

citynews



4 April 2014

Reinvesting in our city

This week's issue of City News is about Hamilton City Council's plans for July 2014 to June 2015

After three years of tightly managing the city's finances the Council is in great shape.

By sticking to our financial plan and living within our means we are now in a much better financial position.

This financial turnaround provides the opportunity to start reinvesting in some of the things that matter to Hamiltonians.

The draft Annual Plan outlines what the Council proposes to deliver in the next year (from July to June), how much it will cost and any changes from the 10-Year Plan (adopted in 2012).

This document is a summary of the draft annual plan. If you want a full version you can go to www.hamilton.govt.nz/annualplan or call us on 838 6699 and we will send you a copy.

Drop in to our Open Day and find out more about what's planned.

See inside for details.



Developing Hamilton Gardens

Hamilton Gardens is an outstanding city asset. Our plan is to complete five themed gardens and additional infrastructure at the Gardens over the next four years.

To fund the Council's one-third share of the total cost, we are proposing an additional charge of \$10 plus GST per property, per year, for four years.



Proposed Mansfield Garden



Proposed Concept Garden



Proposed Picturesque Garden

SEE INSIDE FOR MORE DETAILS ON:

- ▶ Developing Hamilton Gardens
- ▶ The Council's finances
- ▶ Safety in the central city
- ▶ Free entry to pools for under 5s
- ▶ New destination playground
- ▶ How to have your say

The Council is in great shape

This draft Annual Plan is for year three of the Council's 10-Year Plan (2012-22).

Our goal for 2014/15 remains the same – keep to the financial plan. However, this budget signals the Council's intention to start reinvesting in the things that matter to Hamiltonians.

This is only possible because the Council is in great shape. We are in a much better financial position than originally planned, tracking ahead of the financial targets set back in 2012.

There is no change to the debt cap set at \$440 million. We will begin 2014/15 around \$30 million under this cap.

By the end of 2014/15 we will have reduced what it costs to run the city by over \$15 million each year.

The total rates increase is still set at 3.8% for existing ratepayers, because we need to keep on track with our financial plan. Plus we are also proposing an additional charge to fast-track development at Hamilton Gardens.

All of this means the Council is on track to balance the books by 2017.



Open Day

Drop in and find out more about what's planned for Hamilton over the next year.

Date: Wednesday, 9th April 2014

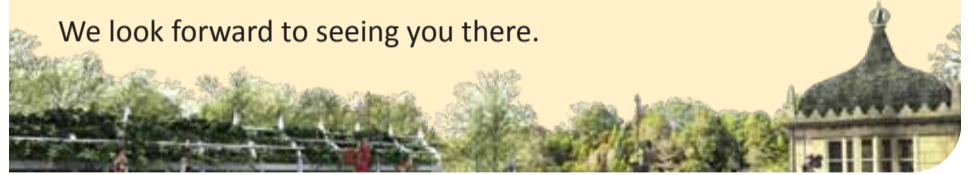
Time: 12.30pm – 6.00pm

Venue: Customer Service Centre, Council building, Garden Place.

Parking is available in the Garden Place underground car park (next to the Council building), the first hour is free.

Council staff and elected members will be on hand throughout the afternoon to talk to you about what's planned and answer questions.

We look forward to seeing you there.



Asset sales

The Council is considering selling some assets to pay off debt. Since July 2012 a total of \$20.5 million in assets have been sold. The largest sale so far is the \$12 million received for the Council's share in the Novotel and Ibis Hotels.

For details of what's been sold and the assets still under review, please refer to the full version of the draft Annual Plan.

