HOEA KI TUA O PAE TAWHITI

Tackling the future head on.
WHAT'S YOUR TAKE?

THAMES COROMANDEL DISTRICT COUNCIL

PROPOSED LONG TERM PLAN 2024-2034
MAHERE-Ā-TAU | CONSULTATION DOCUMENT

Photo courtesy of Mike Hill

Ahakoa ngā pikinga me ngā hekenga.
HE AHA Ō KŌWHIRINGA?

We're between a rock and a hard place.
WHAT CHOICES WOULD YOU MAKE?

He iti te kupu, he nui te kōrero.
Short on time? Here's a quick dive

WHAT WE'RE FACING OVER THE NEXT 10 YEARS:

- Last year's weather events that battered the Coromandel stopped us in our tracks. We've rolled up our sleeves and have made a lot of progress in fixing the damage but we still have a big roading repair and improvement programme ahead. We've learnt that in these times of adversity that we all come through it better, working together.
- We know you've been doing it tough, from the challenges of COVID-19 and isolation post-Cyclone Gabrielle, to the rising global costs. To alleviate some stress, we previously deferred projects and funding. However, these delays are now catching up with us.
- Now we're turning to the future once again and are committed to ensuring that our communities become stronger and more resilient than ever before.
- It won't be easy. Continuing to build a safe and resilient Coromandel means taking on challenges that are also being faced around the country and overseas. Things like maintaining aging infrastructure, managing a vulnerable roading network, dealing with the impacts of climate change and trying to prevent social isolation. Legal obligations add to our workload, including costly projects like upgrading drinking water treatment plants.
- We're aiming to do a range of protection works along our coastlines where our towns and villages are vulnerable to erosion and sea level rise. Some of these costs are significant and over the next three years we will be trying to find some funding solutions that are fair and affordable.
- We're proposing a 12.9% rates increase next year. To achieve this, we've spread the rates increase over two years to lessen the impact on our ratepayers. Without this smoothing, rates would be 6.9% higher in the first year but lower in the second year. And, while the rates increases in the following later years may appear lower, in dollar terms they remain high.
- But we refuse to let our communities decline. Our work for the next 10 years will involve maintaining and building new vital infrastructure and a greater focus on collaborative initiatives that reap rewards for our communities.

- **We're proposing to invest more in planning for the future of our district to manage growth and change. We'd like to hear whether you agree with our budget for planning where and how our towns and villages should grow and develop over the next 30 years.**
- **We're also proposing to increase our community development services by partnering with others to better connect our people to the housing, education, employment and medical services they need.**
- **Finally, we're proposing to adjust the income we get through user fees and charges to keep up with inflation and offset the impact on rates.**

- All this work will help us achieve our vision ***The Coromandel – the place to live work and play*** by prioritising collaboration, safety, vibrancy, inclusivity, connectivity and sustainable infrastructure.
- Doing all this will take time; we can't manage everything immediately. While we understand there are other things you'd like us to deliver, some of them are not achievable without growing our organisation and having more significant rate increases.
- It's a heck of a challenge, but we're tackling it head on.
- How, you ask? This 'consultation document' lets you know about our major projects and proposals and how they affect you financially. Before we finalise it though, we want to hear what you think.

If you'd like to find out more, keep reading.
We also have more detailed information online at **tcdc.govt.nz/LTP-2024-2034**.

He aha atu ngā kōrero e hiahiatia ana?

Want to find out more?

Looking for the audit opinion?

We're usually required to get this document audited but in acknowledging impact of its proposal to repeal the 'three waters' changes (the Water Services Entities Act 2022) the Government has introduced legislation that allows us to waive that usual requirement this year. Our final long term plan will still need to be audited before we adopt it.

Photo credit: Felicity Jean Photography

E ara ake ana kia tūtakina ngā wero

Rising to meet the challenges

Photo credit: Waka Kotahi NZ Transport Agency

Last year's weather events that battered the Coromandel stopped us in our tracks. While we've rolled up our sleeves and are repairing much of the damage, the closure of key roading routes is a constant reminder of how vulnerable a place like the Coromandel is. Our resilience has certainly been tested, again and again.

We're committed to ensuring that our communities become stronger and more able than ever to recover from ever-changing, challenging times. We can't pretend these sorts of major weather events won't happen again. In fact, we're certain that they'll increase. On top of that, we're facing other changes that make our district vulnerable; sea level rise and other climate change impacts will affect some of our settlements and infrastructure; an uncertain economy continues to affect our people; the amount of money we're required to spend as a result of national compliance requirements is huge; and our costs are increasing – we're not immune from the global price increases.

How can we better prepare ourselves to withstand, recover from and adapt to these challenges?

It's much more than fixing roads. We all have big aspirations for the Coromandel. But there is so much to do, and it comes with a hefty price tag.

Photo credit: Pinnacles Civil

These are our challenges. But we're tackling them head on.

Gabrielle's legacy lives on

Last year's weather events that battered the Coromandel dealt us a hard blow. After Cyclone Gabrielle and her friends caused havoc, we needed to quickly redirect our efforts from business as usual to response and recovery. With our local businesses and residents hurting from being isolated, we made the decision to keep our rates increase as low as possible for one year. We postponed projects and temporarily decreased the amount of money we would otherwise have set aside to replace assets once they wear out. This helped at the time, but one year later we're now picking up the costs, and this has increased the amount of money we need to find next year.

The impact of higher standards

The impact of needing to comply with new national resource management policies and standards is now being felt - for example as we pay the legacy and future costs of improving drinking water quality. Much of our capital works programme is work heavily driven by these compulsory standards and they come with significant costs. This limits how much else we are able to deliver or afford at this time.

We're preparing for sea level rise, now

Urgent action is necessary to safeguard our vulnerable coastal settlements from sea level rise and more severe weather events. We've prioritised crucial coastal projects identified through our Shoreline Management Pathways project, with the most pressing work set to begin in three years. While the exact timeline for further actions is uncertain, we have planned for a series of long-term adaptation and protection measures. However, the financial burden is significant, and our small settlements and the entire district won't be able to cover the costs alone. This is an Aotearoa New Zealand wide issue.

Growing pains

We know there's an affordable housing shortage in our district that's limiting choices. We have big aspirations around growing our ability to help provide places to live, work and play. This requires changes to current land uses along with expensive investment in water supply, wastewater and roading to service new housing and business developments. It also requires an important discussion about how we pay for any new infrastructure – whether it's by user pays only, or shared across the district, and how much is paid for by current and future users.

Supporting our communities

First Covid-19, then isolation after the storms, then rising costs. A significant decline in visitor and resident numbers has left many families and businesses struggling. We've had the opportunity to access government recovery funding to help our communities out, and can see the positive effect this has had.

We know how important our sense of community is when the tough times hit. What can we do going forward to ensure our people are connected and valued? It's not just about infrastructure, but about supporting more connected and inclusive communities.

The tasks ahead are huge

The costs, daunting. Even if we only committed to our absolute top priorities we don't have the capacity to deliver it all. We'd need many more hands on the job and it wouldn't happen overnight. Prioritising the many asks of the council is always difficult. Now more than ever we need to make some tough decisions. But it's still going to be a bit painful on the pocket.

The future is as uncertain as ever

Our District's growth, the introduction - then undoing - of emerging reforms, the unpredictable nature of climate change, and an uncertain economy demand that we choose our steps wisely.

We can't do this by ourselves

These are some big issues. Like many other councils, we can't grapple with these challenges on our own. Through working with others we can have a stronger voice and seek funding from the Government to support our communities.

E whakamaheretia ana te wharaunga

Charting our course

Tackling the future head on. Costs ahead.

Challenge accepted.

We're turning to the future once again and have prioritised the resilience of our district. We've relooked at some of our services, budgets and who pays to ensure they are fit for purpose.

It won't be easy and we need to be clear - we are looking at some major cost increases over the next decade. We've had to make some tough decisions and we know the impact will be painful for many.

We'd love to keep rate increases minimal but we don't think that's a realistic approach. Delivering everything we all want is also not possible. We can't afford to do it all now, or by ourselves, but we believe we're proposing the most responsible path forward.

Photo credit: Kester Bradwell

We’re making some tough calls for the next 10 years:

- We’ve drawn a new line on what we think we can afford and are able to deliver, but we can’t meet that line in the first year.
- We’re proposing to set a ‘just the essentials’ budget as a result, and we’ve cut back on a lot of projects we know are important to you.
- Even then we’ll still need to increase rates to match the actual costs of doing the mahi.
- We’ll focus on investment in critical infrastructure that ensures that we can withstand the challenges ahead. That includes adding the costly water projects back into our programme after the ‘undoing’ of the previous Government’s 3-waters reform and concentrating on getting our roading resilience programme underway.
- We’ll develop a plan for the Coromandel that sets out where and how our towns should grow and develop over the next 30 years in a way that builds our resilience.
- We’ll start work on some projects to protect our coastal communities from sea level rise – although we’ll be looking at who’ll pay to get the job done.
- We’ll invest in new infrastructure to support growth that’s about to happen, or has already happened in some areas, for example at Tōtara Valley Road in Thames, Hāhei and Wharekaho/Simpsons Beach, and will need to engage with these communities in due course about how it will be funded.
- We’ll increase support for our communities to access services, programmes and opportunities they need to thrive.
- To keep costs down, we’ve paused a number of projects that we’d previously planned or wanted to do in the next ten years to focus on getting the essential work done on time.
- We’re smoothing the ride. We’re facing a huge leap in costs in the first year of this plan that would exceed the line we’ve set for how much rates can increase each year. We’re proposing to spread that increase over two years so the bill for our ratepayers is easier to pay, but it still won’t get us under the line in the first year.
- We’ll increase our fees and charges in line with local government inflation so that ratepayers don’t have to cover the costs and carry that burden

Want to find out more?

