

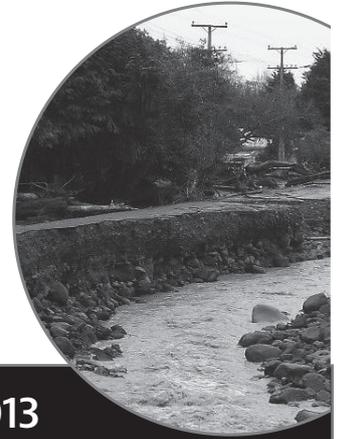


The Peninsula Project

Working together to protect our people, property and environment
Kia mau ki te mauri o te taiao o Hauraki



What the council decided: Te Puru flood protection rate



What we consulted on

As part of our 2013/14 annual plan process, we consulted on the following rating options.

OPTION A (*status quo*)

- A per property rate for all Te Puru properties.

OPTION B (*as included in pre-consultation*)

- A rate based on capital value for properties in areas that directly benefit from the completed works.
- A per property rate applied across the whole Te Puru community for indirect benefits received from the completed works.

OPTION C

- A rate based on funding 50 per cent of the rate on capital value and 50 per cent on a per property rate for properties in areas that directly benefit from the completed works.
- For the holiday park and motel, an additional differential would be applied to the per property component of the rate. This reflects the potential number of people able to stay at the holiday park and motel, all of whom benefit from the flood protection.
- A per property rate applied across the whole Te Puru community for indirect benefits received from the completed works.

July 2013

Following a review of rating options that could be used to pay for completed works that now protect Te Puru from up to a 1-in-100 year flood event, three options were included in Waikato Regional Council's 2013/14 Draft Annual Plan for public comment.

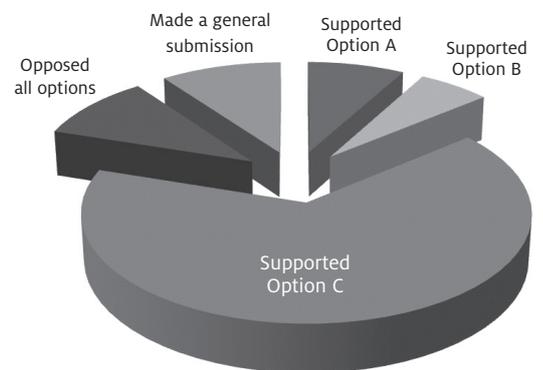
This newsletter confirms the rating option Waikato Regional Council decided to use.

What you told us

Of the 51 submissions received (representing 18 per cent of the community), the majority (34) supported Option C.

Key themes in the submissions were:

- the works should be funded over a longer period than 20 years
- others like councils, government, tourists and the holiday park should pay more
- my property has never been affected by flooding
- our property is now more vulnerable to flooding.



- 8% supported Option A
- 6% supported Option B
- 66% supported Option C
- 10% opposed all options
- 10% made a general submission

What council decided

Council decided that a rate for the \$1.4 million local share of the completed flood protection works will be implemented based on funding 50 per cent of the rate on capital value and 50 per cent on a per property rate for properties that directly benefit from the completed works, as per Option C. A per property rate will also be applied across the whole Te Puru community for indirect benefits received from the completed works.

As a result of concerns raised about the affordability of the rate, the council decided to spread the funding over a 30 year period, rather than the 20 years originally proposed in the 2013/14 Draft Annual Plan.

For the holiday park and motel, an additional differential will be applied to the per property component of the rate to reflect the potential number of people able to be accommodated on those properties. However, given new information about the variability of flood risk within Te Puru Holiday Park, the council supported a modification in the proposed rating over that property which resulted in a lower annual rate than that proposed in the Draft Annual Plan.

A number of submitters suggested our council, the district council and/or the Government should contribute more to the cost of the works. However, the funding for flood protection works on the peninsula is set by the Peninsula Project Revenue and Financing Policy, and council was unable to consider amending this policy as it would have wider implications across the peninsula. What's more, the crown has already contributed significantly to protecting your community from flooding through the SH bridge upgrade and animal pest control in the Te Puru catchment.

The impact on rates

The rating impact for a range of sample properties is shown in the table below.

Property description	Annual capital rate payable
Te Puru Holiday Park	\$10,722
Puru Park Motel	\$905
\$340,000 property in Direct Benefit 1 area	\$758
\$340,000 property in Direct Benefit 2 area	\$421
\$340,000 property in Direct Benefit 3 area	\$253
\$340,000 property in Indirect Benefit area	\$84

Waikato Regional Council believes the agreed rating option is the fairest and most equitable basis of rating. And while the rates that have now been approved mean Te Puru Holiday Park will pay less than what was proposed as part of the consultation process, the council is satisfied that their share of the total cost is reasonable. By spreading the cost of the work over a 30 year period, the annual rating impact on all Te Puru ratepayers has been reduced.

Rating was implemented from 1 July 2013 and will be included in the September rates invoice.

For more information

If you would like detailed information on your individual rates, please call our rates team on freephone 0800 800 401.

To read more about the recent rating review and alternative rating options we explored with your community during the review process, as well as background information about the flood protection works, check out our Te Puru newsletters. These are available on Waikato Regional Council's website www.waikatoregion.govt.nz/peninsulaproject.

For all other queries, please call freephone 0800 800 401 to speak to:

- Janine Becker (Programme Manager, Finance)
- Julie Beaufill (Division Manager – Hauraki/Coromandel, River and Catchment Services) – available after 2 August.

The Peninsula Project partner responsible for rating flood protection work is:

