

NOTICE IS HEREBY GIVEN THAT THE ORDINARY MEETING OF THE GORE DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE, ON TUESDAY 22 SEPTEMBER 2009, AT 7.30 pm

- **A private briefing from the Chief Executive for elected members will commence at 6.45 pm.**

**Stephen Parry
CHIEF EXECUTIVE**

16 September 2009

A G E N D A

1. CONFIRMATION OF MINUTES

Confirmation of the Minutes of the Ordinary Monthly Meeting of the Gore District Council, held on Tuesday 25 August 2009.

Confirmation of the Minutes of the Extraordinary Monthly Meeting of the Gore District Council, held on Tuesday 8 September 2009.

Confirmation of the Report of the meeting of the Community Services Committee, held on Tuesday 8 September 2009.

Confirmation of the Report of the meeting of the Operations Committee, held on Tuesday 8 September 2009.

Confirmation of the Report of the meeting of the Finance and Policy Committee, held on Tuesday 8 September 2009.

2. URGENT LATE BUSINESS – as tabled at the meeting, pursuant to Section 46 (a)(7) of the Official Information and Meetings Act 1987.

3. PROPOSED CYCLEWAY PROJECT – PARTIAL FUNDING OF SCOPING STUDY

(Pages 1-2)

4. GORE MULTISPORTS CENTRE – STAGE 3 – REQUEST FOR FUNDING ASSISTANCE

(Pages 3-14)

5. REGULATORY BULLETIN

(Pages 15-18)

6. CREATIVE COMMUNITIES

(Pages 19-21)

7. REPORTS FROM COUNCILLORS

8. APPROVED URGENT LATE ITEMS

9. BUSINESS TO BE CONSIDERED PURSUANT TO THE LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987:

(i) CONFIRMATION OF MINUTES

- o Confirmation of the report of the meeting of the Regulatory and Planning Committee, held in Committee, on Tuesday 8 September 2009.

COUNCIL MEETING AGENDA

SEPTEMBER 2009

3. PROPOSED CYCLEWAY PROJECT: PARTIAL FUNDING OF SCOPING STUDY

(Memo from Chief Executive – 04.09.09)

Following the Prime Minister's announcement of the development of a New Zealand Cycleway and the priority given to an "around the mountain" cycle trail in the Queenstown Lakes and Southland Districts, consideration has been given to how a trail running through Gore could be developed. This consideration has centred around an opportunity to develop a cycle trail originating from Gore to Mandeville, Riversdale, Balfour to Lumsden, and from Gore, Maitua, Wyndham and Fortrose.

Discussions have subsequently centred around a proposed methodology in regard to scoping a Gore cycle trail running from Lumsden to Fortrose on roads, disused railway lines, paper roads, marginal land, Council reserves and private easements. The Maitua Licensing Trust has seen the potential of such a project and has agreed to fund half the cost of a scoping study. This study would, following an examination of aerial photographs and appropriate site visits, establish whether a practical and achievable cycle route can be identified. The report would take about three months to complete and would provide a clear signal as to whether such a project would be feasible or whether the legal and construction hurdles would be too difficult to master.

The report will include the identification of areas which may need ecological assessment, along with crossing points and a list of major cycle bridges. The economic benefits anticipated by the project in terms of an increase in visitor numbers and an increase in spend per capita, will also be included in the scoping study.

The Maitua Licensing Trust, as stated above, has agreed to fund half of the study which is estimated to cost \$8,000 + GST and disbursements. The Council has no specific budgetary provision for this project, but given the commitment of the Trust it is suggested that the Council may wish to make a similar commitment and find out sooner rather than later whether this concept is an achievable goal.

Given that 50% of the project cost has already been secured and that there is a company ready to swing into action to prepare the study, it would seem a better course of action to embrace this concept rather than defer it until the next financial year.

RECOMMENDATION

THAT the Council approve funding of 50% of a scoping study to ascertain the feasibility of developing a cycle way passing through Gore at an estimated cost to the Council of \$4,000.

4. GORE MULTISPORTS CENTRE: STAGE 3: REQUEST FOR FUNDING ASSISTANCE

(Memo from Chief Executive - 09.09.09)

1.0 Purpose of Report

The purpose of this report is to profile and analyse a request for funding assistance received from the Gore Multi-sports Centre Charitable Trust Inc. This funding request concerns itself with the operation of the new indoor sports centre. A copy of the request for assistance received from the charitable trustees is attached.

2.0 Background

- 2.1 Planning for stage three of the Gore Multi-sports Complex commenced shortly after the opening of the Aquatic Centre in September 2002. The Aquatic Centre was the second of a three stage concept that was envisaged when a resource consent for the multi-sports complex was issued in 2000.
- 2.2 While the Gore District Council was the applicant for the land use recourse consent, it was not envisaged that the Council would necessarily own or operate all three stages of the complex. Stage one, being the icerink was developed, owned and operated by Icesport Southland. Stage two being the Aquatic Centre was developed owned and operated by the Gore District Council.
- 2.3 Stage three was considered to follow a similar path to that of stage one. In this way the Council would provide front of house services to both the icerink and the indoor sports centre with Icesport Southland and the Gore Multi-sports Charitable Trust retaining ownership and funding responsibility for the icerink and indoor sports centre respectively.
- 2.4 It is fair to suggest that stage three has taken a lot longer to come to fruition that originally anticipated. The Matura Licensing Trust in donating the sum of \$1 million to the project, was initially hopeful of having the indoor sports centre completed in time for its 50th anniversary celebrations in 2005. Funding, code of compliance and project management issues have all contributed to the delay in having this much awaited facility opened to the public.

- 2.5 The Council has traditionally taken a very conservative stance in respect of its involvement with the proposed indoor sports centre. At a meeting held on 23 September 2003, the Council passed the following resolutions:

That in line with the business plan, the Council resolve to not make any financial contribution to the capital cost of constructing stage three of the multi-sports complex

That in line with the business plan, the Council resolve not to have any responsibility for the ongoing operational costs of the new stadium.

- 2.6 This stance was relaxed slightly in August 2006 when the Council approved a request from the Trust for an interest free loan of \$50,000 for a period of 10 years to assist with the construction of the car park at the complex.
- 2.7 With construction starting to wend its way to completion, the focus and attention of the funders at least, started to transfer itself towards the new facility's operation. This culminated in a submission from the Community Trust of Southland being received and considered by the Council in response to its draft 2009-19 Long Term Council Community Plan.
- 2.8 The upshot of considering this submission was that the Council agreed that a meeting between the principle funders of the facility, the charitable trustees and Council representatives should take place to ascertain how the Indoor Sports Centre will be operated and funded.
- 2.9 Consequently on 24 August, a meeting took place between the parties concerned. Present at this meeting representing the Council were His Worship and the Chief Executive. Mr John Wyeth, the General Manager of the Mataura Licensing Trust, Mr John Prendergast, Chief Executive of the Community Trust of Southland and all three Gore Multi-sports charitable trustees were present.
- 2.10 The meeting was productive in the sense that there was a realisation amongst those present that the trustees initial plans of running the indoor sports centre based on volunteers was neither sustainable or desirable. The funders present at the meeting made it clear that their significant capital investments in the centre were not made with the intention that it would be run by volunteers on a "hope and pray" basis.

2.11 This meeting spawned the request from the Gore Multi-sports Centre Charitable Trust Inc which is now before the Council for consideration.

3.0 Operational Funding Contributions From The Two Trusts

3.1 Since receiving the request from the Gore Multi-sports Centre Charitable Trust Inc, I have held discussions with the General Manager and Chief Executive of the Maitua Licensing Trust and Community Trust of Southland, respectively. These discussions have centred around securing a funding commitment to the ongoing operation of the indoor events centre.

3.2 The discussions entered into with the executive arm of the two trusts have been on the basis that while the Council may have to take a lead role in securing a funding solution to ensure the successful operation of the centre, it is only fair and reasonable that the two trusts as major funding contributors to the capital development of the centre have a stake in its successful operation. Such an approach would ensure that both the Trusts significant investment in the facility would be safeguarded and that the operation would meet their initial expectations when approving the original investments.

3.3 I am therefore able to advise that both the General Manager of the Maitua Licensing Trust and the Chief Executive of the Community Trust of Southland have indicated to me their preparedness to recommend to their respective boards that a contribution of 25 percent of the operating costs of the new indoor sports centre be made on the basis that the Gore District Council would fund the remaining 50 percent. Clearly the actual costs of operating the facility are not at this stage known with any degree of accuracy.

3.4 However the Council staff have prepared a very approximate budget adopting a conservative stance in terms of both expenditure and anticipated revenue levels. A copy of this budget is attached. It should be emphasised that this is not in any way an official budget but merely a best attempt to provide an indication of likely costs that the Council may face, should it embrace the request being put forward by the Gore Multi-sports Centre Charitable Trust Inc.

- 3.5 It should be noted that percentages agreed with the funding trusts relate to the operating shortfall, after factoring in users fees and advertising revenue.
- 3.6 There are a number of down stream issues to consider in relation to whether the Council should assume ownership of the structure, or whether the current Charitable Trust structure should be retained. Additionally issues around whether the Council should operate the facility itself or contract out this service to a reputable entity is another issue that will require determination.
- 3.7 However the first major policy consideration that the Council needs to consider is whether it should form a lead role in offering a funding solution to the Gore Multi-sports Centre Charitable Trustees operational dilemma. Therefore the balance of this report will focus on the merits or otherwise of the Council considering taking a lead role in offering financial assistance to the operation of the new indoor sports centre.

4.0 Options

- 4.1 The options available to the Council in this matter are really quite simple and fairly stark. They are:
- A. Agree in principle to provide operational funding to the indoor sports centre, on the basis that 50 percent of the funding is provided by the Mataura Licensing Trust and the Community Trust of Southland, or
- B. Decline the request for funding assistance and maintain the stance adopted by the Council in its September 2003 resolution.
- 4.2 Both of these options will now be assessed under factors contained within the decision making principles of the Local Government Act 2002.

5.0 Social Wellbeing Impact

- 5.1 Option A is considered to have a positive impact on present and future social wellbeing. This opinion is proffered on the basis that securing funding for the operation of the indoor events centre should mean that players and spectators can utilise the facility without the need to worry about organisational matters. This is due to the operational funding being able to finance the employment of dedicated personnel who will be able to

ensure that the facility is ready for the proposed use that has been booked.

- 5.2 Option B on the other hand could be detrimental to social wellbeing in that users and supporters of the sports conducted in the centre will be reliant on volunteers to organise the availability and readiness of the facility. As the trustees have alluded to in their letter of request to the Council, this is not likely to be trouble free and may result in frustrations due to expectations from users that they will be able to enjoy their experience in utilising the centre rather than worrying whether it is ready and available for use. The resulting erosion in public confidence in management of the facility is not considered to be beneficial to social wellbeing.

6.0 Economic Wellbeing Impact

- 6.1 Option A is considered in the longer term to have a more beneficial impact on the economic wellbeing on the community. This is due to the fact that if Option A was to be embraced it would involve a significant funding partnership being entered into with Mataura Licensing Trust and the Community Trust of Southland. This funding commitment means that the potential exposure of ratepayers to the future operational costs of the facility are reduced from what they would be if the Council was left isolated as the only funding option.
- 6.2 While superficially Option B may seem to more attractive in terms of economic wellbeing, it needs to be emphasised that as the facility is on Council land and connects with a Council owned and operated aquatic centre, the scenario of the Council continuing to have nothing to do with financing the facility either now or in the future, is not terribly realistic.
- 6.3 If Option B was selected and the indoor sports centre fell into difficulty in being unable to run the facility using volunteers, the Council may be forced down the line to take over the facility by default. If this did occur it would be unlikely that the current enthusiasm of the two Trusts to partner the Council in an ongoing operational funding formula, would be available.
- 6.4 This hypothesis is offered on the basis that the Trust have made it clear at this point in time that they are looking to the Council for leadership. Should this leadership not be forthcoming and the indoors sports centre founders at

some future point in time, it appears from this vantage point that the Trusts would be unlikely to enthusiastically race to the Council's aid and assist with softening the financial blow of assuming full responsibility for the financial fortunes of the indoor sports centre.

- 6.5 Therefore under Option B there is every likelihood that the Council at a future point could be left with ultimate and sole responsibility for funding the operation of the indoor sports centre. Such a scenario would mean that in terms of economic well being the community could be significantly worse off than under Option A.

7.0 Environmental Wellbeing Impact

- 7.1 Neither Option A or B has any meaningful impact on environmental wellbeing. The only negative aspect with either option would be the risk of routine maintenance being deferred under Option B due to a lack of finance. This could ultimately lead to the aesthetics of this building being less favourable than the adjoining facilities.