THE FINANCIAL PLAN

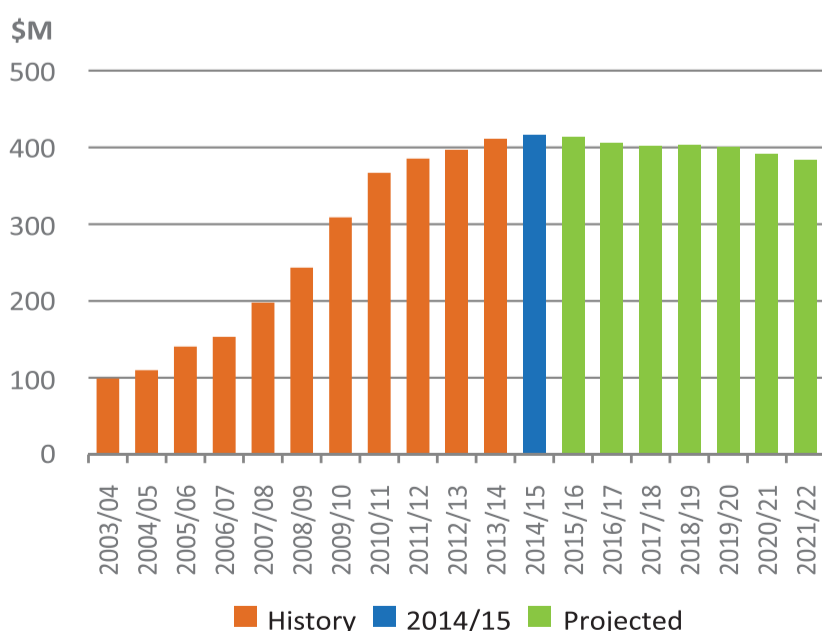
2017 The Council will **BALANCE THE BOOKS**

\$440m total overall **DEBT CAP**

\$15m to be **SAVED** each year by 2015

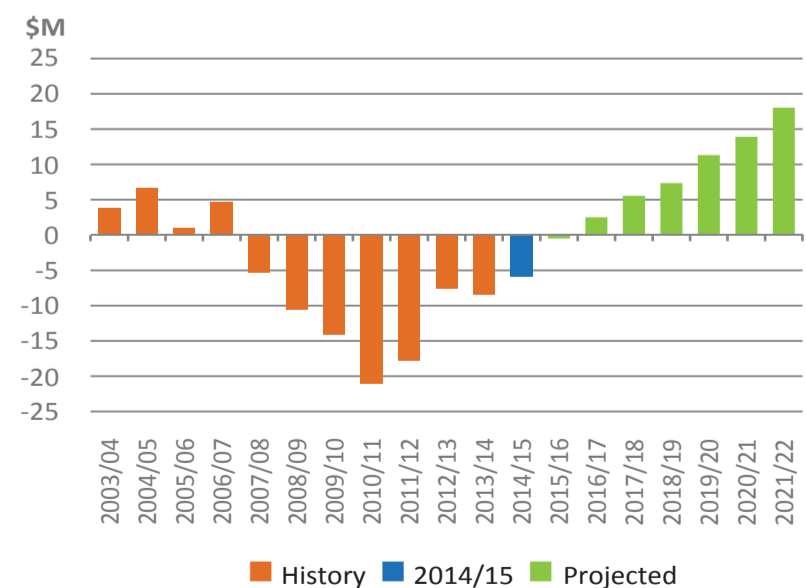
Debt

We will begin 2014/15 around \$30 million under our total overall debt cap of \$440 million. This is \$24 million less debt than we originally planned for back in 2012.



Balancing the books

Balancing the books by 2017 will put the Council 'back in the black' for the first time in a decade. This will allow new assets and upgrades to be paid for through rates instead of borrowing.



Reinvestment proposals

Developing Hamilton Gardens

Hamilton Gardens is our biggest tourist attraction and an iconic destination in our city. Over one million people visit the Gardens each year.

This proposal is to complete five new themed gardens, and supporting infrastructure, within the next four years.

This investment will increase the number of people visiting Hamilton Gardens and the length of time they stay, resulting in increased revenue for the Gardens and economic benefits for the city. It will also add to our enjoyment and use of the Gardens.

The Council will need to contribute \$2.344 million, which is one-third of the total cost. The remaining two-thirds will be sought from sources other than Council funds. The project won't go ahead unless this funding is secured.

The Council proposes to raise the \$2.344 million through a targeted rate of \$10 plus gst per rateable property for each of the next four years.

The income from the targeted rate will be held in the Hamilton Gardens Reserve fund and applied as the Gardens are developed. Completing this project will have no impact on the Council's overall debt position.



Proposed Jetty

The proposal includes:

- The completion of the Tudor Garden and Surrealist Garden (both are in progress)
- Development of three new gardens: The Concept Garden, Mansfield's Garden and Picturesque Garden
- A new jetty into the Italian Renaissance Garden
- Turtle Lake car park extension
- An information centre upgrade
- A destination playground
- Security improvements



Free entry to Council Pools for under 5s

The Council recognises how important it is for our city's children to develop aquatic skills for life and wants to provide free access for children under 5 at Waterworld and Gallagher Aquatic Centre.

