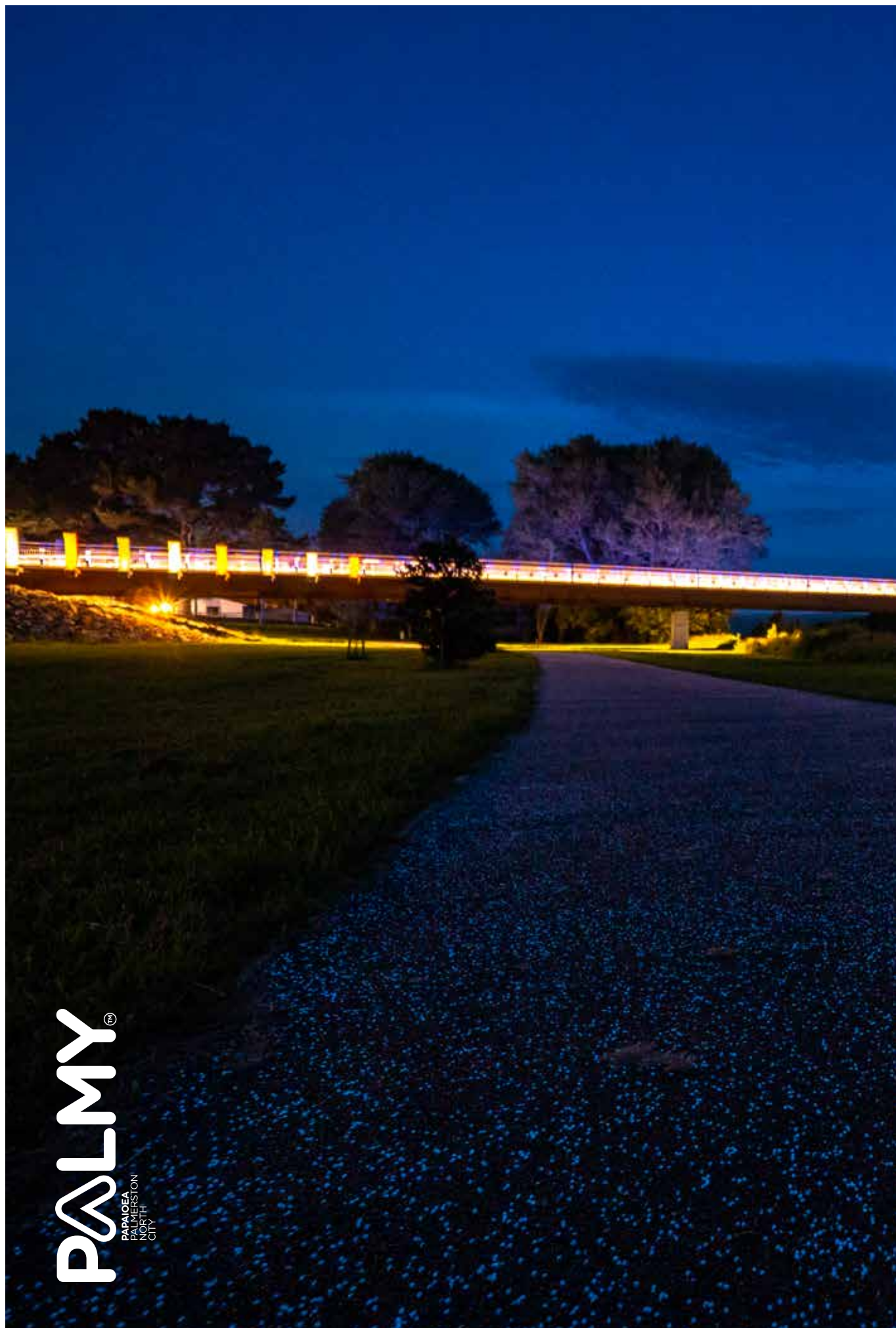




PALMY 2021-2031

10 YEAR PLAN
CONSULTATION



PALMY®
PAPAIOEA
PALMERSTON
NORTH
CITY

Contents

Preface

Kia ora tātou

This year Papaioea Palmerston North commemorates the City's 150th anniversary. It's a celebration of where we've come from, built on our strong Rangitāne o Manawatū foundation, and are heading as a thriving, modern and multi-cultural regional city.

Our last 10-Year Plan launched a bolder city direction through a new vision: small city benefits, big city ambition. We aim to offer the best combination of metropolitan and provincial New Zealand to residents, visitors and investors.