Visit **tcdc.govt.nz/LTP-2024-2034** to read our financial and infrastructure strategies. These set out our key challenges and how we’re grappling with them.

Photo credit: Ann Costar

E waihangahia ana ngā pūtake mārō
Building strong foundations

We want to fill you in a bit more on some of the major issues that have shown up on our radar over the last while. These are really important and we can't shy away from them. They have a huge impact on our costs, and what else we can afford to deliver.

Roads to a resilient future

The series of storms, including Cyclones Hale and Gabrielle that hit our Coromandel communities in early 2023 caused extensive damage and disruption to people, property, businesses and the environment. Our roading network was severely impacted. Over 200 slips were cleared, and more than 361 workers invested 56,000 hours to restore our roads, with ongoing repairs to significant slip sites.

Those events have shown how dependent we are on our roads for accessing essential supplies, health care, education and employment; without them, our economy cannot flourish. It's also brought home to us how vulnerable our roads are, with geotechnical issues, outdated construction methods and age making them particularly susceptible to the effects of climate change and natural hazards. This vulnerability puts our people at risk of recurring periods of isolation and the hardships we've experienced recently.

To ensure a thriving future for the Coromandel, we must address our roading issues, moving beyond short-sighted patching. We need an improved and resilient network. We've initiated some work, but what's needed now is a 30-year programme requiring substantial investment. Over the next decade alone, there's $14.6 million for repairing damage from the 2023 storms allocated in this long-term plan.

Waka Kotahi New Zealand Transport Agency is committed to repairing the State Highway network it's responsible for, which is equally as vulnerable as our local roads. They've also been investing heavily in repairing the storm damage and we are already seeing the benefits of the opening of Taraparahi Bridge/SH25A in December 2023 for our townships on the Eastern side of the Coromandel.

But, there is much more that needs to be done, and we simply do not have the resources to do it by ourselves. Together with Waka Kotahi New Zealand Transport Agency, Waikato Regional Council and our neighbour, Hauraki District Council, we have developed a Resilience Strategic Response (RSR) Programme for the Coromandel-Hauraki area. We estimate that it will cost $1.3 – 1.75 billion over 15 years, and we are seeking 100% central government funding for it. Beyond creating a 'fit for the future' roading network, these projects will generate more employment and upskilling opportunities for our district.

The programme includes:

- restoring access on the Tapu-Coroglen Road for larger trucks
- preventing weather-related damage to the state highway network and key local roads
- replacing aged bridges on the state highway network including upgrading the one lane aged bridges to two lanes
- providing new clean fill sites for future recovery efforts.

Projects like the Coromandel town bypass, Tapu-Coroglen Road, Colville Road, and Kennedy Bay Road are part of the RSR programme and are included in our plan. We are seeking 100% Crown funding for its total cost of $100 million. The draft Regional Land Transport Plan which sets out work across the region that should receive a financial contribution from the Government includes funding for these projects. If we aren't successful with getting Crown funding we will have to revisit whether we can afford to do these projects.

Proposed resilience programme

Tapu-Coroglen, Colville and Kennedy Bay Roads remain as gravel with selected improvements, particularly on Tapu-Coroglen to increase resilience and enable limited freight access if other routes are closed.

Improve SH25 resilience:

Thames to Coromandel:
increase coastal erosion protection.

Coromandel to Whitianga:
increase underslip protection and address flooding issues with drainage works.

Waihi to Whitianga:
focus on preventing underslips, slope stabilisation, improving flooding issues.

Improve SH25A resilience:
slope stabilisations for both under/over slips, slope benching/retaining, and improve roadside drainage and culverts.

Improve the resilience of SH2/26 Waihi to Thames by focusing on preventing underslips in the Karangahake Gorge, and improving roadside drainage and culverts.

Getting ready for climate change

With our long coastline (400 km in fact) it's difficult to ignore the impact of climate change on our coastal settlements. How we deal with this issue is a challenge that is likely to need involvement and efforts of multiple generations over a long period.

As a council, we're on the frontline of responding to the effects of climate change, including sea level rise, increasing storm intensity and flooding, increased coastal erosion and coastal inundation. Our low-lying coastal areas, where many of our main settlements are located, are becoming more vulnerable. Our own infrastructure is also at risk.

In response to a 2018 storm that caused significant coastal inundation (flooding from the sea) and damage, we started our Shoreline Management Pathways (SMP) project to work together with our coastal communities to better understand coastal inundation and erosion risks and develop plans to combat these. We've now developed pathways for 138 specific areas across the Coromandel. They identify how each community will address the risks, whether it be by avoiding new development in high-risk areas, adapting by raising building floor levels, creating or enhancing 'soft' defenses like dunes and wetlands, building or improving 'hard' coastal protection structures, such as sea walls, or if and when the risks become intolerable, moving away from the area completely.

Establishing a firm timeframe for when a specific community will need to act is difficult and not all of the decisions need to be made right now. Instead, over time we will track signals such as how sea levels are rising and make decisions on when and how we'll intervene along the way.

While the impact of these risks for specific locations may remain uncertain, the SMP project has highlighted that an increase in investment will be required if we are to continue to protect people living on our beautiful coastline. Some coastal works will need to happen very soon if we are to protect our most vulnerable coastal settlements from immediate threats.

We've identified five significant projects that need to be actioned within the next 10 years to raise seawalls at Moanataiari and increase coastal protection measures in Tairua, Tararū, Te Puru, and Thames. These measures aim to reduce the growing risk of inundation from the sea and buy time for us to agree plans for eventually moving away from land at greatest risk.

In the medium term (the next 10 - 30 years), we'll continue to implement the outcomes of the SMP project. This includes making more decisions about planning and funding more protection work in Whangamatā, Tairua and Thames.

We'll also need to make decisions on works needed to protect our roading network from increased coastal inundation and erosion. The works involved are estimated to cost between $75 million and $125 million and are not currently part of the RSR proposals we talked about earlier.

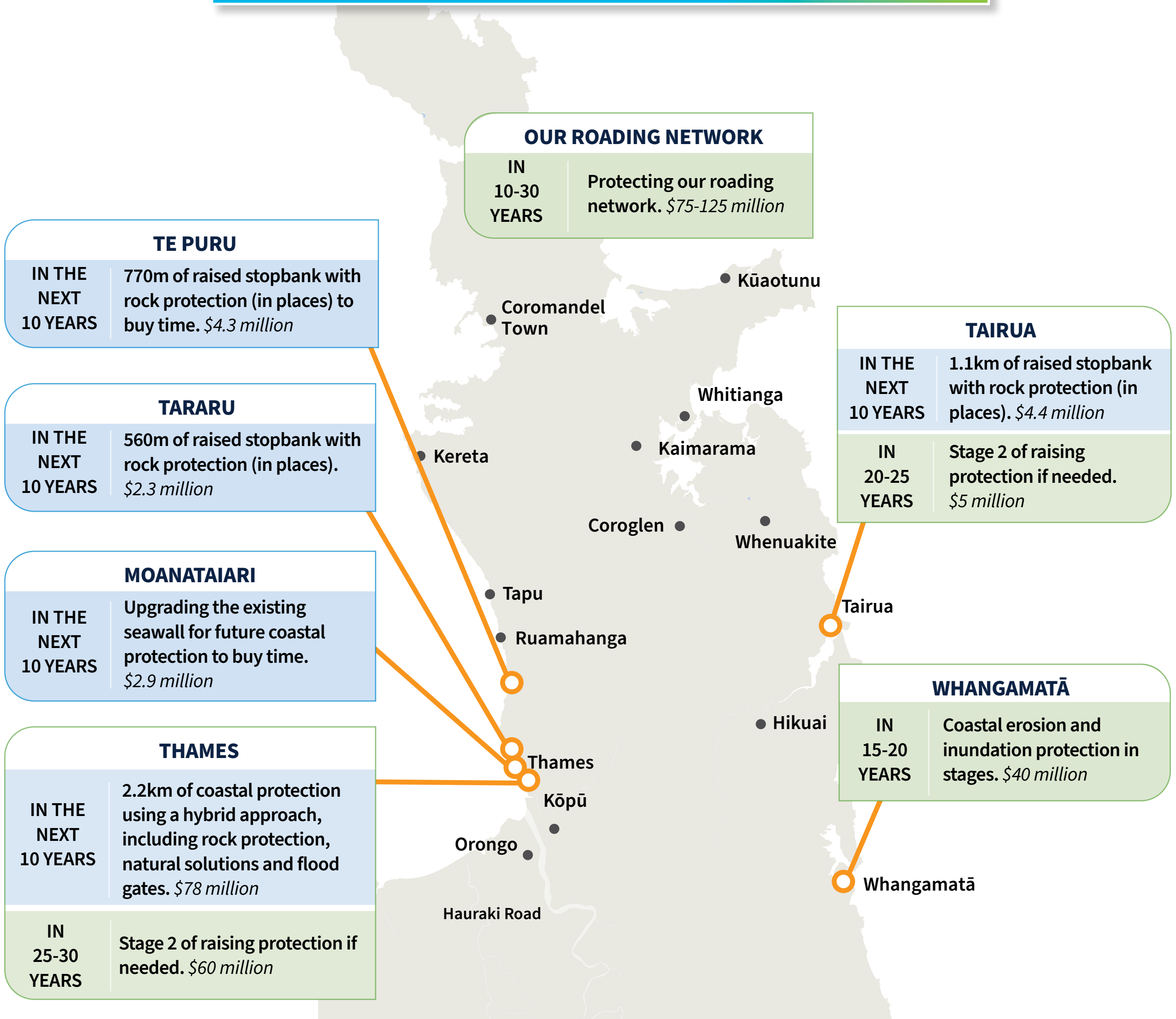
Currently, we're facing a major cost of $93 million over 10 years for coastal protection, with most of the spend allocated to works in Thames township. We anticipate more decisions will need to be made involving approximately $130 million for protection works over the following 20 years. Adaptation projects are very expensive. We are very unlikely to be able to foot the bill ourselves, and over the next three years we'll investigate other funding opportunities to help us get this important mahi underway. For now we have made an assumption that 60% of the funds needed will come from the Government with the remaining 40% funded by ratepayers. We will need to do more work and engage with our communities before deciding who will pay for it, and we'll be in touch.

