



UNCONFIRMED Minutes

of the

Economic Development Committee

Ordinary Meeting

Date	16 September 2014
Venue	Thames Civic Centre Mary St Thames

Present

GF Leach (Chairperson)	PL French RN Renton L Hopper
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In Attendance

Name

Greg Hampton
Ben Day
Garry Towler
David Hammond
Simon Stevens
Laurna White

Item(s)

Meeting Commenced	1.02pm
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1 Meeting Conduct

1.1 Apologies

Resolved

That the Economic Development Committee:

1. Receives the apology for Grahame Christian for the 16/9/14 meeting

Moved/Seconded By: French/Renton

1.2 Public Forum

A period of up to 30 minutes is set aside for the public to raise matters falling within the terms of reference of the meeting. Each speaker may speak for three minutes but time extensions may be allowed on a vote of not less than 75% of members present at the meeting. Questions from members for information or clarification may be permitted by the Chairperson (Standing Orders Appendix F).

1.2.1 Mayor John Tregidga - Hauraki Rail Trail Update

Mayor Glenn Leach asked about getting some clarity around the recent issues to do with the Hauraki Rail Trail Charitable Trust (HRTCT) and also outlined some of the objectives within the MOU. Mayor John Tregidga believes the trail is not fully economic until the Kopu to Kaiaua (K2K) section is completed. He also believes the current model is good in reducing the burden on ratepayers. Mayor Tregidga outlined the Primary Trail Operator (PTO) contract and where this relationship is currently at (i.e. Mike Barnett sub-contracted the PTO role to Peter Maynard, but Peter Maynard is no longer in the picture). Mike Barnett (PTO) is not looking at cancelling any contracts and wants the opportunity to resolve any issues and continue as PTO.

Mayor John Tregidga confirmed that HDC will discuss the review of the contact with the PTO and TCDC can expect a response in the 1st week of October.

Mayor Tregidga advised that the Waikino - Waihi Section was community funded. The K2K section may use road reserve and this could assist in reducing the \$4m estimate. Mayor Tregidga advised that a lotteries application for funding is ready to lodge.

A recent visit from Kate Wilson (Otago Central Rail Trail Chairperson) was talked about and how their current trust model is working, along with comparisons to HRTCT.

TCDC want better communication and highlighted the fact that the PTO are not meeting the desired expectations. It was decided that Greg Hampton (Thames Area Manager) would be the key contact for TCDC, along with Adrian de Laborde (HDC) and someone from Matamata-Piako District Council)

Mayor Tregidga also asked about reports that TCDC have around aquaculture and Primary Industry and DCE Ben Day is to follow this up and provide relevant information.

1.2.2 Coromandel Business Assn. - Illume Festival

Brenda Kelsey and Jan Autumn thanked TCDC for their support. Brenda outlined the relationship between TCDC and Coromandel Business Association, dating back to when the Coromandel Information Centre folded. She thanked TCDC for the \$50,000 received from Mayor Events fund. The Illume Festival was designed to bring people into Coromandel (and wider region) on the off season. (ECM Doc set 3555972 and 3555973 we tabled at the meeting). Brenda outlined how the TCDC were acknowledged for their contributions through festival media and publicity etc.

Coromandel Business Assn. members noted an average of 58.33% increase in turnover compared to previous year. An estimated 1800 to 2000 people turned out for the event. Accommodation statistics shows a noted increase over the festival period. Some weaknesses were identified and will be worked on in future events and weather disruptions also played a role for some festival activities. A small balance of \$3,800 was retained and may be spent on a storage container for festival assets. Of the \$50,000 granted, \$27,000 is retained in the form of assets to be used at future festivals. The highlight of the event was the main street closure. Brenda highlighted the potential to use the Coromandel ferry that docks in Auckland as an opportunity to advertise the Coromandel.

The question was also raised about getting some money out of this event and eventually making it self-funding in the long term.

Mayor Glenn Leach asked that his congratulations be passed on to the Illume Festival Committee and applauded the efforts of everyone. He also noted how difficult it is deciding on funding allocations.

1.2.3 Leslie Preston (GM) - Bachcare

Leslie Preston - Founder and GM of Bachcare - Outlined the history of Bachcare and the purpose and vision. Bachcare manages nearly 1000 homes across the country with 7 day a week customer service and an online booking system. Managers live locally in the region (18 in the Coromandel). Leslie outlined the importance of technology to move with the times and be a key enabler for the business. Bachcare engages with a lot of local businesses and trades people for maintenance and upgrades on properties, and works well with Destination Coromandel.

Recent joint Government funding through the Tourism Growth Partnership has assisted Bachcare in expanding the business to include tourism experiences and activities. Bachcare is focused on providing a total guest experience. The new Bachcare Experiences will enable new partnerships with local tourist operators to specifically target the unique needs of the guests (ie families vs couples etc.) who are holidaying in Bachcare homes. Bachcare Experiences will trial in Mercury Bay this upcoming summer season.

Mayor Glenn Leach said it was great to have Bachcare working in the region. It was roughly estimated that the average bach owner could generate approximately \$8500 in revenue p/a, although there is a huge variance in price range of Bach's across the board. (i.e. \$90 - \$2000). The subject of capital gains tax was brought up and discussed, and how this could impact on our region should absentee ratepayers want to sell their properties.

For anyone wanting to become part of the new Bachcare Experiences project, it was advised that an email to Leslie Preston would initiate this process.

Resolved

That the Economic Development Committee:

1. Receives the speakers in public forum.

Moved/Seconded By: Renton/French

1.3 Items not on the Agenda

Resolved

That:

1. No items needed to be added to the agenda.

1.4 Conflict of Interest

The Chairperson invited notice from members of:

1. Any interests that may create a conflict with their role as an elected member relating to the minutes item(s) for the meeting; and
2. Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968.

No conflicts of interest were noted

1.5 18 July 2014 - Economic Development Committee Minutes for Confirmation

As per Council's Standing Orders, the Economic Development Committee must confirm the Minutes of its previous meeting.

Resolved

That the Thames-Coromandel District Council:

1. Confirmed the following Minutes:
Economic Development Committee Minutes - 18 July 2014

Moved/Seconded By: Leach/Hopper

2 Service Level Agreements and Review

2.1 Service Level Report to July 2014 from Destination Coromandel

Service Level report from Destination Coromandel for period ended July 2014.

Staff clarified comments that Mayor Tregidga made in Public Forum - Tax advice is that Destination Coromandel is not exempt from income tax because it is a council controlled organisation. Performance reports are coming through. TCDC are satisfied with Destination Coromandel and the main issue maybe between HDC and representative on Destination Coromandel Trust.

Resolved

That the Economic Development Committee:

1. Received the report.

Moved/Seconded By: Renton/Leach

3 Major Projects

3.1 Coromandel Walks Report

Economic Development Committee received a project update from Garry Towler (Whangamata Area Manager) about the progress of the Coromandel Walks Project.

Staff gave a verbal update on a report going to 24 September 2014 Council meeting. Highlighted the 14km section from the Blow Hole to Whitianga and this can be done without a resource consent, with initial benchmark figure of \$2.5m. Giblin Group have identified external funding they have access to. Discussed how these main walks can springboard other walks in the region. Purangi - primary concession is held by Doc and Glass Bottom Boat holds this concession from Doc. DOC/TCDC and Ngati Hei are to be the framework for a Co-governance structure.

Resolved

That the Economic Development Committee:

1. Received the report.

Moved/Seconded By: Hopper/Renton

3.2 Coromandel Harbour Update

Economic Development Committee received a project update from TCDC project staff regarding the Coromandel Harbour Strategy project.

A Coromandel Harbour Facilities Project Update (ECM Doc Set 3554870) was tabled by staff on the day. Staff are being instructed to get on with the Business Case for Furey's Creek. Mayor Glenn Leach commended the work and presentation at a public meeting in Coromandel on Thursday 8th September. EDC Member Hopper highlighted the need to weigh up the various options, particularly given his experience in Marina Development. The Funding agreement needs to be included as a section of the business case. With the Industry contributing to this project there is a need for them to front the resource consent costs to show their commitment. There are bigger industry players than Coromandel Marine Farmers Assn. (CMFA) and we need to bring these in and maybe a "one voice" approach is required. Staff suggested that there is a need for an Industry rep to be part of the agreement development process as this will also bring some impartiality

EDC Member French thought the funding model does have to reflect the different businesses involved to ensure appropriate cost recovery from the various parties.

Some bones of the deal are that:

- TCDC bankrolls the transaction.
- a certain percentage needs to be paid upfront by CMFA (still to be determined).

- TCDC to underwrite the resource consent at 50% of the cost if the consent is not successful.
- CMFA to pay 100% of the consent if it is successful.
- CFMA to pay 100% of upgrades to the wharf (aquaculture expansion).
- TCDC to pay for the additional infrastructure required if it is decided to relocate the ferry to Sugarloaf.

Resolved

That the Economic Development Committee:

1. Received the report.

Moved/Seconded By: Leach/Renton

3.3 Kopu - Doing Better Business Report

Economic Development Committee received an update on the progress made to the Kopu - Doing Better Business project that commenced in November 2013. The objectives of the project were to:

- Improve business conditions and infrastructure services for existing and future business at Kopu
- Retain existing businesses and attract new business to Kopu
- Provide scope for growth through submission to District Plan
- Make the Kopu area more visually attractive.

The report seeks the Committee's advice and recommendation on the projects objectives and strategy.

Greg Hampton acknowledged Lisa D'Souza's work on this project and report. Staff asked if the EDC considered the project significant enough to warrant district funding or local funding. EDC members see this project as a mixed funding model as the area of benefit is wider than just Thames. Currently there is the opportunity to buy land to assist in ponding issue and this could be funded from stormwater budgets.