Our city vision encompasses great quality of life in a safe, caring and green city that has diverse, affordable services and top entertainment, all in a family-friendly environment. Palmerston North is fast becoming the city of choice for people to live, work and play. We have worked successfully towards this vision over the past three years.

Despite the headwinds of the Covid-19 pandemic, our city has continued its upward trajectory. Strong fundamentals and economic diversity have kept us ahead of others.

Record numbers of building consent applications, a solid labour market, resurgence of event activity, and multiple major capital projects indicate a confident outlook for the city.

Major project impetus includes the KiwiRail Central New Zealand Freight Hub, the Te ahu a Turanga Manawatū-Tararua highway, Mercury windfarms, and significant infrastructure work at local New Zealand Defence Force bases.

Together, these and other major investments represent efficient, green patterns of growth that are setting Palmerston North up for sustainable success. We are also strengthening our reputation in areas of innovative strength, including agri-food, with Council rolling out a fresh identity of Palmy centred in becoming the food innovation capital of New Zealand.

Our vision and strategic goals have strong community buy-in, and we will continue on this track in order to build the future we want for our people today and tomorrow. In the last three years, the city has made solid progress towards the vision and goals across economic, social, cultural and environmental wellbeing.

Steps forward include developing residential and essential infrastructure, both being significant ongoing challenges for New Zealand cities. In wellbeing infrastructure, we have redeveloped two stages of social housing units at Papaioea Place into modern, eco-friendly units. The tenants feel warmer, safer and more connected to their community. This was so successful that we're proposing to bring forward the redevelopment of the next stage of units (see page **)

Palmerston North's City Centre Transformation has advanced well, including the Streets for People redesign, and modernisation of the CET Arena. The Manawatū River Network is becoming a true lifestyle attraction. He Ara Kotahi bridge and shared pathway is a milestone as an active transport commuter link and a recreational asset getting people back to enjoying our riverside. Our eco-city is taking shape, from greener infrastructure and green corridors through to a city carbon model towards a low carbon future.

We supported the 2020 Under 18 Men's Softball World Cup at Colquhoun Park. Twelve international teams attended and each was linked with a local school to show that the City was fully behind the event.



We upgraded Milverton Park, including putting in new natural play equipment for children and have received fantastic feedback on this. We invested in the Ashhurst pool (Splashhurst) and now Ashhurst residents have a great local place to swim.

Managing growth sustainably, while investing in day to day services (maintaining footpaths through to providing library programmes), will demand some carefully-considered trade offs. This 10-Year Plan, set in the financial constraints of the pandemic era, needs to take into account some big challenges. It is the tool where we think about and address these obstacles, taking into account your important feedback.

Major challenges canvassed in this 10-Year Plan are Nature Calls (the city's wastewater upgrade), the increasing costs of renewing and maintaining our infrastructure, uncertainty about the timing of central government water reforms, the costs of providing infrastructure and land to keep the city growing as well as ensuring there is a good supply of housing. You can read more information about these – and the other challenges – throughout this document, particularly on page **.

Through the 10-Year Plan we are looking for the right balance between achieving the vision, addressing the challenges, and affordability. The efficiencies we strike must also deliver what matters if we are to progress as a city. We think we have this balance right in the short-term. However, we need to hear your views on where this balance should lie.

Rates would need to increase to fund existing council services and the key projects we are proposing in this plan under our vision. In year one, the average rates increase would be 6.9%. That equates to an extra \$xx per week for the average residential ratepayer. This increase takes account of what is ahead of us and directly behind us. To get ahead as a city responsibly, so all of our people benefit, we have to grow and manage this growth. We are also in a state of overall catch-up. Last year's proposed rates income increase of 4.4% was reduced to a minimum rise of 1.95% to manage Covid-19 impacts. We have done a good job running at minimum levels, and we now need to take a sustainable approach. 5.3% of the 6.9% rates increase is for increased emphasis on asset renewals in order to catch-up. It is also important to note that 25% of our funding comes from sources other than rates.

As outlined we think we have a good balanced plan in the short-term.

However, under current conditions and NZ Local Government Funding Agency rules we will not be able to borrow sufficient funds for Nature Calls. This borrowing really kicks in at year 4. This means, without change, the 10 Year Plan is not financially sustainable in the longer term.

Without Nature Calls our borrowing would be sustainable. Since the water reforms may remove responsibility for the Nature Calls project from us, we do not have currently the information to plan sensibly for the longer term. We simply don't know what we would be planning for.

We will revisit this issue through a new 10 Year Plan when we have more certainty. This could be before the next scheduled 10-Year Plan in 2024. As with all 10-Year Plans, we will do this in consultation with you. We are determined to deliver on our vision and goals, and it's important we address all the issues we face in a planned, sensible and affordable way. This 10 Year Plan Consultation Document summarises how we think this could happen based on what we currently know.

At this stage we're presenting proposals only. Please read through this document, think about the questions within it, and then, whether you agree with us or disagree, tell us your views.

This Plan needs to reflect the community's wishes. This is your city, and we need to know what you think. What really matters to you? What will matter to Palmy residents in ten years' time? In another 150 years?

Grant Smith ^{JP}

Mayor

XX February 2021

Heather Shotter

Chief Executive

XX February 2021



Why our 10 Year Plan is important

This Plan is about working with you and the community to ensure we are on the right track. It's about balancing the needs and aspirations against significant opportunities for Palmy, with the affordability for ratepayers.

ASPIRATION



AFFORDABILITY

We're presenting here a summary of our major projects and services planned for the next 10 years, what they will cost and how we will pay for them.

These are all options for you to consider. There is a lot in here and we don't want to pick out particular projects or services to ask you about. Instead we have shown you the costs of our major proposed services and projects and given you general information about their impact on rates.

You can suggest we stop doing things or don't start doing them.

You can suggest we do less of them.

You can suggest we do more of things or do them sooner.

You can suggest totally new things for us to do.

As you do, think about the impact of the proposals on rates and ask yourself these simple questions:

What am I getting? What if I didn't get it? What is it costing me? Is it value for money?

There are also some specific questions in the document. These are mostly about our approach to particular issues – the issues covered in the next section. There are also some particular projects we haven't funded but want your views on. These are listed in the sections on What if We Did / Spent More?

There might be a lot in here that you agree with (we certainly hope there is!). Please tell us what you agree with, not just what you disagree with. Otherwise we may only hear from people who disagree with particular services or projects and we might take them out of the Plan.

You can get more information about all our proposed projects and service on our website, go to **provide link**

The key investments and challenges in the 10 Year Plan

THIS IS WHAT WE BELIEVE REALLY MATTERS FOR US:

Achieving our vision of Small city benefits, Big city ambition He iti ra, he iti pounamu **and** investing in our day to day services that people, businesses and the environment rely on **and** resolving the challenges facing Palmy **and** doing all these in a way that is affordable and provides great value for money.

More information about the Vision is on pages **. Information about our day to day services is throughout this document. Here is a summary of the key challenges. Please read about them and keep them in mind as you read through the rest of this document.

MAINTAINING OUR ASSETS AND SERVICES

Councils across New Zealand are facing major challenges with their infrastructure as part of a national conversation, with high-profile examples of infrastructure issues in some other cities. We need to get ahead of this which means we must ensure infrastructure enables our city. We've made a big step-up in our asset management planning, and now better understand the condition of our assets. As a result, we're facing increased renewals costs, especially for roading, property, three waters and information management. Currently, we're underinvesting in these assets. To address this we are increasing the investment in renewals and moving to a more proactive maintenance approach for critical plant and equipment. More information is on pages ***

We're also facing level-of-service catch up costs. Over the past couple of 10 Year Plan cycles, there have been gradual increases in community and central government expectations. Budget pressures meant we absorbed many of these service increases without corresponding budget increases. However, their incremental impact has led to a growing gap we can no longer cover. Maintaining our assets and services is expensive – but it is a vital investment that residents and businesses couldn't cope without.

WATER REFORM

Currently, drinking water, wastewater and urban stormwater are run by Councils. Under a three-year programme to reform local government three waters service delivery arrangements to improve outcomes, the Government is proposing that water and wastewater are managed by a small number of multi-region entities instead (the approach to stormwater is yet to be determined). At this point, we have agreed to consider the proposal and, as a result, we have been granted \$9.4m of central government funding to bring forward some critical renewals and advance key water and wastewater resilience projects. The timing and design of these reforms is not clear, and as they are not yet at a stage where we can meaningfully consult with our community, we are developing the 10 Year Plan on the assumption we will continue to provide these services. Whatever happens will have a big impact on the Nature Calls project. See next section for more information.

NATURE CALLS

Nature Calls is the biggest financial and environmental decision and investment our city faces. It is focused on determining the best practicable option for treating the city's wastewater for up to the next 35-plus years. A process is now underway to further refine the shortlisted options for how we treat and discharge wastewater in the future. We need to submit a resource consent application for a new wastewater treatment plant by June 2022. At the present time it has been assumed an acceptable option can be obtained for \$350 million (plus inflation) but it could be more or less than this. It's our biggest project and has a major impact on our budgets and our plans. For more information see *****

Under current conditions and NZ Local Government Funding Agency rules we will not be able to borrow sufficient funds for Nature Calls. This means, without change, the 10 Year Plan is not financially sustainable in the longer term. Given the level of potential change to come with water reforms (see below, and page**) and Nature Calls we will revisit this issue when we have more certainty.

COVID-19

The virus has changed the way we live and has greatly affected some peoples' livelihoods. We recognise the hardship it has brought and adopted a Covid Annual Budget in 2020-21, with a rate increase of 1.95%, down from 4.4% in the proposed annual budget. We made this decision on the information we had at the time. However, Palmerston North has emerged in a better position than we imagined, far better than most other cities. This reduction puts pressure on our current budgets, meaning the catch up budgets we mentioned above are even more important right now. See page ***.

The Covid lockdown also showed us what's important: caring neighbourhoods, a sense of working together, local walkways and cycleways, civil defence for those who need help, supporting local businesses and jobs. All of these involve lots of people and organisations working together, including Council. Our proposed 10 year plan has a lot about investing in our infrastructure. We are also investing in a sense of community and looking after each other.

CLIMATE CHANGE

Long-term weather patterns are changing, increasing the frequency of drought and flooding. As part of mitigating the impacts on our infrastructure and services we have included programmes to reduce flooding risk and reduce wastewater flows. We also have plans and actions to reduce Council and city-wide greenhouse gas emissions. See page *** for more information.

EARTHQUAKE-PRONE BUILDINGS

Council owns eight earthquake-prone buildings, with estimated strengthening costs over the next 15 years of \$150m. See page *** for more information.

SUSTAINABLE GROWTH

The City is projected to grow significantly over the next 10 years. Housing affordability is declining and we need to ensure housing supply matches demand. Major infrastructure projects and private development (such as Te Ahu a Turanga: Manawatū Tararua Highway, KiwiRail Regional Freight Hub) will continue to drive this growth and place more pressure on housing affordability and infrastructure. We are planning our infrastructure to meet this demand for growth and to help address the housing affordability problem.

The significant pipeline of central government, residential and commercial infrastructure investment in the Manawatū means the existing contractor resources are stretched, putting upward pressure on prices and extending delivery.

Vision

SMALL CITY BENEFITS, BIG CITY AMBITION

Our vision for Palmerston North is for every resident to be able to enjoy the benefits of living in a small city, with the advantages of a big city. We want to develop infrastructure, services, facilities and experiences that deliver the best of both worlds.

GOALS

- An innovative and growing city
- A creative and exciting city
- A connected and safe community
- An eco city
- A driven and enabling council

TARGETS (BY 2031)

- 12,000 more jobs
- A score above 65 in the Creative Cities Index
- More than 75% of people consider PN is a welcoming and inclusive city with a good standard of living
- 30% reduction in city CO2 emissions

PRINCIPLES

Council is guided by seven principles in how we interact with our communities and lead our City. The guiding principles will be evident in the way Council engages, plans, make decisions and allocates resources.

Inclusive **Ambitious** **Open** **Bold** **Enabling** **Guardianship** **Caring**

CITY SHAPING

TO COME

NOTE

We will work towards these targets, over the next 10 years. You can keep an eye on their progress - and recent progress - by looking at the City Dashboard on our website at pncc.govt.nz/dashboards



10 Year Plan Documents

Council goals, strategies + plans





A yellow Yanmar excavator is the central focus, working on a construction site. A large, semi-transparent green graphic, consisting of several overlapping curved shapes, is layered over the image. In the background, there are buildings, including one with a 'WALL BROS' sign. A worker in an orange shirt and white hard hat is visible in the excavator's cab. The overall scene is a mix of urban and construction environments.

PALMY
2021-2031

WHAT REALLY
MATTERS?
**AN INNOVATIVE +
GROWING CITY**

What we are working to achieve

Successful economies are constantly evolving, creating new business and employment opportunities. The future of work is also rapidly changing. We want more jobs in Palmy. Our goal is to have 12,000 more jobs in the City by 2031. That's 1,200 jobs a year – for context last year there were 1,000 more jobs and the year before 1,200. The current number is 52,200 (Feb 2020.)

We're getting this increase in jobs by funding our economic development agency – we're currently renewing our three-year contract with the Central Economic Development Agency (CEDA) for economic development and are talking with Manawātū District Council and CEDA about bringing city marketing services in-house.

We also provide the infrastructure, (especially roading, water and wastewater), that businesses need.

Jobs in the future are going to increasingly be reliant on innovation and being low carbon— so we're focusing on these two areas. Having Massey University, Fonterra Research Centre and the Crown Institutes (in particular) in the City means we're already well-placed to keep developing as an innovative economy, especially food innovation, where we have outstanding strengths.

New Zealand is committed to reducing its carbon emissions and impact on the climate. We are developing a Palmerston North Low Carbon Road Map to work out how all sectors in the City can reduce carbon emissions. We will consult on this later in the year.

Our other major focus is to ensure Palmy grows in a way that makes housing affordable. We do this by ensuring there are new growth areas, with all the necessary water services and roading, to meet future demand. The significant investment we make in our infrastructure – water, wastewater, stormwater, roading and resource recovery – is also critical for growth.

Hence our priorities are to:

- Create and enable opportunities for employment and growth
- Provide infrastructure to enable growth and a transport system that links people and opportunities
- Support the development of more housing that meets community needs
- Support the diversification of the economy to reduce reliance on traditional industries
- Support an 'innovation economy' to underpin growth into the future
- Transform the economy to a low carbon economy.



FOR MORE INFORMATION – READ OUR:

Innovative and Growing City Strategy

City Growth Plan

Economic Development Plan

What's Happening Now?

Palmy is the major economic hub for the Manawatū-Whanganui region, providing half of the region's jobs and earnings. (We have a third of the population.) Our economic growth has closely matched New Zealand's overall growth for the past several years.

Our largest economic sectors are health services, government administration and defence, education, logistics, retail, construction and professional, scientific and technical services. These are also the biggest contributors to growth in jobs and earnings.

Housing is more affordable here than in many other cities, but it is becoming less affordable.

Although our economy is doing well, the City needs a stronger reputation to compete for capital, talent and visitation. In response, Council is rolling out a fresh view of Palmy, that will see us becoming the food innovation capital of New Zealand. Our point of strength and difference can make us stand out from the crowd. A new youthful, bright green identity (our representative colour) supports this, using the north arrow as a key symbol, referencing the City's "North", and its growth position.

INCLUDE A CHART SHOWING WHAT WE INTEND TO SPEND ON ECO DEV AND CITY GROWTH– IN TOTAL AND IN KEY AREAS. WITH COST PER HOUSEHOLD.

COVID-19

The Manawatū economy has been relatively resilient to Covid-19. While the impact on some local individuals and businesses has been huge, overall, the region escaped the worst of Covid-19's economic disruption. GDP for the wider Manawatū-Whanganui region dropped by 1.8% in the year to Sept 2020. Nationally, it dropped by 3.3%. Building consent numbers increased by 30% in Palmy but only 3% in NZ (also both in the year to Sept). These numbers reflect strong confidence in our local economy.

A major reason for these relatively favourable figures is the structure of our Manawatū economy – many of our key economic sectors are stable and their employees can work from home or online.

CEDA also supported the business community and protected jobs through the Covid-19 lockdown by ensuring local businesses had easy and efficient access to the available government support and providing one-to-one expertise.

The Council will continue to support economic development and is currently renewing its three year economic development contract with CEDA.

We will also keep focussed on the current strengths of our priority sectors while also diversifying the economy to protect it against different sorts of economic disruption.

Covid-19 has also meant we have improved our Business Contingency Plans across all of our services, especially to ensure we can continue to provide critical health and safety services like water, civil defence, waste collections, animal control, etc during a pandemic or other emergency.

What we're proposing

While we would like to do more, budget constraints mean we propose to keep our current level of funding and support for economic development and city growth.