At the same time we, along with other councils across Aotearoa New Zealand, are urging the Government to set clear and urgent plans for tackling climate change including the impact that rising sea levels will have on low-lying and coastal areas. We especially need to know how local areas like ours will be financially supported to take the actions needed if we are to adapt to the effects of climate change.

Want to find out more?

Visit **tcdc.govt.nz/LTP-2024-2034** for:

- information on our Shoreline Management Pathways project.
- our Infrastructure Strategy which sets out more about the costs of this work to our Council.



E hautūngia ana te moana karekare

Navigating tough choices

Photo courtesy of Te Whānau Waka Ama o Whangamatā

We've hit a tight spot with the major spending decisions already imposed on us. We're not alone – many councils across the country are facing the same challenges. We don't have much financial wiggle room, but there are a few matters we'd like your help with before we make our decisions. Dive into the options ahead and let us know your take on whether to move ahead with our proposals. Your thoughts matter, so take a moment to share them with us.

We want to hear what you think about:

1. Managing rates spikes
2. Investing more in future planning
3. Investing in connected communities
4. Increasing fees and charges to keep rates manageable
5. The future of our central office, the Thames Council building

DECISION 1:
Whakahaerehia ngā pikinga rēti | Managing rates spikes

The challenges we're facing have resulted in a significant jump in our forecasted expenses compared to last year's budget. The need to catch up on deferred spending, surging inflation and supply costs, along with necessary road repairs are the main culprits. Crunching the numbers revealed a significant spike in rates for the first year of 20%. Following this initial adjustment, rates will keep rising but not as steeply. We've looked at ways we can ease this increase.

Why rates are increasing

HE AHA E WHAKAPIKIA AI T E TĀKE KAUNIHERA

WHY ARE MY RATES INCREASING?

INFLATION
Local government inflation is predicted to rise by 3% next year and a whopping 25.0% over the next decade.

SUPPLY CHAIN DEMAND
Soaring infrastructure costs, including freight, materials, fuels, and labor, are hitting us as well as the rest of the country - directly.

INTEREST RATES
As interest rates climb, so does the cost of servicing debt. We're expecting that future increases in interest rates will raise our costs by $10.8 million in 10 years time

NEW PROJECTS
We've added $626m of infrastructure projects to our 10-year plan, with $100m of that allocated to road resilience projects and $267m for crucial water, wastewater, and stormwater upgrades.

COVID RECOVERY
Lockdowns and skill shortages due to COVID-19 hit our economy hard. While we've seen a resurgence, the severe weather events slowed this momentum.

STORM DAMAGE
Storm recovery repairs continue with $10m yet to be spent in year 1.

CATCHING UP
Catching up after we temporarily reduced the amount of money we put aside to replace assets when they are old (to keep rates low during storm recovery) causes a jump in rates.

Navigating tough times

Recognising unavoidable cost hikes, we've raised the limit on the amount that our rates can increase each year. Keeping rate increases at the rate of inflation is not enough to cover our ongoing cost increases. At the same time we know our communities can't afford double-digit rate increases.

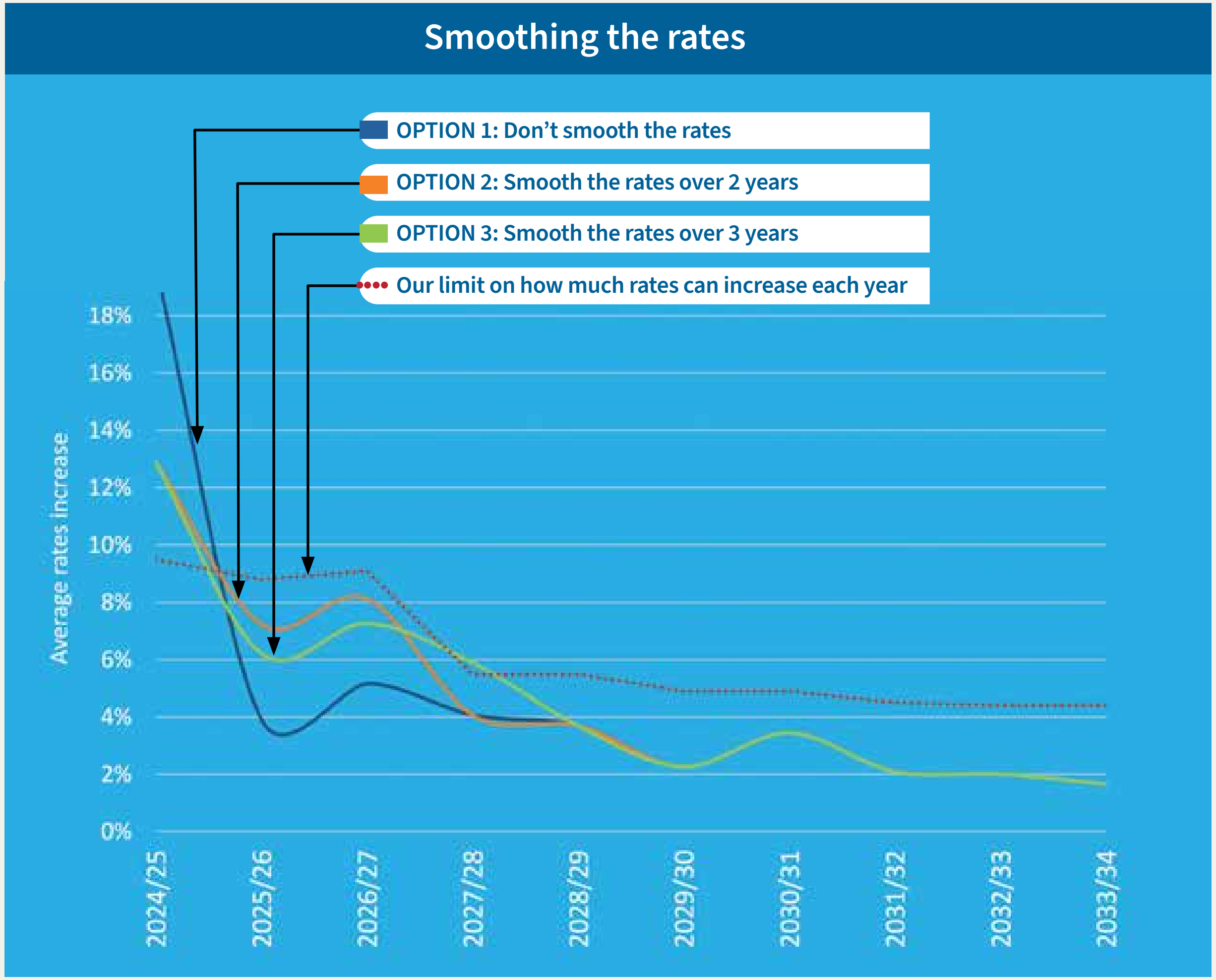
We've tried to find a balance between what is realistically needed to maintain our services and what is affordable for our community.

Our limit isn't the same each year. It will be higher in the next three years, but then we're anticipating we'll be able to gradually reduce it by not needing to do so many projects, seeing lower rates of inflation and having more ratepayers to spread the costs over.

Despite raising the limit, we still won't be able to achieve it in the first year.

Without taking additional steps, our ratepayers would be facing a 20% increase. Understanding the financial strain on our ratepayers, we're exploring ways to make the transition more manageable. One approach is to spread the increase over several years. In simpler terms, this means a smaller hike than planned in the first year followed by a higher increase than would be otherwise required in the following years. This spreading of the increase over the two years can be achieved in different ways. One way is to pause the setting aside of the share of the budget we need to replace our aging assets (this is called depreciation). This can only be done for a short period of time so we're proposing to only do it for two years. We'd return to funding the full annual replacement cost in year 3. Both scenarios have pros and cons.

These are the different options we've considered. As we've noted above, and as you'll see below, none of the options will get us below our limit in the first year.



OPTION 1
Don't spread the rates increase.

This option would result in average rates increases of:	19.8% in 2024/25	3.9% in 2025/26	5.2% in 2026/27

IMPACT ON DEBT
No impact

This option:
- ➕ is the simplest – we rate what we need to each year
- ➕ means we have the full amount of funds we need available for future renewal work
- ➖ will mean a sharp increase in rates next year, giving ratepayers less time to adjust
- ➖ means we may collect more money than we need if construction costs and asset revaluations come back closer to historic levels

AVERAGE IMPACT ON RATES PER RATING UNIT
- $765 per annum rates increase in 2024/25
- $182 per annum rates increase in 2025/26
- $248 per annum rates increase in 2026/27
- $151 per annum average rates increase for 2027/28 to 2033/34

OPTION 2
Spread the rates increase over two years.

OUR PREFERRED OPTION

This option would result in average rates increases of:	12.9% in 2024/25	7.2% in 2025/26	8.1% in 2026/27

IMPACT ON DEBT
No impact

This option:
- ➕ reduces the immediate impact on our ratepayers by giving them more time to adjust
- ➖ ratepayers will pay more in the second year, and we will rate the full amount from the third year
- ➖ reduces the amount of funds we need available for future renewal work by $10m, which could cost future ratepayers more if we need to cover the shortfall

IMPACT ON THE AMOUNT OF RATES WE COLLECT
Compared to option 1, we'd receive $10m less in rates over the next three years ($6.7m less in rates income in 2024/25 and $3.3m less the next year).

AVERAGE IMPACT ON RATES PER RATING UNIT
- $498 per annum rates increase in 2024/25
- $316 per annum rates increase in 2025/26
- $381 per annum rates increase in 2026/27
- $151 per annum average rates increase for 2027/28 to 2033/34

OPTION 3
Spread the rates increase over three years.

This option would result in incremental average rates increases of	12.9% in 2024/25	6.2% in 2025/26	7.3% in 2026/27	5.9% in 2027/28

IMPACT ON DEBT
No impact

This option:
- ➕ reduces the immediate impact on our ratepayers by giving them even more time to adjust
- ➖ ratepayers will pay more in the second and third year, and then we will rate the full amount from the fourth year
- ➖ reduces the amount of funds we need available for future renewal work by $13.3m. This could cost future ratepayers even more if we need to cover the shortfall

IMPACT ON THE AMOUNT OF RATES WE COLLECT
Compared to option 1, we'd receive $13.3m less in rates over the next three years ($6.7m less 2024/25, then $4.4m less in 2025/26 and $2.2m in 2026/27).

AVERAGE IMPACT ON RATES PER RATING UNIT
- $498 per annum rates increase in 2024/25
- $272 per annum rates increase in 2025/26
- $337 per annum rates increase in 2026/27
- $294 per annum rates increase in 2027/28
- $142 per annum average rates increase for 2028/29 to 2033/34

OUR PREFERRED OPTION

WE PREFER OPTION 2

This option strikes a balance between spending what we need to maintain our services while reducing the immediate impact on ratepayers. We know it will still hurt the pocket but it's a fiscally responsible way of doing what we can to make rates payments more manageable for our community.

WHAT'S YOUR TAKE?

We want to know what you think on the choices we've presented. Should we:

1. Pay for the rates increases right away?
2. Spread the rates increases over two years?
3. Spread the rates increases over three years?

Share your thoughts at **tcdc.govt.nz/LTP-2024-2034**.

Want to know more?

Have a look at our Financial Strategy at **tcdc.govt.nz/LTP-2024-2034** to find out our approach to managing the finances and rates in a responsible way.

DECISION 2:
E whakangaongia ana te mahere pae tawhiti | Investing more in future planning

Our vision is for the Coromandel to be the place to live, work and play. This means providing better opportunities for our communities to grow and change, and we want to ensure this happens in a well-managed way.

Good futures don't just happen; they are carefully planned. To manage change and growth well means:

- working together with communities and iwi to understand where, when and how places can develop and change in the future
- clearly signalling intentions for an area
- planning to provide the roads, pipes, parks and other infrastructure needed to support future development, including how they will be funded
- understanding the costs of change and growth, and reaching agreement with our communities on how these will be met
- changing our district plan to ensure development happens in the right places, at the right time.

We could leave our communities' futures to chance or entirely to the market, but we think it's important that we take a leadership role in defining what happens in our area. Taking a more strategic approach means we can better plan for the necessary infrastructure investments and partner with other agencies and business sectors to deliver services like schools and medical facilities needed in future. It also means we can avoid inappropriate development in areas at risk of natural hazards like flooding and coastal erosion.

Over the next 10 years we're proposing to invest more in how we plan for the future of our district. This includes:

1. developing a district-wide spatial planning project for areas outside of Thames (which has already had a plan completed). This project will set out where and how our towns should grow and develop over the next 30 years in a way that builds our resilience. We think it's important that we take more of a lead in setting the future planning directions for our communities and have included funds in our budget to complete this mahi.
2. making a series of changes to our district plan to include policies and rules that implement the direction of the Thames and Surrounds Spatial Plan for an enlivened town centre and additional growth in the Kauaeranga and Tōtara Valleys, at Kōpū and Matatoki North/Kirikiri, and in the longer term, around Matatoki and Pūriri.

Our question to you is: Should we invest more money so we can proactively and strategically invest in planning programmes to manage growth effectively? Let's look at our options.

OPTION 1

Invest more in proactive planning for growth.

OUR PREFERRED OPTION

This option:

- ➕ gives our communities the opportunity to define what happens in their patch
- ➕ provides more certainty to communities about what will happen, where and when
- ➕ helps us better plan our infrastructure needs
- ➕ puts us in a good position to access funding from outside the district
- ➕ enables us to start the district plan changes for Thames without delay
- ➖ costs more in the short term

COST

$6.8 million over 10 years (operational spend only)

IMPACT ON DEBT

No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.4 MILLION rates increase in 2024/25
$0.7 MILLION average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$17.20 per annum rates increase in 2024/25
$29.06 per annum rates increase in 2025/26
$25.70 per annum rates increase in 2026/27
$27.29 per annum average rates increase in subsequent years

OPTION 2

Keep the status quo and don't invest more.

This option:

- ➕ doesn't cost any extra – so there's no impact on rates
- ➖ doesn't provide much certainty to landowners, developers or the wider community about where, when and how development can happen
- ➖ makes our Council's infrastructure planning difficult and reactive
- ➖ risks inappropriate growth, or growth that doesn't make the most of the opportunities we have
- ➖ district plan changes for Thames would likely be delayed

COST

Nil

IMPACT ON DEBT

No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT

No impact

AVERAGE IMPACT ON RATES PER RATING UNIT

No impact

OPTION 3

Invest in planning for growth but at a slower rate.

This option:

- ➕ gives our communities the opportunity to define what happens in our patch
- ➕ helps us plan where we need to supply infrastructure so we can do it in a more cost effective and joined up way with other key stakeholders
- ➕ provides more certainty to communities about what will happen where
- ➕ costs less than option 1 in the short term
- ➖ takes longer to see the results
- ➖ district plan changes for Thames would be delayed

COST

$3.4 million over 10 years (operational spend only)

IMPACT ON DEBT

No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.2 MILLION rates increase in 2024/25
$0.4 MILLION average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$8.60 per annum rates increase in 2024/25
$14.53 per annum rates increase in 2025/26
$12.85 per annum rates increase in 2026/27
$13.65 per annum average rates increase in subsequent years

OUR PREFERRED OPTION

WE PREFER OPTION 1

We believe it's important to invest in our district's future, and our planning programme is crucial to achieving this. If we go ahead with this proposal, we'll invite you to join the conversation about what you'd like your place to look like in the future

WHAT'S YOUR TAKE?

We want to know what you think on the choices we've presented. Should we:

1. Invest in planning for growth effectively?
2. Not invest and keep the status quo?
3. Invest in planning for growth but at a slower rate?

Share your thoughts at **tcdc.govt.nz/LTP-2024-2034**.

Want to know more?

Have a look at our Activity Descriptions and Infrastructure Strategy at **tcdc.govt.nz/LTP-2024-2034** to find out more about our planning needs.

DECISION 3:
E whakangaongia ana te pū me te pā harakeke | Investing in connected communities

We know how important being part of a community is when the tough times hit. What can we do going forward to ensure our people are connected and valued? It's not just about infrastructure, but about supporting more connected and inclusive communities.

Covid-19 and the storms of 2023 highlighted our Council's crucial role in facilitating access to services, programmes, and opportunities across the Coromandel. We recognise our responsibility in advocating for the health, safety, and prosperity of individuals and communities. While we already do much to support, promote and advocate for our communities through our elected members' leadership, our communication channels, tourism initiatives, support for events and our strategic relationships and networks, we're committed to doing more. In response to the 2023 weather events, we accessed Government recovery funding to establish a service to deliver joined-up, wrap-around support to people who need it.

Our focus has been on building successful working relationships that can connect our people better to housing, education and employment opportunities, and to the medical and other services they need. We don't deliver many of the services directly, but we play a crucial role in advocating for them and bringing various agencies together to target our local priorities. We've seen the real benefits that this investment has produced for our communities and other organisations serving them.

With the recovery funding we received in 2023 we achieved:

MAYORAL RELIEF SOCIAL RECOVERY FUND

Fund for community organisations who are supporting those affected by the adverse weather events of 2023.

$300,000

DISTRIBUTED TO 55 COMMUNITY & VOLUNTARY ORGANISATIONS

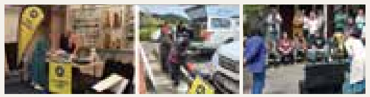
An average of $5660 per organisation

COMMUNITY RESILIENCE HUBS

Resilience resource caches for Marae/ Māori and smaller easily isolated communities.

11 RESILIENCE HUBS ESTABLISHED IN 9 COMMUNITIES

Planning underway for next 10 Resilience Hubs



CAREERS ROADSHOW

4 LOCATIONS

28 August – 1 September 2023

The schools really appreciated the roadshow travelling to them.

Interactive stalls really engaged the rangatahi

★★★★☆ Students attending the roadshow gave it a 4.5 out of 5.0 star rating.

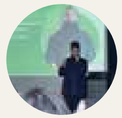
5 locations planned 19-23 February 2024

TE AOREREKURA CONFERENCE

Brought together

126 SERVICE PROVIDER STAFF

that work directly with whānau to talk about the National Strategy to eliminate family and sexual violence.



WELLBEING EVENTS

Gumboot Friday – Mike King and Richie Barnett speaking tour 24-28 October

3 TARGETED RANGATAHI EVENTS

4 PUBLIC TALKS

I AM HOPE

We want to continue the mahi. While we are closer to recovery from the storms, we understand the importance of empowering our people to be resilient and adaptive in the face of the future challenges. The Government cyclone recovery funding runs out in June 2025 but, recognising the significance of how this has improved the way we work with others, we have consolidated our community development services and are proposing to boost our own investment in it so it can be embedded firmly into our business.

Our proposal for the next ten years

Let's look at the options.

OPTION 1

Cease our enhanced role in community development once the Government funding runs out.

This option:

- ➕ has no additional cost, and no impact on rates
- ➖ loses the momentum we've gained from our cyclone recovery work to date
- ➖ leaves a gap in how our communities are supported to access the services they need including education, employment and training opportunities
- ➖ leaves our vulnerable, isolated and more socially and economically deprived communities at greater risk of future severe weather or other disruptive events

COST
Nil

IMPACT ON DEBT
No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT
No impact

AVERAGE IMPACT ON RATES PER RATING UNIT
No impact

OPTION 2

Carry on the work we started through the cyclone recovery programme but we'll be funding it ourselves through rates from year 2. (July 2025 onwards)

OUR PREFERRED OPTION

This option:

- ➕ helps our communities become more ready to respond to and recover from future disruptive events like storms
- ➕ enables us to continue to connect our people to health, education, employment, training opportunities and services they need to thrive
- ➕ helps us access other (external) funding for our communities
- ➕ is a relatively low cost option
- ➖ will become a ratepayer cost from 2025/26 (year 2 of our plan) once the Government cyclone recovery funding has run out

COST
$4.4 million over 10 years (operational spend only)

IMPACT ON DEBT
No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT
Nil rates increase in 2024/25
$0.5 MILLION rates increase in 2025/26
$0.4 MILLION rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT
No impact in 2024/25
$18.63 per annum rates increase in 2025/26
$18.73 per annum rates increase in 2026/27
$18.97 per annum average rates increase in subsequent years

OPTION 3

Invest even more in community development.

This option:

- ➕ helps our communities become even more able to respond to and recover from future disruptive events like storms
- ➕ enables us to have greater capability to connect our people to health, education, employment, training opportunities and services they need to thrive
- ➖ comes at a higher cost than option 1 and 2.

COST
$8.2 million over 10 years (operational spend only)

IMPACT ON DEBT
No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT
Nil rates increase in 2024/25
$0.9 MILLION per annum average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT
No impact in 2024/25
$36.24 per annum rates increase in 2025/26
$36.06 per annum rates increase in 2026/27
$34.95 per annum average rates increase in subsequent years

OUR PREFERRED OPTION

WE PREFER OPTION 2

Option 2 helps us to be stronger advocates and connectors for our communities and collaborate more effectively with partners – regionally and nationally. It provides a balance between providing some services while not increasing the cost to ratepayers significantly.

WHAT'S YOUR TAKE?

We want to know what you think on the choices we've presented. Should we:

1. Cease our extra role in community development once the Government cyclone recovery funding runs out?
2. Carry on the work we started through the cyclone recovery programme?
3. Invest even more in community development?

Share your thoughts at **tcdc.govt.nz/LTP-2024-2034**.

Want to know more?

Visit **tcdc.govt.nz/LTP-2024-2034** to read more about:

- our community development activity proposals
- how we're proposing this activity is funded (in our draft Revenue and Financing Policy).

DECISION 4:
Ka whakapikia ngā momo utu hei whakahaere i ngā rēti | Increasing fees and charges to keep rates manageable

Currently about 14.5% of our income comes from charging fees to people who use our services when it's fair that they pay. We're exploring the possibility of increasing these fees to keep up with our other rising costs, including inflation. This way, we can distribute the financial responsibility more evenly. It means the costs will be covered by those who are using or needing the services directly – and prevents an extra burden on ratepayers as a whole.

We offer an array of services to both local communities and visitors, each of which costs time and resources. Given our high volume of visitors, we think it's fairer for them to contribute to the cost of services they use. We target this user pays approach where the people who benefit from our services can be directly identified. This way we shift a proportion of the cost to those who derive the most benefit, beyond just our ratepayers. When setting fees and charges, we carefully consider indirect benefits to our communities and their ability to pay.

You've consistently told us that direct users including visitors should contribute to the cost of the services they use and enjoy. We're proposing to continue with this approach.

As highlighted earlier, our costs are increasing significantly. To prevent our ratepayers from shouldering all these increases, we'd need to boost our total income from user fees and charges by 3%. This increase wouldn't be spread evenly across all our fees as some are set by law meaning we have little flexibility to change them. This wouldn't change the services we deliver now.

In this plan, we're considering fee increases for certain aspects of the following services:

- airfield access
- building consents
- cemeteries
- dog control
- hall and sport centre use
- harbour facilities
- health licenses
- land information memoranda (LIMs)
- parking
- parks and reserves
- resource consents
- roading (e.g. vehicle crossings)
- Thames swimming pool
- utility connections
- water connection fees and usage.

If we don't increase these fees, the costs would be added to the rates bills.

View our proposed increases to individual fees by visiting tcdc.govt.nz/LTP-2024-2034

OPTION 1

Increase our revenue from fees and charges by 3% overall.

OUR PREFERRED OPTION

This option:

- ➕ is the fairest in our view and is consistent with our existing funding arrangements (as set out in our draft Revenue and Financing Policy
- ➕ means ratepayers don't have to cover a disproportionate cost
- ➖ some fees would increase by up to approximately 10%
- ➖ may mean that some users may no longer be able to afford or willing to pay the increases

REVENUE

Adds additional revenue from fees and charges of **$5.5 million** over 10 years

IMPACT ON DEBT

No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.5 million less in rates in 2024/25
$0.5 million less in rates in 2025/26
$0.5 million less in rates in 2026/27
$0.6 million average rates less in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$19.98 less in rates in 2024/25
$20.26 less in rates in 2025/26
$20.57 less in rates in 2026/27
$21.94 less in rates in subsequent years

OPTION 2

Don't increase our fees and charges.

This option:

- ➕ means individual users don't have to pay more
- ➖ means ratepayers have to pick up the price increases which we don't think is fair

COST

Nil

IMPACT ON DEBT

No impact

IMPACT ON THE AMOUNT OF RATES WE COLLECT

No impact

AVERAGE IMPACT ON RATES PER RATING UNIT

No impact

OUR PREFERRED OPTION

WE PREFER OPTION 1

We think this is the fairest way of funding our cost of services and would take approximately $20 off the average rates bill per year.

WHAT'S YOUR TAKE?

We want to know what you think on the choices we've presented. Should we:

1. Increase our income from user fees by 10%?
2. Stick with the status quo and don't increase them?

Share your thoughts at **tcdc.govt.nz/LTP-2024-2034**.

Want to know more?

Visit **tcdc.govt.nz/LTP-2024-2034** to read more about:

- our specific fee proposals
- how we're proposing our services be funded (in our draft Revenue and Financing Policy).

DECISION 5:
Ka ahatia te Whare Kaunihera o Kauaeranga (Thames) | The future of our central office, the Thames Council building

Our main Council offices in Thames don't meet current health, safety and earthquake standards for staff and the visitors who use them.

Our Council office in Mackay Street, Thames has two buildings. As well as our staff and elected members who regularly occupy the buildings, other visitors, contractors and invited guests often frequent them, while the public visit our customer service area and AA services. Unfortunately, both buildings fall short of health and safety and seismic standards. Our Council has a legal responsibility to ensure the safety of our staff and to provide safe public facilities.

An assessment of the buildings in 2022 identified health and safety risks due to seismic activity (earthquakes) and deemed both buildings to have safety issues. As well as health and safety, there are other significant issues:

- the buildings fail to meet current fire rated construction standards. These would be required to be met as part of the building consent for the alteration of an existing building
- the Building Act requires us to strengthen both buildings as they don't meet the minimum New Building Standards (NBS) or earthquake requirements. The current heating, ventilation and air conditioning (HVAC) systems are also at the end of their lives, with multiple units failing. Work on the Administration Building must begin in 2024 to reduce Councils risk exposure under the Health & Safety at Work Act 2015.
- necessary upgrades to meet modern technology systems are unable to be done without addressing all of the seismic shortcomings
- the buildings have insufficient light, air, meeting spaces, and noise control, hampering staff productivity in the workplace.

We're required to start work on one of our two buildings in Thames within the next two years or the risk to health and safety becomes too high.

Where we're at now

We've done a lot of work to understand the issues with the buildings but haven't yet proceeded with any remedial work. While refurbishing and upgrading the buildings is one option, we do have an opportunity to help achieve wider community and urban benefits by looking at other options including a multi-use community facility. We may be able to partner with external organisations (including Government ministries) to co-fund this type of build, or get the building fully funded by a developer.

We've considered relocating our main office to another area on the Coromandel but think it needs to stay in Thames. That's because Thames is our main service centre for the District, and it's where the main retail, commercial, medical and educational services are located. Its location is easier to access from other parts of the Coromandel but also to the sub-region and beyond.

Our proposal for the next ten years

Let's look at the options.

OPTION 1

Refurbish and upgrade the existing main Council building.

OUR PREFERRED OPTION

This option:

- ➕ means TCDC maintains ownership of the building
- ➕ is less disruptive to the public in the long term as they are familiar with this location
- ➕ is likely to be the most cost effective and efficient option
- ➕ would meet the required building, fire and health and safety requirements
- ➖ carries a level of risk and uncertainty around cost and timeframes like any building refurbishment
- ➖ provides a lot less flexibility in how the building is designed. The current layout of the building is dated and can't be altered much due to ground condition and engineering requirements
- ➖ interrupts customer services
- ➖ requires staff relocation whilst refurbishment is ongoing. Construction may have to be phased or staff have to work from home or other spaces for an extended period which may impact on council services.
- ➖ misses opportunities to achieve wider urban/community benefits

COST

$8.9 million of capital expenditure (estimate)

IMPACT ON DEBT

$4.0 million

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.02 million rates increase in 2024/25
$0.1 million rates increase in 2025/26
$0.3 million rates increase in 2026/27
$0.5 million average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$0.82 per annum rates increase in 2024/25
$5.28 per annum rates increase in 2025/26
$13.50 per annum rates increase in 2026/27
$19.79 per annum average rates increase in subsequent years

OPTION 2

Construct a new building on the current site.

