahanga River Management Schemes**

Report 02.209

File: E/6/12/1

Resolved

(Cr Buchanan/Cr Evans)

The Wellington Regional Council, pursuant to the sections 40, 80 and 84 of the Rating Powers Act 1988 and section 716B of the Local Government Act 1974, and in pursuance of all other Acts, powers and authorities enabling it in that behalf, hereby resolves by way of Special Order as follows:

- (1) That the systems of differential rating set out below be introduced with effect from 1 July 2002.

(2) *That the systems of differential rating shall apply to the Catchment Board Separate Rates, to be know as the Upper Ruamahanga, Middle Ruamahanga, and Lower Ruamahanga River Management Rates, made and levied by the Wellington Regional Council pursuant to section 40 of the Rating Powers Act 1988, on a land area basis on all rateable property in that part of the Wellington Region determined by the Council to be the rural area of benefit from flood protection on the upper Ruamahanga River, such that the rates made and levied in respect of any specified category of property shall vary from the rates made and levied in respect of any other specified category of property as set out in this Special Order.*

(3) *That in accordance with section 84(1)(c) of the Rating Powers Act 1988, the following statement is made on the introduction of the differential system:*

A. *Matters taken into account in preparing the proposed introduction of the system of differential rating:*

The Council has, in consultation with the Upper Ruamahanga, Middle Ruamahanga, and Lower Ruamahanga Steering Committees (which include ratepayer representatives) redesigned the rates funding of the Upper Ruamahanga River Management Schemes.

The Council has taken into account the following matters in preparing the system of differential rates:

- *The benefits that are likely to accrue directly and indirectly to any property from the degrees of flood protection and reduced erosion given to each property by the maintenance of existing flood protection structures and erosion mitigation measures,*
- *The characteristics or use of any property or any actions of its occupier that either contribute to, or alleviate the need for flood protection or erosion mitigation measures,*
- *The likelihood, frequency, depth and severity of flooding and erosion,*
- *The likelihood, frequency and extent of damage to land and improvements to land,*
- *The improvement to drainage,*
- *The need for water management generally,*
- *The establishment or preservation of economic units of land,*
- *The protection or establishment of water, sewerage, drainage, electrical, gas, and other services and amenities, and*
- *The protection or establishment of communications, and of any other property, service, or amenity with or benefiting the land.*

B. *The proposed types or groups of property for differential rating and their proportions of benefit are:*

For the Upper Ruamahanga River Management Scheme

Class	Proportion	Description
A	6	<i>Land receiving a high degree of relief from flooding and erosion threats.</i>
B	5	<i>Land receiving a moderate degree of relief from erosion and flooding threats.</i>
C	4	<i>Land receiving a moderate degree of relief from the threat of erosion.</i>
D	3	<i>Land receiving a low degree of relief from erosion and flooding threats.</i>
E	2	<i>Land receiving a low degree of relief from the threat of erosion.</i>
F	1	<i>Land receiving relief from flooding only.</i>
S	57	<i>Dwellings, commercial buildings, or commercial enterprises and their immediate surroundings, which without the current flood protection measures would be at an increased risk of being surrounded or entered by floodwaters.</i>

For the Middle Ruamahanga River Management Scheme

Class	Proportion	Description
A	6	<i>Land receiving a high degree of relief from flooding and erosion threats.</i>
B	5	<i>Land receiving a moderate degree of relief from erosion and flooding threats.</i>
C	4	<i>Land receiving a moderate degree of relief from the threat of erosion.</i>
D	3	<i>Land receiving a low degree of relief from erosion and flooding threats.</i>
E	2	<i>Land receiving a low degree of relief from the threat of erosion.</i>
F	1	<i>Land receiving relief from flooding only.</i>

S 62 *Dwellings, commercial buildings, or commercial enterprises and their immediate surroundings, which without the current flood protection measures would be at an increased risk of being surrounded or entered by floodwaters.*

For the Lower Ruamahanga River Management Scheme

<i>Class</i>	<i>Proportion</i>	<i>Description</i>
A	7	<i>Land receiving a high degree of relief from flooding and erosion threats.</i>
B	6	<i>Land receiving a moderate degree of relief from erosion and flooding threats.</i>
C	5	<i>Land receiving a moderate degree of relief from the threat of erosion.</i>
D	4	<i>Land receiving a low degree of relief from erosion and flooding threats.</i>
E	3	<i>Land receiving a low degree of relief from the threat of erosion.</i>
F	2	<i>Land receiving relief from flooding only.</i>
Sa	173	<i>Dwellings, commercial buildings, or commercial enterprises and their immediate surroundings, which without the current flood protection measures would be at a high risk of being surrounded or entered by floodwaters.</i>
Sb	87	<i>Dwellings, commercial buildings, or commercial enterprises and their immediate surroundings, which without the current flood protection measures would be at a moderate risk of being surrounded or entered by floodwaters.</i>

C. General effect on the incidence of rates

The alteration of this differential rate will establish a relationship between the rates received from different classes of land, and the degree of flood and erosion relief benefit anticipated from the new Scheme works. The general effect of the changes to rating area boundaries and adoption of new classifications, will be an increase in the rates to be paid by properties within the new Upper Ruamahanga Scheme by 8%, the Middle Ruamahanga Scheme by 200%, and the Lower Ruamahanga Scheme by 0%.

The rates will be levied on a per hectare basis applied differentially in terms of the stated proportions to Classes A, B, C, D, E, F and S, as detailed in the Council Classification Plans 2D/66/1-5, 2D/671-2, 2C/56/1-7, and the accompanying Classification rolls.

The effect that the introduction of the differential rates is expected to have on the incidence of rates for individual ratepayers is detailed on the accompanying Classification rolls.

- (4) *That after due public notices have been given, this Special Order be submitted for confirmation at the meeting of the Wellington Regional Council to be held on 27 June 2002.*

The meeting closed at 11.35am.

Cr M K SHIELDS
Chairperson

Date: