

# Hauraki Rail Trail Funding Agreement

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**TO** Thames-Coromandel District Council  
**FROM** Paul Davies - Legal, Audit and Risk Group Manager  
**DATE** 29 November 2017  
**SUBJECT** Hauraki Rail Trail Funding Agreement

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## **1 Purpose of Report**

This report presents to Council the Hauraki Rail Trail Funding Agreement, which has been the subject of negotiation since the matter was reported to Council in January 2017.

## **2 Background**

At its meeting of 24 January 2017 Council received a report that provided background information regarding the Hauraki Rail Trail, its future development and current issues, the report also presented a number of funding options for consideration.

The following resolutions were passed:

1. *Receives the 'Hauraki Rail Trail Funding' report, dated 6 January 2016.*
2. *Endorses Option Three - the equal apportionment for strategic and overhead costs, plus proportionate costs based on length of Hauraki Rail Trail in the District Council area.*
3. *Agrees to the following seven principles to underpin the funding of the Hauraki Rail Trail as follows:*
  1. *That the Hauraki Rail Trail is recognised by the settlor councils (Hauraki District, Thames-Coromandel District and Matamata-Piako District councils) as shared local infrastructure, and one activity across the three Council boundaries, based on the Hauraki Rail Trail boundary being Kaiaua and Thames to the north, Waihi to the east and Matamata to the south (i.e. the current Trail, Kopu to Kaiaua and the proposed Te Aroha to Matamata trail).*
  2. *That the settlor councils and the Hauraki Rail Trail Charitable Trust recognise that the Hauraki Rail Trail as a whole delivers shared benefits to the Hauraki, Thames-Coromandel and Matamata-Piako communities.*
  3. *That the Hauraki Rail Trail must be managed, developed and maintained in a prudent and cost effective manner and to a standard required for it to be included in the New Zealand Cycle Trails Nga Haerenga national cycleway network.*
  4. *That as the settlor councils support the Hauraki Rail Trail Charitable Trust as an appropriate governance model for the Hauraki Rail Trail and as such, if the Trust is unable to generate sufficient income to meet its management and operational obligations, the settlor councils agree to reasonably contribute to the fixed underwriting costs associated with the Trust being a going concern.*

5. *That strategic and overhead costs associated with operating the Hauraki Rail Trail funded by the settlor councils are apportioned equally amongst the three councils in recognition of the co-development and benefit approach between the three councils and support of the Trust model.*
6. *That other proportionate costs associated with operating the Hauraki Rail Trail funded by the settlor councils are apportioned, where possible, based on the length of Trail within each district council boundary.*
7. *That above the strategic, overhead and proportionate costs, each settlor council will, where possible, contribute to and facilitate the enhancement and promotion of the Trail for their local areas (i.e. the local urban area defined as within the 70km speed zone) for example, car parking, signage, drinking fountains.*

After a significant amount of discussion between the three settlor Councils and the Hauraki Rail Trail Charitable Trust, a funding agreement has been drafted that gives effect to resolution 2 of the meeting of 24 January. A copy of the agreement is provided for Council approval. (Attachment A)

### **3 Suggested Resolution(s)**

That the Thames-Coromandel District Council:

1. Receives the 'Hauraki Rail Trail Funding Agreement' report, dated 29 November 2017.
2. Accepts the Funding Agreement between the Hauraki District Council, the Thames-Coromandel District Council, the Matamata-Piako District Council and the Hauraki Rail Trail Charitable Trust and authorises the Mayor and Chief Executive to sign the agreement.

### **References-Tabled/Agenda Attachments**

***Attachment A Funding Agreement***

[Attachment A - Funding Agreement - final version](#)

***Attachment A***