This option:

- ➕ provides more ability to address layout issues compared to Option 1
- ➕ means TCDC maintains ownership of the building
- ➕ would meet the required building, fire and health and safety requirements
- ➖ is limited in design options and ability to build due to ground conditions being suboptimal
- ➖ ground conditions may present unexpected issues for a new build- misses opportunities to achieve wider urban/community benefits
- ➖ requires staff relocation whilst refurbishment is ongoing. Construction may have to be phased or staff have to work from home or other spaces for a long period which may impact on council services

COST

$12 - $20 million of capital expenditure

IMPACT ON DEBT

$7.0 - $15.0 million

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.02 - $0.04 million rates increase in 2024/25
$0.2 - $0.3 million rates increase in 2025/26
$0.5 - $1.0 million rates increase in 2026/27
$0.8 - $2.0 million average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$0.98 - $1.64 per annum rates increase in 2024/25
$7.35 - $13.14 per annum rates increase in 2025/26
$20.56 - $39.24 per annum rates increase in 2026/27
$31.44 - $62.21 per annum average rates increase in subsequent years

OPTION 3

Construct a new building on a new (Council-owned) site in central Thames.

The building footprint would be the same as the existing buildings.

This option:

- ➕ could help draw people towards the commercial area of Thames by being located in a central location
- ➕ provides an opportunity to combine the Thames Civic Centre and Council Chambers
- ➕ provides more certainty of costs due to being a new build
- ➕ provides more straightforward staff relocation as they can remain in the existing building until the new building is completed, also reducing customer disruption
- ➕ would meet the required building, fire and health and safety requirements
- ➕ current site could be sold, and council receive money from the sale
- ➖ the estimated cost is much higher but is more certain
- ➖ staff will remain in a building that is not safe for some time
- ➖ further investigation of this option is needed
- ➖ it may be difficult to find a suitable new site
- ➖ ground conditions may present unexpected issues for a new build

COST

$12 - $20 million of capital expenditure

IMPACT ON DEBT

$8.0 - $16.0 million

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.02 - $0.04 million rates increase in 2024/25
$0.2 - $0.3 million rates increase in 2025/26
$0.6 - $1.0 million rates increase in 2026/27
$0.9 - $2.0 million average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$0.98 - $1.64 per annum rates increase in 2024/25
$7.63 - $13.41 per annum rates increase in 2025/26
$22.14 - $40.70 per annum rates increase in 2026/27
$34.56 - $65.10 per annum average rates increase in subsequent years

OPTION 4

Construct a new building on a new (Council-owned) site with opportunities for additional community and urban facilities. With this option, co-funding, external funding and co-ownership could be further explored if pursued.

This option:

- ➕ would involve a more intensive use of the site
- ➕ provides more certainty of costs due to being a new build
- ➕ provides more straightforward staff relocation as they can remain in
- ➕ the existing building until the new building is completed, also reducing customer disruption
- ➕ provides options to partner with Government ministry to co-fund redeveloped site, reducing the overall cost to our Council
- ➕ provides town regeneration benefits
- ➕ would meet the required building, fire and health and safety requirements
- ➕ current site could be sold, and council receive money from the sale
- ➖ is the most expensive option if it isn't co-funded or externally funded
- ➖ estimated cost may be negatively impacted

COST

$17 - $27 million of capital expenditure depending on the facilities included (estimate)

IMPACT ON DEBT

$11.0 - $20.0 million

IMPACT ON THE AMOUNT OF RATES WE COLLECT

$0.03 - $0.06 million rates increase in 2024/25
$0.3 - $0.4 million rates increase in 2025/26
$0.8 - $1.0 million rates increase in 2026/27
$1.0 - $2.0 million average rates increase in subsequent years

AVERAGE IMPACT ON RATES PER RATING UNIT

$1.40 - $2.22 per annum rates increase in 2024/25
$10.81 - $17.79 per annum rates increase in 2025/26
$31.33 - $52.23 per annum rates increase in 2026/27
$48.90 - $84.49 per annum average rates increase in subsequent years

OUR PREFERRED OPTION

WE PREFER OPTION 1

On principle we recommend Option 1 as the lowest cost option. Should this option exceed the cost estimate, and is therefore no longer the most cost efficient, one of the alternative options may become more realistic.

WHAT'S YOUR TAKE?

We want to know what you think on the choices we've presented. Should we:

1. Refurbish and upgrade the existing council building?
2. Construct a new building on the current site?
3. Construct a new building on a new site in central Thames?
4. Construct a new building on a new site with additional community facilities?

Share your thoughts at **tcdc.govt.nz/LTP-2024-2034**.

Ētehi atu whakaritenga?

What else are we planning?

Mō te ngahuru tau e whai nei

...over the next 10 years

It will cost

$1.7 billion

of operational expenditure to deliver services and run the district over the next 10 years. This assumes that the Government will require us to keep delivering and paying for our three-water services.

Our capital projects

(projects that involve building or improving property or infrastructure)

total **$744 million**

over the next 10 years.

This includes **$192 million**

that will be spent on recovery and resilience work.

$46 million will be spent on growth related projects.

TRANSPORT

We're focusing on improving how our

704 kms

of roads withstand major events.

We'll spend

$115 million

on roading storm repair and resilience projects with help from the Government.

We'll maintain existing footpaths, cycleways and walkways.

PROTECTION OF PEOPLE AND THE ENVIRONMENT

We'll spend $92 million

on rolling out the first phase of our shoreline protection projects to buy time against coastal inundation.

We'll increase the height of seawalls in Moanataiari, Tararū, Te Puru and Tairua.

We'll actively look for non-ratepayer funding and will consult with you on how this is paid for.

STORMWATER

We've upped our spend on renewing our stormwater systems ($21.9 million).

We'll invest in reducing stormwater flooding for properties in Thames, Cooks Beach, Whitianga, Pauanui, Whangamatā and Matarangi.

WASTEWATER TREATMENT AND DISPOSAL

Our 10 wastewater plants treat wastewater from

22,680

properties.

$60.9 million

will be invested in renewing our wastewater infrastructure.

$23.3 million

will be invested in upgrading our Matarangi, Cooks Beach and Thames plants to cater for extra demand or meet higher standards, and $7 million on extending services in Thames, Wharekaho and Hāhei.

WATER SUPPLY

We have
12 water supplies
supplying water to over
19,700 properties
through **600 kms** of pipes.

We'll spend
$32.3 million
on renewing existing water assets.

The upgrade of the Thames South water infrastructure will bring it up to national drinking water standards.

Water supply will be extended to new areas including Totara Valley Road in Thames and Wharekaho subdivision. The Hāhei and Wharehako extensions will be scoped so that we can consult with our communities to assess their support.

LEADERSHIP AND GOVERNANCE

We're proposing to spend
$25 million
on the Thames Council building issues, vehicle fleet replacement and information technology (IT) upgrades.

SOLID WASTE

We'll build a new refuse transfer station in Whitianga to meet demand ($9.4 million).

We've increased the amount we'll spend on refuse transfer stations to meet health and safety requirements ($10.7 million).

We'll be continuing to work hard to reduce waste to landfill.

COMMUNITY SPACES

We're focusing on renewing our existing facilities, especially a lot of our playgrounds (that's $1.4m of capital projects).

The Thames aquatic facility has increased in price to
$39.97 million

We *haven't* included money for a Thames sports facility.

$1.7 million
will be spent on our library collection.

COMMUNITY AND ECONOMIC DEVELOPMENT

We'll continue to partner with agencies, building on the way we've worked through cyclone recovery.

We'll invest more in implementing our kete of social wellbeing strategies.

PLANNING AND REGULATION

We've proposed a district-wide spatial planning project for areas outside of Thames.

We'll make changes to our district plan to implement our agreed direction.

Want to find out more?
Visit **tcdc.govt.nz/LTP-2024-2034** to read our Activity Descriptions for information on our services, projects and their costs.

Mō te pae tawhiti rawa

...and over the longer term

Most of our infrastructure lasts well beyond 10 years, so we need to take a longer-term view. We've got some significant infrastructure needs to address in the next 30 years. We bear that in mind when deciding how much we're spending and borrowing now because it will affect what we can afford to do in the long term.

Our key infrastructure for the future

TRANSPORT

704 kms of non-state highway (local) roads

175 bridges

294 kms of footpaths

Key 2031-52 projects

Upgrading our aged and sub-standard roads and bridges ($10.2 million).

COASTAL PROTECTION

18 hard assets which protect the coast

Key 2031-52 projects

Additional coastal protection measures in Thames ($60 million), Tairua ($5 million) and Whangamatā ($40 million).

Addressing our low-lying road network ($75-125 million).

WATER SUPPLY

12 water supplies

48 reservoirs

630 kms of pipes

Key 2031-52 projects

Replacement of our aged water supply network ($93.1 million).

Possible government-required upgrades.

WASTEWATER

10 wastewater treatment plants

131 pump stations

over **400 kms** of piped mains

Key 2031-52 projects

Possible wastewater treatment upgrades ($166.6 million).

Possible capacity upgrade in Thames ($70 million).

STORMWATER

211 kms of stormwater pipes

3,874 manholes

5 pump stations

Key 2031-52 projects

Replacement of our aged stormwater network ($60.55 million).

Upgrades to cope with increased rain amounts and intensities ($121.3 million).

SOLID WASTE

7 refuse transfer stations

7 closed landfill sites

Key 2031-52 projects

We'll be monitoring when we need to renew our refuse transfer station asset.

The Coromandel is subject to a number of natural hazards which can have an impact on the resilience of our infrastructure, including storm events, inundation, land slips, coastal erosion and tsunamis. Some of these are likely to be intensified by the predicted impacts of climate change and rising sea levels. We will proactively seek to identify cost effective and sustainable opportunities to future proof and improve the resilience of our infrastructure.

Want to find out more?

More information on how we'll meet the infrastructure needs of our district over the next 30 years can be found in our Infrastructure Strategy. It sets out what infrastructure is required, when we'll have to make a decision about it and how much it is estimated to cost. Visit **tcdc.govt.nz/LTP-2024-2034**.

Ko te pūtea tonu te kaupapa

All about the money

Te utu o te nama?
What will it all cost?

We look after about

$1.6 BILLION

worth of infrastructure, assets and facilities.

This includes some big-ticket items (such as water treatment plants)

and some small items (such as rubbish bins at the local park).

We also run and regulate a lot of services that help make the Coromandel the place to be, such as enforcement for public safety.

We estimate it will cost a total of around

$356 MILLION over the NEXT 10 YEARS

to just look after what we have and maintain our services.

Upgrades and new assets will cost another

$388 MILLION

Many of these are essential – that is, we have no option but to deliver them *(these are what we call the 'capital costs')*.

Our operating costs including the ongoing expenditure for things like depreciation, interest, loan repayments, repairs and maintenance and operations.

total 1.4 BILLION over 10 YEARS

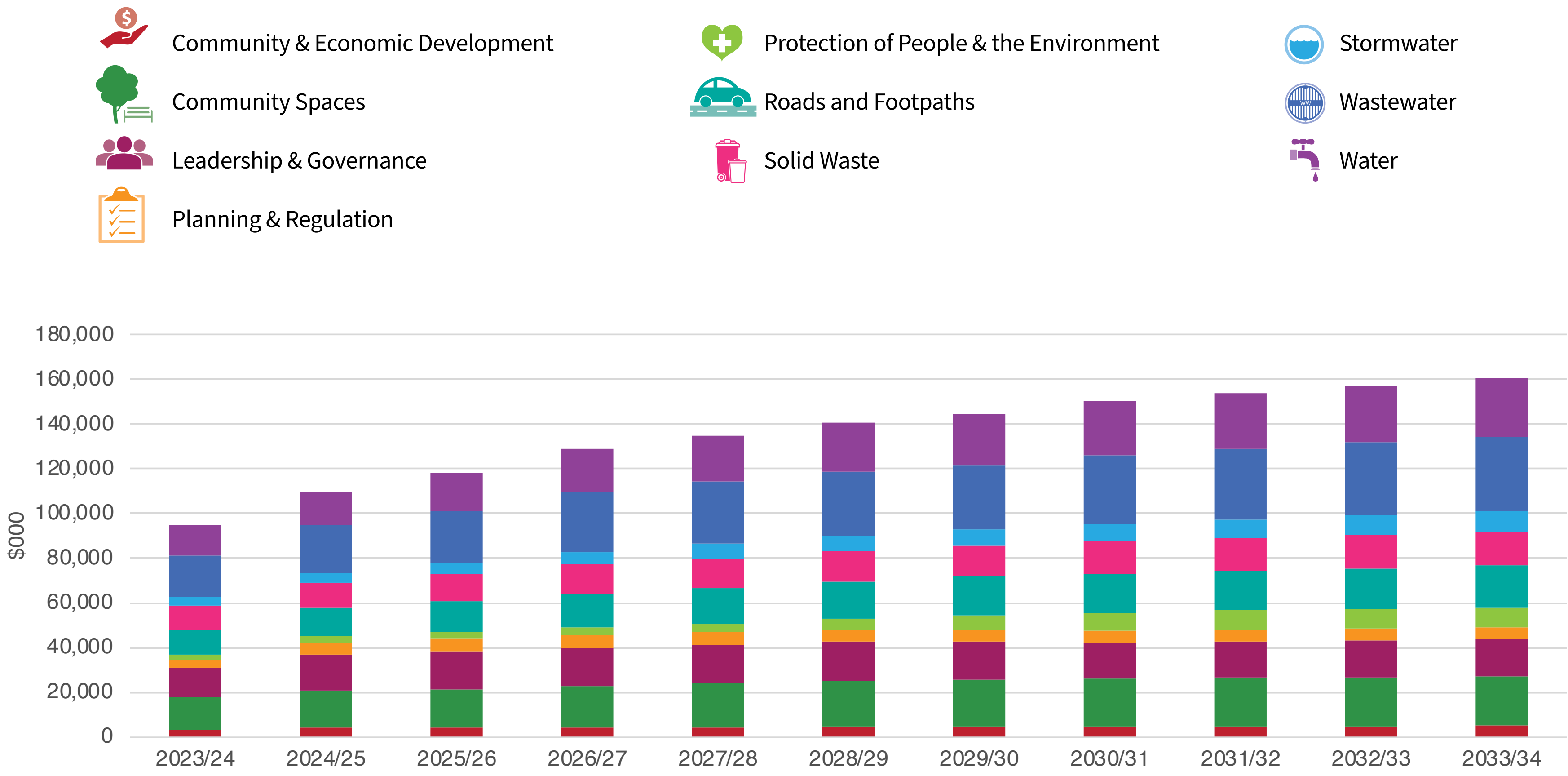
Our operating costs will increase by $59 million or 44% over 10 years from 23/24 to 33/34.

25% is due to the inflation we're forecasting

8% is due to the interest we pay on what we borrow

12% is due to the cost of saving to replace more assets

Here's where the money will be spent in the next 10 years



Want to find out more?

Visit **tcdc.govt.nz/LTP-2024-2034** to read our Financial Strategy and forecast financial statements.

Ka ahu mai te pūteai i whea?

Where will the money come from?

Funding our mahi is a balancing act.

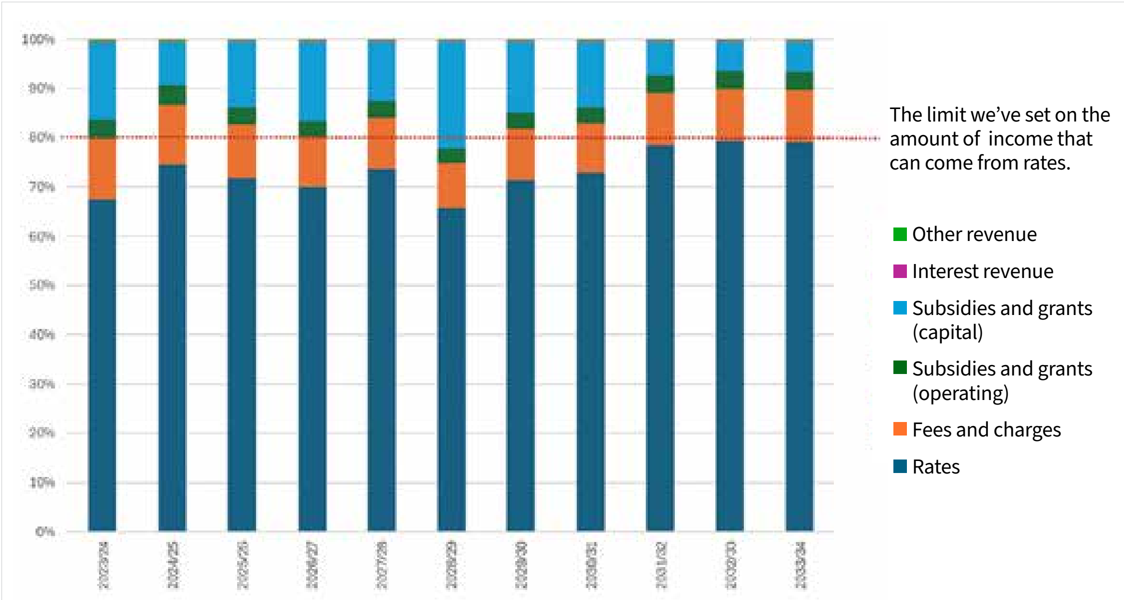
It's not affordable to cover the costs of the work we propose to deliver through rates income alone. We've set a limit so that our income from rates won't exceed 80% of our total income. We'll meet that limit although it gets a bit tight in the latter years.

As we set out earlier, we've also set a limit on how much our rates can increase each year so that it's kept manageable. We are currently forecasting a 12.9% rates increase for 2024/25, and in our last LTP, we were forecasting a 5.5% increase for the same year. Read more on page 21 and share your take.

User fees need to be reasonable too. We'd like your feedback on whether you agree we should increase our income from fees to an average of 10% (but they range depending on the fee), with the increase in revenue from fees and charges of 3% overall (see page 30).

We'll continue to borrow to ensure that both current and future ratepayers contribute to the cost of intergenerational assets – things like treatment plants and pipes - that last a long time. We also need to take care that any borrowing decisions today don't overburden future ratepayers. For this reason, we're limiting our total borrowing to <200% of our total revenue. In dollar terms, our average total revenue over 10 years is $203m but it varies each year so our debt limit does too. Our total borrowing will increase over the next 10 years as we carry out some big projects, but we'll stay within our debt limits.

There are some activities that the district can't afford to pay for on its own - such as our long-term coastal protection and roading recovery work and we are continuing to look for other opportunities for funding, including from the Government.



Want to find out more?

Visit **tcdc.govt.nz/LTP-2024-2034** to read our Financial Strategy, Revenue and Financing Policy (our funding policy) and forecast financial statements.

He aha ngā kaupapa pūtea kua tinia?

What are the changes to how things are funded?

We are not proposing any changes to how our services are funded at this time but there are a few discussions we need to have with you in future about how we fund major projects like coastal protection work and infrastructure for our growing communities.

We are proposing some small changes to how our funding policies are written but they don't change where our funding will come from. If you'd like to find out more about these changes read our proposals at **tcdc.govt.nz/LTP-2024-2034**.

Want to find out more?

Read our draft Revenue and Financing Policy at **tcdc.govt.nz/LTP-2024-2034.** This sets out how our activities are proposed to be funded.

He aha te ngako o tēnei kaupapa mōu mō o rēti rānei?

What does it mean for you and your rates?

We estimate each household will pay on average $83.74 per week, or around $4,366.09 in 2024/25 for the activities and infrastructure we're proposing. Currently (2023/24) each household pays $74.18 per week. This is an average of 12.9% rates increase for all rate types in the first year.

Over the ten years this will keep increasing. By the end of the ten years, we forecast each household will pay $117.33 per week.

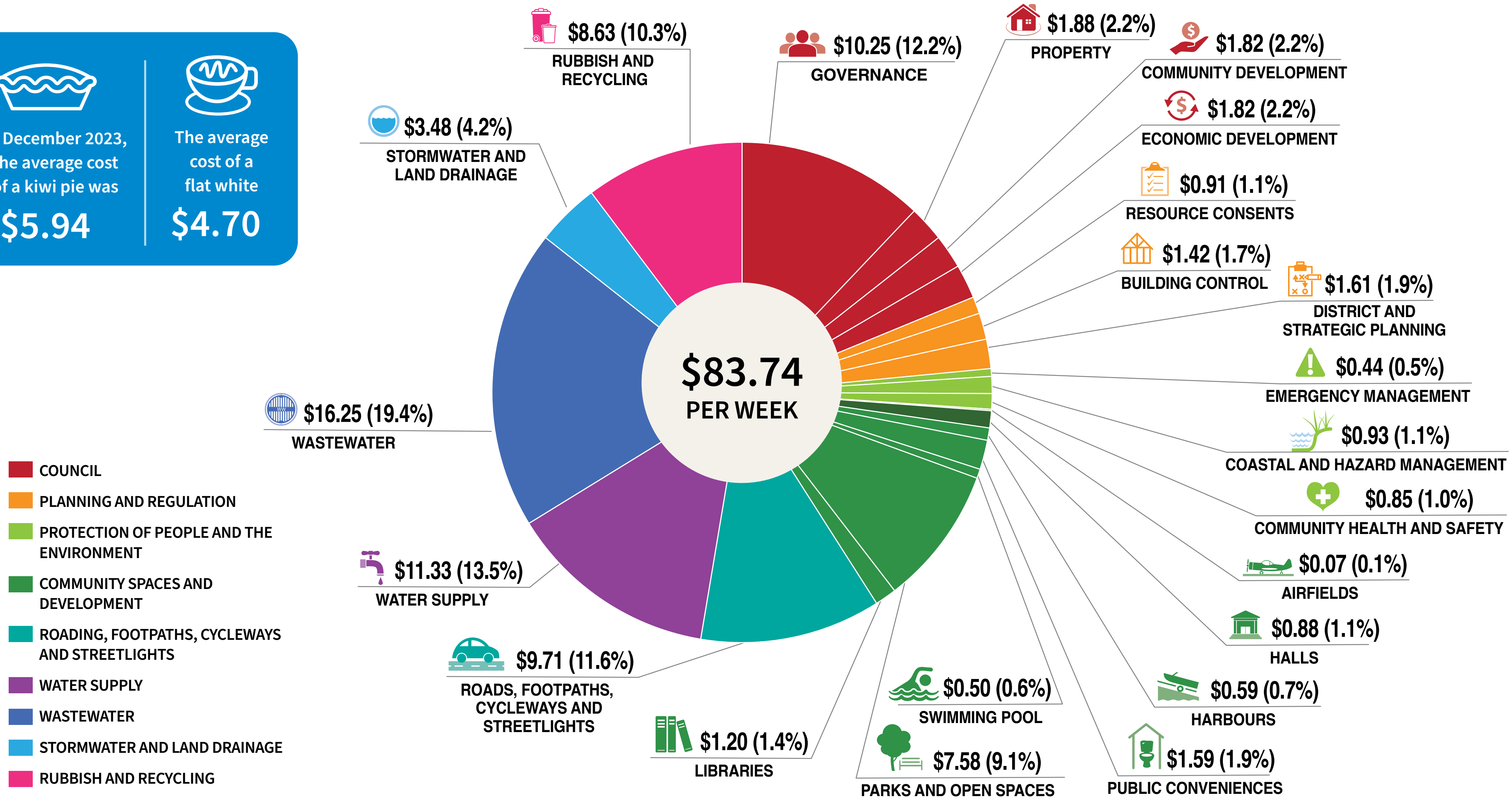
This will cover the costs of delivering services, paying back debt and storing some away for future replacement of ageing assets (depreciation).

How much you pay will depend on a number of things like the value of your property and the services it is rated for.

Here is a weekly breakdown on what you get for your rates
based on our proposed budget for 2024/25.

In December 2023, the average cost of a kiwi pie was **$5.94**

The average cost of a flat white **$4.70**



Ka tūtohi ki te panonitia ngā rēti ki te takiwā o Kauaeranga

Proposed rates changes Thames

	Residential	Industrial Commercial	Farming and horticulture	Rural other
Actual rates 2023/24	$3,587	$4,547	$4,173	$2,581
Proposed rates 2024/25	$3,941	$5,149	$4,519	$2,984
2023 Indicative median valuation:	$700,000	$1,216,000	$1,771,000	$930,000
Average % increase	9.9%	13.3%	8.3%	15.6%
Average $ increase per week	$6.80	$11.56	$6.63	$7.72

Ka tūtohi ki te panonitia ngā rēti ki te takiwā o Te Ūmanga-Kapanga

Proposed rates changes Coromandel-Colville

Residential

Actual rates 2023/24 **$3,287**

Proposed rates 2024/25 **$3,854**

2023 Indicative median valuation: **$820,000**

Average % increase	Average $ increase per week
17.3%	$10.89

Industrial Commercial

Actual rates 2023/24 **$4,112**

Proposed rates 2024/25 **$4,551**

2023 Indicative median valuation: **$1,099,000**

Average % increase	Average $ increase per week
10.7%	$8.43

Farming and horticulture

Actual rates 2023/24 **$3,474**

Proposed rates 2024/25 **$4,045**

2023 Indicative median valuation: **$2,196,000**

Average % increase	Average $ increase per week
16.4%	$10.96

Rural other

Actual rates 2023/24 **$2,318**

Proposed rates 2024/25 **$2,768**

2023 Indicative median valuation: **$1,003,000**

Average % increase	Average $ increase per week
19.4%	$8.63

Ka tūtohi ki te panonitia ngā rēti ki te takiwā o Te Whanganui-a-Hei

Proposed rates changes Mercury Bay

	Residential	Industrial Commercial	Farming and horticulture	Rural other
Actual rates 2023/24	$3,964	$5,057	$4,702	$2,695
Proposed rates 2024/25	$4,610	$5,539	$5,153	$3,039
2023 Indicative median valuation:	$1,030,000	$1,808,000	$1,004,000	$1,337,000
Average % increase	16.3%	9.5%	9.6%	12.8%
Average $ increase per week	$12.39	$9.25	$8.86	$6.60

Ka tūtohi ki te panonitia ngā rēti ki te takiwā o te tonga-mā-rāwhiti

Proposed rates changes Tairua-Pāuanui

	Residential	Industrial Commercial	Farming and horticulture	Rural other
Actual rates 2023/24	$4,118	$4,994	$3,703	$2,803
Proposed rates 2024/25	$4,566	$5,622	$4,218	$3,243
2023 Indicative median valuation:	$1,070,000	$1,571,000	$2,583,000	$1,446,000
Average % increase	10.9%	12.6%	13.9%	15.7%
Average $ increase per week	$8.58	$12.03	$9.87	$8.44

Ka tūtohi ki te panonitia ngā rēti ki te takiwā o te tonga-mā-rāwhiti

Proposed rates changes Whangamatā

	Residential	Industrial Commercial	Farming and horticulture	Rural other
Actual rates 2023/24	$4,097	$4,744	$3,317	$3,271
Proposed rates 2024/25	$4,553	$5,254	$3,585	$3,706
2023 Indicative median valuation:	$1,090,000	$1,429,000	$3,100,000	$2,024,000
Average % increase	11.1%	10.8%	8.1%	13.3%
Average $ increase per week	$8.75	$9.79	$5.13	$8.35

Hautūngia tahina – me aha tātou?

Navigating together: what's your take?

The challenges are big and we want to hear your thoughts on how we tackle them.

WHAT'S YOUR TAKE?

DO IT ONLINE

Go to **tcdc.govt.nz/LTP-2024-2034** to:

- read more
- download a feedback form
- give your feedback online.

TELL US FACE TO FACE

You can also opt to share your views in person at a hearing in late April/ early May. Please fill in a feedback form to book a time.

OLD SCHOOL

Pick up a form from our services centres or download online, then:

Post: LTP feedback, Thames-Coromandel District Council, Private Bag 1001, Thames 3540

Email: consultation@tcdc.govt.nz with 'LTP feedback' in the subject line.

Deliver in person:

- 515 Mackay Street, Thames 3540
- 355 Kapanga Road, Coromandel Town
- 10 Monk Street, Whitianga
- 620 Port Road, Whangamatā

WE NEED YOUR WRITTEN FEEDBACK BY 8 APRIL.

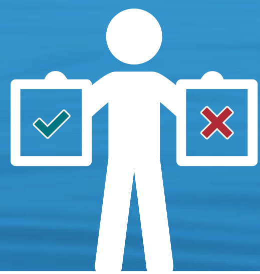
We'll consider your feedback in May and adopt our final plan in late June.
We'll let you know what we decide.

Kua takoto te manuka e hoa mā.

Whakamōhio mai koa he aha o koutou huatau

These are some really big and tough decisions for us.

PLEASE LET US KNOW WHAT YOU THINK



tcdc.govt.nz/LTP-2024-2034