8. Cultural Wellbeing Impact

- 8.1 Option A is considered to enhance cultural wellbeing in that a dedicated personnel domiciled at the indoor events centre will be more conducive to attracting a variety of usage in the new facility. This usage could cover cultural events such as formal dinners and awards etc.
- 8.2 On the other hand under Option B, event organisers are likely to be more cautious about hosting an event in the centre when forced to deal with volunteers. This is not viewed as being conducive to the cultivation of confidence in the ability of the centre to host any event of importance that is not of a sporting nature.

9.0 Impact On Promotion Of Community Outcomes

- 9.1 The following outcomes are considered to be positively influenced under Option A.:

Outcome: *Southland is a great place to live*
Immediate outcome: *We have a choice of quality places to go and things to do.*

Outcome: *Strong effective leadership taking us into the future*

Intermediate outcome: *Decisions are progressive, forward looking and robust.*

9.2 Under Option B it can be argued that the first outcome listed under Option A in respect of having a choice of quality places to go and things to do is also positively influenced. However, it is difficult to put forward a compelling argument that a decision to have no involvement in the operation of the indoors sports centre would be viewed as progressive, forward looking or robust.

10.0 Impact On LTCCP

10.1 There is no specific financial provision made in the 2009-19 LTCCP for a contribution to be made towards the operation of the indoor sports centre. The commentary in the Aquatic Services activity does however acknowledge that the indoors sports centre will add to the recreational opportunities available within the multi-sports complex.

10.2 Should the Council embrace Option A it could, on a worst case scenario, have a financial impact to ratepayers of around 1 percent of total rates. This is not considered to be a radical departure from the LTCCP when it has been known for some time that the Council would be closely connected with the operation of the indoor sports centre via a front of house agreement.

11.0 Community Views

11.1 The prevailing view within the community appears to be that the Council should take a greater role in making sure that the indoor sports centre operates successfully. The well chronicled building consent troubles appear to have frustrated the public and there seems to be a deep seated desire to see the new facility opened and enjoyed by the participants in the sports that will be utilising it.

11.2 Funding being advanced in favour of an indoor sports centre is a routine involvement for local government in many places throughout New Zealand. This coupled with the fact that the facility is on Council land and interfaces with our own Aquatic Centre would suggest there would be a strong level of support for the Council to take a leadership and funding role in the operation of the new facility.

- 11.3 Whilst there was strong opposition expressed to the Council having any involvement in this project back in 2003, it is germane to highlight that no such concerns have been enunciated in recent times when the construction of the indoor centre has been blighted with an assortment of problems. Indeed the silence of the vocal critics of this project and the risk they believed it posed to the Council has been surprising given the trials and tribulations of the last two or so years.
- 11.4 On balance it is therefore concluded that the community view is strongly in favour of Council involvement to ensure the success of the indoor sports centre.

12.0 Significant Statement

- 12.1 Neither Option A nor Option B is a significant decision for the Council to make in terms of its significance policy.

13.0 Conclusion

- 13.1 Given the project's tortuous route to completion, it can be tempting to relitigate past issues to determine accountability for the present predicament. However that is unlikely to be a rewarding or productive process.
- 13.2 To resolve the operational dilemma that is now firmly coming into view, all key stakeholders need to get out of their policy comfort zone and act in the best interests of the community. The Charitable Trustees have had to honestly front up to the cold reality that their operational plans do, and will not meet the expectations of their principal funders, users and the wider community.
- 13.3 The Mataura Licensing Trust and Community Trust of Southland will both have to step outside their normal modus operandi and realise that for their capital investment to be secure and achieve its objectives, they will need to be a component of the ongoing operational funding package.
- 13.4 The Gore District Council has to step away from its staunch policy position taken in 2003 with this project. Community views, economic and social well-being together with the enhancement of community outcomes and the demonstration of strong, assured leadership all suggest that the Council needs to answer the Trustees call for help and "step up to the plate" to ensure the operation of the new facility is a success.

RECOMMENDATION

THAT resolutions 2003/136 and 2003/137, passed at a Gore District Council meeting on 23 September 2003 pertaining to the Council's non-involvement in capital and operational funding of Stage 3 of the multi-sports complex be rescinded,

THAT the Council approve in principle, funding 50 percent of the operational shortfall of the indoor sports centre after allowing for user fees and advertising revenue SUBJECT TO the Matura Licensing Trust contributing 25 percent and the Community Trust of Southland contributing the other 25 percent of this shortfall,

THAT a funding agreement be executed between the Council, Matura Licensing Trust and Community Trust of Southland to formalise the understanding outlined above,

AND THAT the Council note that further reports will be prepared on the ownership structure of the facility and management options in respect of its operation.

5. REGULATORY BULLETIN

(Memo from Chief Executive – 14.09.09)

Attached is a schedule of building consents issued for August 2009, together with comparisons with the previous two years.

A schedule of resource consents issued to 1 September is also attached.

RECOMMENDATION

THAT the information be received.

6. CREATIVE COMMUNITIES

(Memo from Chief Executive – 15.09.09)

Attached are minutes of a meeting of the Creative New Zealand Assessment Committee, held on 14 September 2009.

RECOMMENDATION

THAT the minutes be received,

AND THAT the grants as detailed be ratified for distribution.

MINUTES OF THE CREATIVE COMMUNITIES NZ ASSESSMENT COMMITTEE MEETING HELD ON TUESDAY 14 SEPTEMBER 2009 IN THE GORE DISTRICT COUNCIL CHIEF EXECUTIVE'S OFFICE, 29 CIVIC AVENUE, GORE, AT 2:00 PM.

PRESENT Cr Doug Dixey (Chairperson), Cr Neil Harvey, Jenny Grieve, Ian Soper and Dawn Brocks.

IN ATTENDANCE Tracey Millan, (Corporate Support Officer).

APOLOGY Jim Geddes apologised for absence.

1. CONFIRMATION OF MINUTES

RESOLVED on the motion of J Grieve, seconded by I Soper, THAT the minutes of the meeting held on 12 March 2009, as circulated, be confirmed as a true and complete record.

2. MATTERS ARISING FROM PREVIOUS MINUTES

A letter requesting the return of the \$500 grant made in 2008 to Terri Hatrill had been sent. She had not attended the Glasgow World Pipe Band Championships. There had been no response and T Millan would write again.

A Cathro, Programme Advisor from Creative Communities, had advised future applications for projects that involved overseas travel should be declined as they did not fit the criteria.

Art E Scape. had returned the \$800 grant received in 2008 as its project event had not yet been held. It had reapplied in the current round.

2. DECLARATIONS OF INTEREST

Doug Dixey	Southland Rhododendron Group
Ian Soper	Southland Rhododendron Group

3. 2009 APPLICATIONS

Funds totalling \$7,706 less advertising of \$300 were available for distribution. A total of six applications had been received for consideration.

Discussion was held regarding the Gore Pipe Band's application for funds to help cover the costs of visiting tutors. J Geddes had expressed in his email sent in his absence that visiting tutors fulfilled a key Creative New Zealand outcome.

J Grieve thought the Rhododendron Festival was a fantastic event for Gore. The Committee agreed it was a wonderful family day for everyone.

N Harvey thought the Southern Sound Foundry had a lot to offer musical artists in the area.

D Brocks thought the Art Escape Trust event deserved support as it gave funds back to the community and promoted the Gore arts.

2009 grants for the second round were allocated as follows:

ORGANISATION NAME	BRIEF DESCRIPTION	AMOUNT ALLOCATED
Hokonui Hi Tops	To purchase 27 dress jackets for its performers	2,000.00
Southland Rhododendron Group	To engage a professional music coordinator for its outdoor festival	1,400.00
Gore Pipe Band	To fund tutors for its pupils	1,000.00
The Art Escape Trust	Art exhibition and auction	1,300.00
Combined Country Music Clubs	Music Festival weekend	1,200.00
The Southern Sound Foundry	Equipment for a portable recording medium for artists	500.00

TOTAL FUNDS ALLOCATED

\$7,400

RESOLVED on the motion of J Grieve, seconded by Cr Harvey, THAT grant monies totalling \$7,400.00 be allocated as per the above schedule, for the second 2009 Creative Communities NZ funding round.

4. GENERAL

Creative New Zealand had advised it was a requirement that only 15% of annual funding received could be rolled over to the next financial year. To roll over more funds a written application needed to be filed. More funds would be disbursed in March 2010 in order that less than 15% was rolled over.

J Grieve thought more advertising was required. I Soper would contact the media before the next round and encourage them to publicise how recipients utilised their grants.

The current return date of the accountability form sent to successful grant recipients was 12 months from the funding round. Due to two rounds being held each year, the date would be changed to allow the recipients six months to complete and return the form and required information.

The meeting closed at 2.50 pm.