
MINUTES

WEDNESDAY 20 JUNE 2007

9.15 AM

**Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington**

PRESENT:

Mayor Prendergast (Chair) (9.15 – 10.45am, 1.05 – 4.02pm, 4.03 – 4.07pm)
Councillor Ahipene-Mercer
Councillor Cook
Councillor Foster (9.21 - 10.45am, 11.14am – 2.46pm, 3.22 – 4.01pm)
Councillor Gill (9.15am – 12.34pm, 1.10 – 2.46pm, 3.11 – 4.07pm)
Councillor Goulden
Councillor McKinnon (9.18am – 12.20pm, 1.05 – 2.44pm, 2.45 – 2.53pm, 3.10 – 4.04pm, 4.05 – 4.07pm)
Councillor Morrison
Councillor Pepperell
Councillor Ritchie
Councillor Ruben
Councillor Shaw (9.15am – 2.42pm, 2.46 – 4.03pm, 4.04 – 4.07pm)
Councillor Wade-Brown
Councillor Wain (10.03am – 4.07pm)

APOLOGIES:

Councillor Armstrong
Councillor Wain (lateness)

150/07P **APOLOGIES**
(1215/52/IM)

RESOLVED:

THAT the Strategy and Policy Committee:

- 1. Accept apologies for absence from Councillor Armstrong.*
- 2. Accept apologies for lateness from Councillor Wain.*

151/07P **CONFLICT OF INTEREST DECLARATIONS**
(1215/52/IM)

(Councillor Shaw joined the meeting at 9.17am)

NOTED:

1. Mayor Prendergast declared that she had a conflict of interest in regarding report seven, CAPEX schedule, activity 1.5.2, line item CX409, Central City Squares and Parks and would withdraw from discussion and voting on this issue.
2. Councillor Shaw declared that he had a conflict of interest regarding report seven, activity 3.1.2, OPEX schedule, line item C659, Carter Observatory and would withdraw from discussion and voting on this issue.
3. Councillor McKinnon declared that he had a conflict in of interest in relation to Report 6 “2007/08 Draft Annual Plan: Report on New Funding Requests Raised during Consultation” and Report 7 “Adoption Of The 2007/08 Annual Plan And Amendment To The Long Term Council Community Plan 2006/07 – 2015/16”. Please see 158/07P and 160/07P for details.
4. Councillor Wade-Brown declared that she had an interest in respect of the Wellington Zoo Trust but that it was not enough to disqualify her from discussion and voting on any of the papers.
5. Councillor Ritchie declared that she had an interest in respect of the Wellington Museums Trust but that it was not enough to disqualify her from discussion and voting on any of the papers.

(Councillor McKinnon joined the meeting at 9.18am)

152/07P **PUBLIC PARTICIPATION**
(1215/52/IM)

NOTED:

1. Graham Howell spoke in support of the proposal from the public for the Council to support the Mt Victoria community in purchasing the Crossways Community Centre. Mr Howell believed that the project had huge merit and noted the unfortunate timing of the sale of the Crossways Community House which had impeded the ability of the community to make the request to Council earlier.

153/07P **2007/08 DRAFT ANNUAL PLAN: CONSULTATION FEEDBACK**
Report of Baz Kaufman – Senior Corporate Planner.
(1215/52/IM) (REPORT 1)

Moved Mayor Prendergast, seconded Councillor Ahipene-Mercer the substantive motion.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that a response will be provided to all submitters regarding the projects that they have submitted on.*
3. *Note that submission summaries have been provided to relevant officers, who will incorporate suggestions into work programmes where appropriate.*
4. *Receive the submissions that were lodged as part of the special consultative procedure for the 2007/08 draft annual plan.*

(Councillor Foster joined the meeting at 9.21am.)

154/07P **2007/08 DRAFT ANNUAL PLAN: REPORT OF THE DRAFT ANNUAL PLAN HEARINGS SUBCOMMITTEE**
Meeting of Monday 28 May 2007.
(1215/52/IM) (REPORT 2)

Moved Councillor Shaw, seconded Councillor Ahipene-Mercer the substantive motion.

RESOLVED:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note the minutes of the Annual Plan Hearings Subcommittee attached at appendix one to the officers report.*

155/07P **DEVELOPMENT CONTRIBUTIONS SUBCOMMITTEE REPORT
BACK – DEVELOPMENT CONTRIBUTIONS POLICY
AMENDMENTS**

Meeting of Wednesday 13 June 2007.

(1215/52/IM)

(REPORT 3)

Moved Councillor Foster, seconded Councillor Shaw the substantive motion which is as amended by the subcommittee.

The subcommittee's amendment to recommendation 5 (as follows in bold) was voted on separately:

5. Approve the proposed amendments to the Development Contributions Policy, as indicated in the statement of proposal, with exceptions as noted in appendix 2 **with the change that the Keith Spry Pool is to be funded on a city wide basis.**

The subcommittee's amendment to recommendation 5 was PUT and declared CARRIED on voices.

The remainder of the substantive was PUT and declared CARRIED on voices.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that the Council has, in accordance with sections 84 and 93 of the Local Government Act 2002, followed the Special Consultative Procedure to amend its Development Contributions Policy and has received six submissions to the Statement of Proposal.*
3. *Note the issues raised in submissions and raised by the officers (as summarised in the officers report).*
4. *Note the Community Infrastructure Investment Funding Options Analysis detailed in Appendix 3 (of the officers report) and approve the Funding Options Determination for Community Infrastructure.*
5. *Approve the proposed amendments to the Development Contributions Policy, as indicated in the statement of proposal, with exceptions as noted in appendix 2 (of the officer's report) with the change that the Keith Spry Pool is to be funded on a city wide basis.*
6. *Agree to delegate to the Chief Executive Officer and the Chair of the Development Contributions Subcommittee the role of confirming that*

the changes agreed in the recommendations above are correctly and accurately recorded in the amended policy.

7. *Recommend to the Council that*
 - a. *It confirms the key principle that development contributions fund 100% of growth related expenditure, but that the Council retains the option of departing from this principle for particular infrastructure if, following consideration of factors in section 101 (3) of the Local Government Act 2002, the Council is of the view there is a demonstrable case supporting a variation.*
 - b. *Development contributions be applied as a funding tool for growth related capital expenditure for the community infrastructure projects in the 2006/16 LTCCP being the Aquatic Facilities network.*
 - c. *The Development Contributions Policy be amended to include the Pipitea Precinct Roading Improvements.*
 - d. *Having considered each of the projects above, it finds that there is no demonstrable case supporting departure from the key funding principle in the existing Development Contributions Policy that development contributions fund 100% of growth related capital expenditure in respect of these projects.*
 - e. *The Development Contributions Policy be amended to reflect the decisions made above.*
 - f. *It delegate to the Chief Executive Officer and the Chair of the Development Contributions Subcommittee the authority to make any minor editorial changes to the Development Contributions Policy that may be required prior to publishing.*

156/07P **REPORT OF THE FUNDING AND ACTIVITY REVIEW WORKING PARTY: REVIEW OF SUBMISSIONS – REVENUE AND FINANCING POLICY**
Meeting of Monday 11 June 2007.
 (1215/52/IM) (REPORT 4)

(Councillor Wain joined the meeting at 10.03am.)

Moved Councillor Shaw, seconded Councillor Morrison the substantive motion.

Moved Councillor Wade-Brown, seconded Councillor Cook the following amendments to the fees and charges schedule in appendix two:

1. Swimming pool fees as recommended except that the child swim increase is limited to \$2.50 at all pools for occasional use, with consequential impacts reflected in 12 trip and monthly concession pricing; and the consequent estimated shortfall in income of \$100K be included in the 2007/08 general rates.
2. That magazines remain free to borrow and the consequent estimated shortfall in income of \$130K be included in the 2007/08 general rates.
3. Note that neither is a significant enough shift to warrant a shift in the funding policy target.

Part one of the amendment was PUT and declared LOST on voices.

Part two of the amendment was PUT and a DIVISION called.

Voting for: Councillors Cook, Pepperell and Wade-Brown.

Voting against: Mayor Prendergast, Councillors Ahipene-Mercer, Foster, Gill, Goulden, McKinnon, Morrison Ritchie, Ruben, Shaw and Wain.

Majority vote: 3:11

Part two of the amendment was declared LOST.

Part three of the amendment was redundant after part two and there were lost. It was not PUT.

(The meeting adjourned for morning tea at 10.45am and reconvened at 11.09am. When the meeting reconvened Mayor Prendergast and Councillor Foster were not present.)

(Councillor Foster returned to the meeting at 11.14am.)

Moved Councillor Foster the following amendment to the fees and charges schedule in appendix two:

Amend the increase in child admission price to pools to \$2.50 for all pools except the WRAC, and amend the increase in child admission price to the WRAC post completion of the shallow water play investment to \$3.50.

The amendment FAILED for want of a seconder.

Substantive motion, recommendation one was PUT and declared CARRIED on voices.

(The meeting adjourned to receive officers advice at 11.37 am and reconvened at 11.40am.)

With officer's advice the Chair proposed that recommendation 2 read as follows:

2. Recommend to Council that it approve and adopt the proposed LTCCP amendments to the Revenue and Financing Policy attached as Appendix 1 **excluding the commercial-residential differential (which will be considered in report 7)**.

The amendment was **ACCEPTED** with **LEAVE OF THE MEETING**.

Recommendation 2, as amended was **PUT** and declared **CARRIED** on voices.

Recommendation 3, appendix two, fees and charges relating to Marinas were **PUT** and declared **CARRIED** on voices.

Recommendation 3, appendix two, fees and charges relating to children and young person's DVDs were **PUT** and a **DIVISION** called.

Voting for: Councillors Foster, Goulden, McKinnon, Morrison, Ruben, Shaw and Wain.

Voting against: Councillors Ahipene-Mercer, Cook, Gill, Pepperell, Ritchie and Wade-Brown.

Majority vote: 7:6

The recommendation 3, appendix two, fees and charges relating to children and young person's DVDs was declared **CARRIED**.

The remainder of substantive motion, recommendation 3 was **PUT** and declared **CARRIED** on voices.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Recommend to Council that it approve and adopt the proposed LTCCP amendments to the Revenue and Financing Policy attached as Appendix 1 (of the officers report) **excluding the commercial-residential differential (which will be considered in report 7)**.*
3. *Recommend to Council that it approve and adopt the 2007/08 Annual Plan Fees and Charges Schedule attached as Appendix 2 of the officers report.*

NOTED:

1. The committee added the words in bold.
2. Councillors Goulden, Pepperell and Ruben requested that their dissenting votes be recorded against recommendation 3, appendix two, fees and charges relating to Marinas.

157/07P **WELLINGTON CITY COUNCIL (WCC) / HOUSING NEW ZEALAND CORPORATION (HNZC) PARTNERSHIP PROJECT CONSULTATION ON CHANGES TO THE 2006/07 – 20015/16 LTCCP AND 2007/08 DRAFT ANNUAL PLAN**
 Report of Wendy Walker, Director – Community Services and Treaty Relations.
 (1215/52/IM) (REPORT 5)

Moved Councillor Cook, seconded Councillor Shaw the substantive motion.

Moved Councillor Foster, seconded Councillor Wade-Brown the following amendments:

1. a. Note that the Memorandum of Understanding will be signed by the Ministers of Housing and Finance on behalf of the Crown and the Chairperson of the Board of Housing New Zealand Corporation
- b. **Agree that the MOU should include the desirability of achieving urban development outcomes through location and design of any new or replacement housing stock noting that this is in keeping with the urban design protocol promoted by the Government.**
14. Note that officers will report back on the Work Programme and Investment Plan once it has been finalised **and request the CEO to report specifically on how the programme achieves urban development outcomes referred to in 8b.**

The amendment was PUT and a DIVISION called.

Voting for: Councillors Ahipene-Mercer, Cook, Foster, Gill, McKinnon, Morrison, Pepperell, Ritchie, Ruben, Shaw, Wade-Brown and Wain

Voting against: Councillor Goulden

Majority vote: 12:1

The amendment was declared CARRIED.

Substantive motion, recommendation 10 was PUT and a DIVISION called:

Voting for: Councillors Ahipene-Mercer, Cook, Foster, Gill, McKinnon, Morrison, Ritchie, Shaw, Wade-Brown and Wain

Voting against: Councillor Goulden , Pepperell and Ruben

Majority vote: 10:3

The substantive motion, recommendation 10 was declared CARRIED.

The remainder of the substantive motion was PUT and declared CARRIED on voices.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that the feedback through the Special Consultative Procedure has in large part confirmed the Statement of Proposal regarding Crown investment in Council housing*
3. *Agree to accept the offer from the Crown to invest \$220 million in Council housing over the next 10 to 15 years as set out in the Statement of Proposal attached as Appendix 1 of the officers report.*
4. *Confirm the Council's objective for this project is to identify options and find a solution to:*
 - a. *ensure the long term provision of social housing in Wellington*
 - b. *enable the City Housing to provide safe and secure housing to an appropriate modern standard*
 - c. *ensure the on-going financial sustainability of the City Housing portfolio.*
5. *Agree to amend the Council's Long Term Council Community Plan as set out in Appendix 2 of the officers report.*
6. *Note that the formalisation of the agreement will be in 2 stages, through the signing of a Memorandum of Understanding in June/July and a Deed of Grant by December 2007*
7. *Note that the Memorandum of Understanding has changed in form since February 2007 and is now a high level non binding agreement*

8.
 - a. *Note that the Memorandum of Understanding will be signed by the Ministers of Housing and Finance on behalf of the Crown and the Chairperson of the Board of Housing New Zealand Corporation*
 - b. ***Agree that the Memorandum of Understanding should include the desirability of achieving urban development outcomes through location and design of any new or replacement housing stock noting that this is in keeping with the urban design protocol promoted by the Government.***
9. *Note that in February 2007 the approval and signing of the Memorandum of Understanding was delegated to the Chief Executive Officer*
10. *Agree to retract the delegation to the Chief Executive to approve and sign the Memorandum of Understanding and delegate to the Mayor the authority to approve and sign the Memorandum of Understanding.*
11. *Delegate to the Chief Executive Officer the authority to approve and sign the Deed of Grant (funding agreement) with Housing New Zealand Corporation to implement the offer accepted under recommendation 2 above.*
12. *Note that the Deed of Grant will be subject to the approval of the work programme by the Ministers and Cabinet.*
13. *Delegate to the Chief Executive Officer the authority to approve the Work Programme and Investment Plan prior to it being considered by the Ministers of Housing and Finance and Cabinet.*
14. *Note that officers will report back on the Work Programme and Investment Plan once it has been finalised **and request the Chief Executive Officer to report specifically on how the programme achieves urban development outcomes referred to in 8b.***
15. *Note that Housing New Zealand Corporation officials will report back to Ministers in September 2007 on the way forward for the Work Programme.*
16. *Note that Housing New Zealand Corporation officials will report to Cabinet to obtain budget approval of the \$220m funding by December 2007.*

NOTED:

1. The committee added the words in bold.
2. This decision was revisited later in the meeting under standing order 172 as new information became available. Please see 159/07P

158/07P **2007/08 DRAFT ANNUAL PLAN: REPORT ON NEW FUNDING REQUESTS RAISED DURING CONSULTATION**
Report of various officers.
(1215/52/IM) (REPORT 6)

Moved Councillor Goulden, seconded Councillor Foster the substantive motion.

Moved Councillor Wain, seconded Councillor Wade-Brown the following amendment:

- 2d. Youth Cafe: Addition of \$190,000 funding for 2008/09 for a youth Cafe, operated by the Boys and Girls Institute and located at Spinks Cottage or another suitable location.

NOTED:

Councillor McKinnon declared that he had a conflict of interest in respect of the Spinks Cottage and would withdraw from discussing and voting on the amendment.

(Councillor McKinnon withdrew from the table at 12.20pm.)

Foreshadowed Councillor Gill, seconded Councillor Ruben the following amendment:

- 2d. Youth Cafe: Addition of \$190,000 funding for 2008/09 for a youth Cafe, operated by the Boys and Girls Institute.

Councillor Foster foreshadowed an amendment but it FAILED for want of a seconder.

The first amendment was PUT and declared LOST.

The foreshadowed amendment was PUT and declared CARRIED.

(The meeting adjourned for lunch at 12.34pm and reconvened at 1.05pm. When the meeting reconvened Mayor Prendergast and Councillors Ahipene-Mercer, Cook, Foster, Goulden, McKinnon, Morrison, Pepperell, Ritchie, Ruben, Shaw, Wade-Brown and Wain were present.)

(Councillor Gill joined the meeting at 1.10pm.)

Moved Councillor Shaw, seconded Councillor McKinnon the following amendment:

- 2e)
i. Agree that a grant of up to \$70,000 is made in 2007/08 to St Andrews on The Terrace Church (the amount to be calculated equating to the

- church's foregone income from interest off investments) to allow them to progress the essential capital works on St Andrews On the Terrace without the immediate sale of the Crossways Community Centre on Brougham Street, Mt Victoria in order to give residents of Mt Victoria the opportunity to raise sufficient funds to purchase Crossways for community use
- ii. Agree that this grant is conditional on the development of a three way agreement between the Church, a representative group of Mt Victoria residents (that requires them to be legally constituted before 31 July 2007) and Wellington City Council. This agreement is to be formalised by 15 August 2007
 - iii. Agree that the key elements of this agreement shall require:
 - (i) the Mt Victoria resident's entity to:
 - a. develop a fundraising strategy and provide it to Wellington City Council, and St Andrews on the Terrace Church by 31 August 2007
 - b. fundraise an initial \$450,000 by 31 March 2008
 - c. fundraise a further \$550,000 by 1 September 2008
 - d. finalise a sale with the church by 1 October 2008
 - e. take responsibility for all ongoing maintenance and upgrade costs
 - (ii) the Wellington City Council will consider an appropriate financial contribution to the Mt Victoria residents' entity by 30 September 2008 as long as each of the fundraising targets have been met. This amount will be included in the Draft Annual Plan for 2008/09.
 - iv. Note that any failure by the "Crossways Trust" or legal entity to meet milestone events will result in the Church selling Crossways. Milestone events include the legal constitution of the entity, the development and provision of a fundraising strategy and fundraising timeframes.
 - v. Note that the Church will require the three way agreement to enable them to sell Crossways if a suitable buyer is found who will agree to retain the community centre functions even if milestone events are being achieved by the residents' entity.
 - vi. Note that the tripartite agreement will be binding on all parties.
 - vii. Note that the sale price for Crossways is to be determined by the Church.
 - viii. Note that the Church has formal processes to undertake before it can agree to any delay in sale.
 - ix. Agree that officers continue to provide advice and support to Mt Victoria crèche in its search for alternative accommodation, including further exploration of the Bandoliers site, noting the various legal opinions.

Foreshadowed Councillor Ritchie, seconded Councillor Pepperell the following amendment:

2e)

- i.** That St Andrew's church be invited to seek a grant of \$150,000 from the city heritage fund (which stands at \$250,000) to cover the opportunity for a one year delay (from today, 20 June 2007) of the sale of crossways.
- ii.** That such a grant be approved today subject to such an application.
- iii.** That if and when a legal entity is formed for the purpose of saving crossways for community use, they be invited to apply for funds to the Grants Subcommittee, scheduled to meet on 24 September 2007, and seek an appropriate funding allocation from the economic developments and/or cultural and/or social and/or recreational grants funds.

The amendments moved by Councillor Shaw, 2e i, iii(ii), vii, viii, ix were PUT and declared CARRIED.

The amendments moved by Councillor Shaw, 2e ii, iii(i), iv, vi were PUT and declared CARRIED.

Councillor Ritchie's foreshadowed amendment was made redundant by the previous motion being carried.

Substantive recommendations 2a was PUT and declared CARRIED on voices.

Substantive recommendations 2b was PUT and declared CARRIED on voices.

Substantive recommendations 2c was PUT and declared CARRIED on voices.

(Councillor Shaw left the meeting at 3.42pm.)

Substantive recommendations 3 was PUT and declared CARRIED on voices.

Substantive recommendations 4 was PUT and declared CARRIED on voices.

NOTED:

Councillor McKinnon declared a conflict of interest in respect of recommendation 5 and that he would withdraw from discussion and voting on the issue.

(Councillor McKinnon withdrew from the table at 2.44pm.)

Substantive recommendations 5 was PUT and declared CARRIED on voices.

(Councillor McKinnon returned to the table at 2.45pm.)

(Councillor Shaw returned to the meeting at 2.46pm.)

(Councillors Foster and Gill left the meeting at 2.46pm.)

Moved Mayor Prendergast, seconded Councillor Cook that recommendations 6a and 6c be deleted due to previous decisions.

The amendment was accepted with the leave of the meeting.

Substantive motion 6b, d, e, f, g, h were PUT and declared CARRIED on voices.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Agree to include the following funding additions in the 2007/08 Annual Plan:*
 - a) *Memorial Park: Council contribution (CAPEX) of \$1.5m in 2007/08 and \$0.5m in 2008/09 towards the construction of a National Memorial Park on Buckle Street/State Highway 1 as outlined in appendix 1 of the officers report.*

Note that the New Zealand Government is contributing \$10.9m towards the construction of the National Memorial Park, and the Australian Government has announced that it will build a \$5.5m memorial in the park following its completion.
 - b) *Basin Reserve Trust: addition of \$370,000 of CAPEX for 2007/08 to replace the irrigation system and build new media facilities as outlined in appendix 2 of the officers report.*
 - c) *New Zealand Film and Television School: new funding of \$40,000 opex per annum for three years to assist with its proposed relocation to new premises at Te Whaea in the Premises Management Trust buildings as outlined in appendix 3 of the officers report.*

- d) *Youth Cafe: addition of \$190,000 funding for 2008/09 for a youth Cafe, operated by the Boys and Girls Institute.*
- e) *Crossways Community Centre:*
- i. *Agree that a grant of up to \$70,000 is made in 2007/08 to St Andrews on the Terrace Church (the amount to be calculated equating to the church's foregone income from interest off investments) to allow them to progress the essential capital works on St Andrews On the Terrace without the immediate sale of the Crossways Community Centre on Brougham Street, Mt Victoria in order to give residents of Mt Victoria the opportunity to raise sufficient funds to purchase Crossways for community use*
 - ii. *Agree that this grant is conditional on the development of a three way agreement between the Church, a representative group of Mt Victoria residents (that requires them to be legally constituted before 31 July 2007) and Wellington City Council. This agreement is to be formalised by 15 August 2007*
 - iii. *Agree that the key elements of this agreement shall require:*
 - (i) *the Mt Victoria resident's entity to:*
 - a. *develop a fundraising strategy and provide it to Wellington City Council, and St Andrews on the Terrace Church by 31 August 2007*
 - b. *fundraise an initial \$450,000 by 31 March 2008*
 - c. *fundraise a further \$550,000 by 1 September 2008*
 - d. *finalise a sale with the church by 1 October 2008*
 - e. *take responsibility for all ongoing maintenance and upgrade costs*
 - (ii) *the Wellington City Council will consider an appropriate financial contribution to the Mt Victoria residents' entity by 30 September 2008 as long as each of the fundraising targets have been met. This amount will be included in the Draft Annual Plan for 2008/09*
 - iv. *Note that any failure by the "Crossways Trust" or legal entity to meet milestone events will result in the Church selling Crossways. Milestone events include the legal constitution of the entity, the development and provision of a fundraising strategy and fundraising timeframes*
 - v. *Note that the Church will require the three way agreement to enable them to sell Crossways if a suitable*

buyer is found who will agree to retain the community centre functions even if milestone events are being achieved by the residents' entity

- vi. *Note that the tripartite agreement will be binding on all parties*
 - vii. *Note that the sale price for Crossways is to be determined by the Church*
 - viii. *Note that the Church has formal processes to undertake before it can agree to any delay in sale*
 - ix. *Agree that officers continue to provide advice and support to Mt Victoria crèche in its search for alternative accommodation, including further exploration of the Bandoliers site, noting the various legal opinions.*
3. *Agree to the reprioritisation of the capital programme and the savings identified in section 3.2 of this report to meet the new funding requests for 2007/08 detailed in recommendations 2a and 2b.*
 4. *Agree the business as usual operational budget updates since the adoption of the 2007/08 Draft Annual Plan for consultation as detailed in section 3.3 of this report.*
 5. *Agree to fund Shed 11 Ltd at \$75,000 per annum noting they will provide exhibitions for 6 months of the year for two years in lieu of a permanent presence in Shed 11 as outlined in appendix 4 of the officers report.*
 6. *Note the officers recommendations in relation to the following funding requests:*
 - a) ~~*Funding support for Crossways community house: decline request for funding and note Council has given a commitment to re-house the current functions accommodated within Crossways and that Council will continue to provide the community outreach support currently provided through a grant subsidy for a co-ordinator. See appendix 5.*~~
 - b) *Redevelopment of Aro Valley Community Centre: agree no funding decisions be made on this matter until the community facilities review is finalised. See appendix 6 of the officers report.*
 - e) ~~*Carry forward of funding for Spinks café: encourage the Boys and Girls Institute to reapply for funding if the Environment*~~

~~Court has made a final determination on their appeal. See appendix 7.~~

- d) *Marine Bioblitz for Wellington's south coast: officers will ensure the proposal is considered through the environment grants process. See appendix 8 of the officers report for details.*
- e) *Allocation of 'flying squad' funding to Consultancy Advocacy and Research Trust (CART) to extend their programme: officers will implement the flying squad proposal and work with CART, community groups and volunteers on graffiti elimination measures where appropriate. See appendix 9 of the officers report.*
- f) *QE2 Trust request for funding to protect biodiversity on covenanted land will be addressed as part of finalising the Biodiversity Action Plan. See appendix 10 of the officers report.*
- g) *EnergySmart Ltd request for funding support for their healthy homes project: decline funding on the basis that the proposal is similar to the Healthy Housing Wellington project championed by the Council and led by the Sustainability Trust. See appendix 11 of the officers report.*
- h) *Thorndon Society Inc. request for heritage study of Thorndon: the study is already on Council's work programme, can be met from existing budgets and will commence in 2008/09. See appendix 10 of the officers report.*

NOTED:

1. The committee added the words in bold and deleted the words in strikethrough.
2. Councillor Ritchie requested that her dissenting vote be recorded against recommendations 2e ii, iii(i), iv, v, vi.
3. Councillor Foster requested that his dissenting vote be recorded against recommendation 2(c).

159/07P **WELLINGTON CITY COUNCIL (WCC) / HOUSING NEW ZEALAND CORPORATION (HNZC) PARTNERSHIP PROJECT CONSULTATION ON CHANGES TO THE 2006/07 – 20015/16 LTCCP AND 2007/08 DRAFT ANNUAL PLAN**
 Report of Wendy Walker, Director – Community Services and Treaty Relations.
 (1215/52/IM) (REPORT 5)

Under Standing Order 172 this decision was revisited as new information was made available within the course of the meeting.

NOTED:

Officers advised that the incorrect financial information had been attached to the reports as appendices one and two. A correct version was distributed and circulated to the Committee.

Moved Mayor Prendergast, seconded Councillor Cook the following amendment to the resolution passed in 157/07P:

1. Agree to accept the offer from the Crown to invest \$220 million in Council housing over the next 10 to 15 years as set out in the Statement of Proposal attached as Appendix 1 **as amended**.
4. Agree to amend the Council's Long Term Council Community Plan as set out in Appendix 2 **as amended**.

The amendments to resolution 157/07P were PUT and declared CARRIED on voices.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Receive the information.*
2. *Note that the feedback through the Special Consultative Procedure has in large part confirmed the Statement of Proposal regarding Crown investment in Council housing*
3. *Agree to accept the offer from the Crown to invest \$220 million in Council housing over the next 10 to 15 years as set out in the Statement of Proposal attached as Appendix 1 of the officers report **as amended**.*
4. *Confirm the Council's objective for this project is to identify options and find a solution to:*
 - a. *ensure the long term provision of social housing in Wellington*
 - b. *enable the City Housing to provide safe and secure housing to an appropriate modern standard*
 - c. *ensure the on-going financial sustainability of the City Housing portfolio.*
5. *Agree to amend the Council's Long Term Council Community Plan as set out in Appendix 2 of the officers report **as amended**.*

6. *Note that the formalisation of the agreement will be in 2 stages, through the signing of a Memorandum of Understanding in June/July and a Deed of Grant by December 2007*
7. *Note that the Memorandum of Understanding has changed in form since February 2007 and is now a high level non binding agreement*
8.
 - a. *Note that the Memorandum of Understanding will be signed by the Ministers of Housing and Finance on behalf of the Crown and the Chairperson of the Board of Housing New Zealand Corporation*
 - b. ***Agree that the Memorandum of Understanding should include the desirability of achieving urban development outcomes through location and design of any new or replacement housing stock noting that this is in keeping with the urban design protocol promoted by the Government.***
9. *Note that in February 2007 the approval and signing of the Memorandum of Understanding was delegated to the Chief Executive Officer.*
10. *Agree to retract the delegation to the Chief Executive to approve and sign the Memorandum of Understanding and delegate to the Mayor the authority to approve and sign the Memorandum of Understanding.*
11. *Delegate to the Chief Executive Officer the authority to approve and sign the Deed of Grant (funding agreement) with Housing New Zealand Corporation to implement the offer accepted under recommendation 2 above.*
12. *Note that the Deed of Grant will be subject to the approval of the work programme by the Ministers and Cabinet.*
13. *Delegate to the Chief Executive Officer the authority to approve the Work Programme and Investment Plan prior to it being considered by the Ministers of Housing and Finance and Cabinet.*
14. *Note that officers will report back on the Work Programme and Investment Plan once it has been finalised **and request the Chief Executive Officer to report specifically on how the programme achieves urban development outcomes referred to in 8b.***
15. *Note that Housing New Zealand Corporation officials will report back to Ministers in September 2007 on the way forward for the Work Programme.*
16. *Note that Housing New Zealand Corporation officials will report to Cabinet to obtain budget approval of the \$220m funding by December 2007.*

NOTED:

1. The committee added the words in bold. The words in bold are a combination of the decisions made in 157/07P and 159/07P.
2. A copy of the amended appendices are attached as Appendix One to these minutes.

(The meeting adjourned for morning tea at 2.53pm and reconvened at 3.11pm. When the meeting reconvened Councillor Gill was present and Councillor McKinnon was not.)

160/07P **ADOPTION OF THE 2007/08 ANNUAL PLAN AND AMENDMENT TO THE LONG TERM COUNCIL COMMUNITY PLAN 2006/07 – 2015/16**

Report of Baz Kaufman, Senior Corporate Planner and Andy Matthews, Funds Management.

(1215/52/IM)

(REPORT 7)

Moved Councillor Morrison, seconded Councillor Wain the amended substantive motion.

The substantive motion, recommendation one was PUT and declared CARRIED.

(Councillor McKinnon returned to the meeting at 3.10pm.)

(Councillor Foster returned to the meeting at 3.22pm.)

Moved Councillor Ruben, seconded Councillor Pepperell the following amendment to the substantive motion, amended recommendation 2, appendix one of report 4:

That the Council's rates differential be set at 4.4:1 for 2007/08 onwards

The amendment motion was PUT and DIVISION called.

Voting for: Councillors Cook, Gill, Pepperell, Ritchie and Ruben.

Voting against: Mayor Prendergast and Councillors Ahipene-Mercer, Foster, Goulden, McKinnon, Morrison, Shaw, Wade-Brown and Wain

Majority vote: 5:9

The amendment was declared LOST.

(Councillor Foster left the meeting at 4.01pm.)

The amended substantive, recommendation two was PUT and declared CARRIED.

(Due to a conflict of interest Mayor Prendergast withdrew from the table at 4.02pm. Councillor Shaw took over the Chair.)

Substantive motion recommendation 3 CAPEX schedule, Activity 1.5.2 Public Space and Centre Developments (CX409- Central City and Parks) was PUT and declared CARRIED on voices.

(Mayor Prendergast returned to the table at 4.03pm and resumed the Chair.)

(Due to a conflict of interest Councillor Shaw withdrew from the table at 4.03pm.)

Substantive motion recommendation 3, OPEX schedule, Activity 3.1.2 Visitor attractions (C659 - Carter Observatory) was PUT and declared CARRIED on voices.

(Councillor Shaw returned to the table at 4.04pm.)

NOTED:

Councillor McKinnon indicated that he had a conflict of interest in respect of the NZ portrait gallery and asked for this to be taken separately.

(Councillor McKinnon withdrew from the table at 4.04pm)

Substantive motion recommendation 3 OPEX schedule, Activity 5.4.1 City Galleries and Museums (C666 - NZ Portrait Gallery) was PUT and declared CARRIED on voices.

(Councillor McKinnon returned to the table at 4.05pm.)

Substantive motion recommendation 3 OPEX Schedule, Activity 1.5.1 Waterfront Development, (A312 - Wellington Waterfront Operations and C378 - Wellington Waterfront Project) was PUT and declared CARRIED on voices.

Substantive motion recommendation 3 OPEX Schedule, Activity 3.6.1 (Creative Workforce, C582 – Status as a centre of creativity and innovation and C616 – ‘Creative Wellington – innovation Capital’ vision communication) was PUT and declared CARRIED on voices.

Substantive motion recommendation 3 OPEX schedule Activity 3.7.1 Regional and External relations (C145 External relations) was PUT and declared CARRIED on voices.

Substantive motion recommendation 3 OPEX schedule, Activity 4.8.1 Environmental and Coastal Attractions (C426 Marine Education Centre) was PUT and declared CARRIED on voices.

Substantive motion recommendation 3 OPEX schedule, Activity 4.8.1 Environmental and Coastal Attractions (A288 Karori Wildlife Sanctuary Trust) was PUT and declared CARRIED on voices.

Substantive motion recommendation 3 CAPEX schedule, Activity 6.4.3 Recreation Centres (CX499 – Indoor Community Sports Centre) and OPEX schedule, Activity 6.4.3 Recreation Centres, (C669 – Indoor Community Sports Centre) was PUT and declared CARRIED on voices.

The remainder of recommendation 3 was PUT and declared CARRIED on voices.

The remainder of recommendation 4 was PUT and declared CARRIED on voices.

RESOLVED AND RECOMMENDED TO COUNCIL:

THAT the Strategy and Policy Committee:

1. *Note the projects and programmes budgets and the Forecast Funding Impact Statements attached to the officers report.*
2. *Recommend to Council that it approve and adopt the proposed LTCCP amendment to the Revenue and Financing Policy relating to the rates differential (as set out in 3.8 of Appendix One of Report 4)*
3. *Recommend that Council adopt the 2007/08 Annual Plan as per the draft plan with the changes agreed by the Strategy and Policy Committee meeting of 20 June 2007.*
4. *Having considered the Revenue and Financing Policy, the Development Contributions Policy, Crown investment in Council's housing stock and consequential changes to the nine year funding and financial statements, recommend that Council amend the Long Term Council Community Plan 2006/07– 15/16 as a consequence of decisions at this meeting.*

NOTED:

1. Councillor Pepperell requested that his dissenting voted be recorded against recommendation two and recommendation 3 OPEX schedule Activity 1.5.1 Waterfront Development, (A312 - Wellington Waterfront Operations and C378 - Wellington Waterfront Project), Activity 3.6.1 (Creative Workforce,C582 – Status as a centre of creativity and innovation and C616 – ‘Creative Wellington –

innovation Capital' vision communication), Activity 3.7.1 Regional and External relations (C145 External relations), Activity 4.8.1 Environmental and Coastal Attractions (C426 Marine Education Centre and A288 Karori Wildlife Sanctuary), Activity 6.4.3 Recreation Centres, (C669 – Indoor Community Sports Centre) and CAPEX schedule, Activity 6.4.3 Recreation Centres (CX499 – Indoor Community Sports Centre).

2. Councillor Ruben requested that his dissenting vote be recorded against recommendation 3 OPEX schedule Activity 1.5.1 Waterfront Development, (A312 - Wellington Waterfront Operations and C378 - Wellington Waterfront Project), Activity 3.6.1 (Creative Workforce, C582 – Status as a centre of creativity and innovation and C616 – 'Creative Wellington – innovation Capital' vision communication), Activity 3.7.1 Regional and External relations (C145 External relations) and Activity 4.8.1 Environmental and Coastal Attractions (C426 Marine Education Centre)
3. Councillor Goulden requested that his dissenting vote be recorded against recommendation 3 OPEX schedule Activity 4.8.1 Environmental and Coastal Attractions (C426 Marine Education Centre).

The meeting concluded at 4.07pm.

Confirmed: _____
 Chair
 / /

Appendix One