The cost of providing free casual entry for under 5s is \$30,000. Learn-to-swim programmes will remain fee-based.

The Council is also proposing to reintroduce the 9pm winter closing time at Waterworld. This will cost \$63,000. This is largely in response to requests from after hours pool users such as sports clubs.

Both of these changes can be accommodated without affecting our overall budget constraints.



Destination Playgrounds

The Council's new Playgrounds Policy aims to create new destination playgrounds for the whole city. For each playground the Council will contribute two-thirds of the costs, with the remaining one-third to be sought from other funders.

The first playground to be upgraded is Minogue Park, which will require an additional \$13,000 to take the Council's two-third contribution up to \$200,000.

The Council is also going to complete the upgrade at the Lake Domain destination playground in 2014/15 at a cost of \$170,000.

Safety in the Central City

This is a proposal to increase safety in the central city in response to concerns raised by businesses and the public.

We are also working in partnership with the Hamilton Central Business Association, who are providing their own range of initiatives.



The six additional services proposed by the Council are:

- Offering CCTV monitoring services to businesses on a user pays basis Nil
- Reinstating daytime City Ambassador patrols, covering the central city six days per week \$94,000
- Increased bylaw and policy enforcement \$80,000
- Increased maintenance of vegetation at key sites \$75,000
- Increased litter collection and street and footpath cleaning \$80,600
- Six new cameras to extend coverage north to Liverpool Street and south to Bridge Street \$48,000

The total cost of these six proposals is \$329,600 in annual operating costs, and \$48,000 in one-off capital expenses.

We are also working on...

The River Plan

The River Plan will provide a blueprint for development, use and celebration of this wonderful feature of our city for decades to come. The Council is committed to completing the plan by August 2014 and getting underway with projects as soon as possible. To complete the River Plan an additional \$150,000 is proposed. There will be opportunities as the plan is developed for stakeholders and the public to provide ideas and feedback.

Our role in the social housing sector

Due to the Government's social housing reforms and changes to the purpose of local government, the Council is considering its role in the social housing sector and whether housing for older people is a service that we should continue to deliver. We are talking with social housing providers in Hamilton, who would like to explore alternative service delivery options with us, including ownership. The proposal for this Annual Plan is to look at alternative options for one or two of the Council's 19 housing complexes. This may result in the sale of these one or two complexes to a buyer who will continue to provide social housing at these sites. Separate to this Annual Plan proposal, a working group will be formed to develop a proposal on the Council's longer term role in social housing. There will be an opportunity for public input on that proposal later this calendar year.

Operation of the buses

We are investigating the transfer of responsibility for bus operations from the Waikato Regional Council to Hamilton City Council. The budget includes \$100,000 for planning and consultation should the Council decide to do this. If the Council decides not to pursue a transfer then this investment will not be needed.



A review of the rating system

During 2014/15 the Council wants to consider changing the rating system from land value to capital value. We have allocated \$200,000 for the review, which will include a full consultation process. Hamilton is the only metropolitan city still on land value.

A Central City Transformation Plan

The purpose of this plan is to transform the Central City into a strong commercial and residential centre. The cost to develop this plan is \$80,000 and it will prioritise and review things like parking, signage, residential living and safety.

How community grants are provided

This year we will be looking at how we provide this service to ensure it is delivered in the most efficient and effective way. We will also review our grants policy to make sure it aligns with the new purpose of local government, which came into effect in 2012.

Your Mayor and Councillors



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The draft Annual Plan is open for submissions from Wednesday 2 April to 4pm Friday 2 May. There are several ways you can make a submission

ONLINE Fill in a form at www.hamilton.govt.nz/annualplan

DELIVER Bring your submission to the Hamilton City Council offices, Garden Place

POST
Freepost 172189
Annual Plan Submission
Hamilton City Council
Private Bag 3010, Hamilton 3240

If you make a submission, you can also indicate if you want to speak in support of it at a Council hearing. All submissions are treated as public documents and will be loaded on to the Council's website with the names and contact details of submitters included. Please include your name and postal or email address.