Budgets in the LTP need to be aligned to support the implementation plan. Broadband issues at Kopu are being discussed with Chorus and EDC member French congratulated Ben Day on his Broadband discussions and work in facilitating broadband upgrades in the Kopu Area. Staff then outlined the cabinet upgrades as documented in the EDM report.

Resolved

That the Economic Development Committee:

1. Received the report.
2. Recommended to provide the Economic Development Committee with a breakdown of district vs. local funding.

Moved/Seconded By: French/Hopper

3.4 Appointment of Hauraki Rail Trail Trustee

The purpose of the report was to appoint a replacement Thames-Coromandel District Council representative Trustee to the Hauraki Rail Trail Charitable Trust (HRTCT) due to the resignation of Warren Male from that position.

Staff outlined a legal opinion from Buddle Findlay regarding the Hauraki Rail Trail and noted it is an agenda item on the September Council order paper. TCDC needs to ensure that HRTCT are empowered to carry out the duties they are charged with.

As part of a wider discussion it was noted that Pipiroa Bridge may be an issue for the Kopu to Kaiaua (K2K) leg. EDC Member French said we got into the Rail trail because of the K2K section and the direct benefit it would bring to Thames. Since this leg has not been established we need to drive this harder or re-assess our position.

Resolved

That the Economic Development Committee:

1. Received the report.
2. Approved the appointment of Sandra Goudie as the new Thames Coromandel District Council representative Trustee to the Hauraki Rail Trail Charitable Trust.

Moved/Seconded By: Leach/French

4 Economic Development Strategy and Work Programme

No items received.

5 Reports

5.1 Economic Development Managers Report

Economic Development Committee received an update on the 2014-15 ED work programme.

Staff outlined how TCDC have \$50,000 ear marked to assist in the speed up of the delivery of the Rural Broadband Initiative and also need to have figures to substantiate the number of households that this would benefit. Bridging finance could be offered also.

An offer has been made for the position of Economic Development Manager and awaiting confirmation/acceptance.

Discussion then centred on what we need to provide to attract the early retirees to our region. Currently places like Whitianga offer 2 supermarkets etc. but just lack medical facilities. Research clearly indicates our main target is Auckland region and changes there impact on the Coromandel Region.

Resolved

That the Economic Development Committee:

1. Received the report.

Moved/Seconded By: Leach/Renton

5.2 Infometrics June 2014 Quarterly Economic Monitor report

The Economic Development Committee received a presentation of quarterly report to June 2014 as prepared from Infometrics data. An overview of Economic data relative to our region, highlighting movement in our various economic sectors.

Ben summed up the key points and highlights of the Infometrics Report.

Resolved

That the Economic Development Committee:

1. Received the report.

Moved/Seconded By: French/Hopper

5.3 Funding of the Economic Development Activity for the 2015 Long Term Plan

Economic Development Committee discussed possible funding options for the Activity in Councils 2015-2025 Long Term Plan.

Staff outlined the current funding model and how this worked across the business and private sectors. There is a need for some lead on this funding in order to get some direction for the Long Term Plan. Discussion centred on how Moteliers and other businesses were classified in the commercial model. EDC member talked about the level of benefits from various events and it was noted that accommodation providers are at the top of the food chain in terms of economic benefit. After some discussion about levying the various sectors, the question was asked was this even something the EDC needed to give input on and was it already discussed at a recent Council Workshop. EDC member queried the \$44.90 value to the private sector ratepayer (as per preferred option 3). It was recommended to staff that this issue should be taken to a Council Workshop and EDC Members invited to contribute to discussion.

Resolved

That the Economic Development Committee:

1. Received the report.
2. Recommended to staff that this issue be taken to a Council Workshop and EDC Members invited to contribute to the discussion.

Moved/Seconded By: Leach/French

5.4 Members' Reports

The Chairperson invited members to provide a brief verbal report on activities undertaken and meetings attended in the period since the last meeting.

Mayor Glenn Leach asked for some indication of what the Rally NZ return was to the local economy. Rally NZ will be back in June 2015. 22 March 2015 is set down for Race the Ridge event and Noddy Watts is in favour of this running a week pre Beach Hop. Rod Millen (Leadfoot) is agreeable to hosting the Race the Ridge event.

Bob Renton attended a Business Association meeting in Tairua recently and said that Donna Brooke had done a great job at establishing this. Karl Muir from Epic Ventures (he has recently sold this business) gave a talk and outlined what his charters were bringing into the community in terms of visitor spend. Karl's major concern was the lack of decent boat launching facilities.

Resolved

That the Economic Development Committee:

1. Received the Members' Reports.

Moved/Seconded By: Leach/French

Meeting Closed at 4.20pm

The foregoing Minutes were certified as being a true and correct record of the meeting of the Economic Development Committee held on 16/09/2014.

Chairperson _____ Date _____