This means we propose to keep providing you with these day to day services:

- Fund the local economic development agency – we're currently renewing our contract with CEDA for this
- Promote the City and ensure it has a positive national and international reputation
- Provide sufficient land and infrastructure to meet housing and business demand

- Meet our legal requirements for building and resource consents

- Ensure public spaces have good urban design – eg are safe, sustainable, connected, and interesting.

We're helping the Manawātū Chamber of Commerce and local businesses set up Palmy Business Improvement District (BID) – a business-led organisation to bring more events, vibrancy and activity to the CBD. It will be funded by a targeted rate for city centre businesses – see page **



WHAT IF WE SPEND AND DO LESS?

We could reduce our grant to CEDA but, unless they find the money elsewhere, they would end up providing less business and employment support.

While it is hard to compare economic development spending with other cities, ours seems to be middle of the range. Surveys show that economic development is a consistent priority for residents. We don't believe spending less is a good choice.

We have statutory responsibilities to provide sufficient land and services for housing growth and it would be difficult to reduce our spending on this.



WHAT IF WE SPEND AND DO MORE?

We could increase the level of support for economic development and promotion of Palmy. This should lead to more jobs, a stronger economy, and a better perception of the City.

Most of our economic development funding is operational – which mean that every \$100,000 we spend equals *** in average household rates.



What really matters to you?

What do you think of our ideas for being an innovative and growing city?

Whether you agree or disagree with our proposed approach, we want to hear from you.

If you agree with us, we still need to hear your views, otherwise we may change what we are thinking of doing. **We want to hear all views.**

For more information on trends in the area and what Council intends to do see [**link to Supporting Material**](#)



Transport

The economy cannot function well without an effective and efficient transport network. Hence transport is part of our Innovative and Growing City Goal.

Of course, transport is not just for businesses and our aim is for Palmy's network of roads, footpaths, cycleways and shared pathways to meet the needs of a diverse range of users – motorists, cyclists, pedestrians and public transport users. This covers freight transport, recreational users, and commuters. We also have to expand and develop the network, so it meets the needs of a growing city.

We are also working to increase the availability and uptake of active and public transport options as these have health and environmental benefits. Walking and cycling are the most common forms of active transport.

Hence our priority in this area is to:

- Provide infrastructure to enable growth and a transport system that links people and opportunities



FOR MORE INFORMATION – READ OUR:

Innovative and Growing City Strategy
Transport Plan

What's Happening Now?

We manage the city's transport network to ensure the safe and efficient movement of people, goods and services in a way that gives them choice about their mode of transport and maximises environmental outcomes.

We are constantly improving this network – improvements last year included resealing 13km of road, repairing over 1500 pavement faults, and building 1420m of new footpaths in Longburn and Ashhurst.

Our transport network is made up of:

556 kms of road

569 kms of footpaths

8600 of streetlights

42km off-road shared pathways

106 bridges

13,900 street trees,

5000 car parks

88 bus shelters

We're changing the way we manage this network.

Traffic accidents numbers that result in injury have been steady over the past ten years, but accidents that result in serious injury and death have been increasing. Hence, we are improving road safety by doing things like reducing the speed limits on some of our roads, especially around schools.

We're also trying to get the right vehicles travelling on the right roads - heavy vehicles are currently rumbling past schools, buses are stopping in cycle lanes, and cars are rat-running through neighbourhood streets to avoid busy intersections. We're re-designing the network to make it clearer what vehicles should be using what routes. This includes where we expect cyclists and pedestrians to have more priority.

Historically, transport investment has prioritised and promoted private motor vehicle use over cycling, walking and public transport. Currently, only a small proportion of trips incorporate active and public transport. In 2018, 10.2 % of residents used active modes of transport to travel to work, while 1.7% used public transport.



Bus services are operated by Horizons Regional Council, while we provide the local infrastructure such as bus shelters and terminals. We are collaborating with Horizons to determine the best mix of routes and frequencies to meet the needs of users, ahead of Horizons retendering the bus service contract in 2022.

Motor vehicles are the most significant contributing sector to the City's carbon emissions, so reducing motor vehicle use will also have environmental benefits, as well as health benefits from active transport.

We're also getting heavy traffic away from neighbourhood streets by designing, along with Waka Kotahi, a strategic transport route to make it easier and safer for trucks to get to and from industrial areas and distribution hubs. (These hubs are a significant part of our economy – in this way transport is a significant enabler for economic growth.) Waka Kotahi is the lead agency for improvements on State highways, parts of the regional ringroad and another Manawātū River crossing.

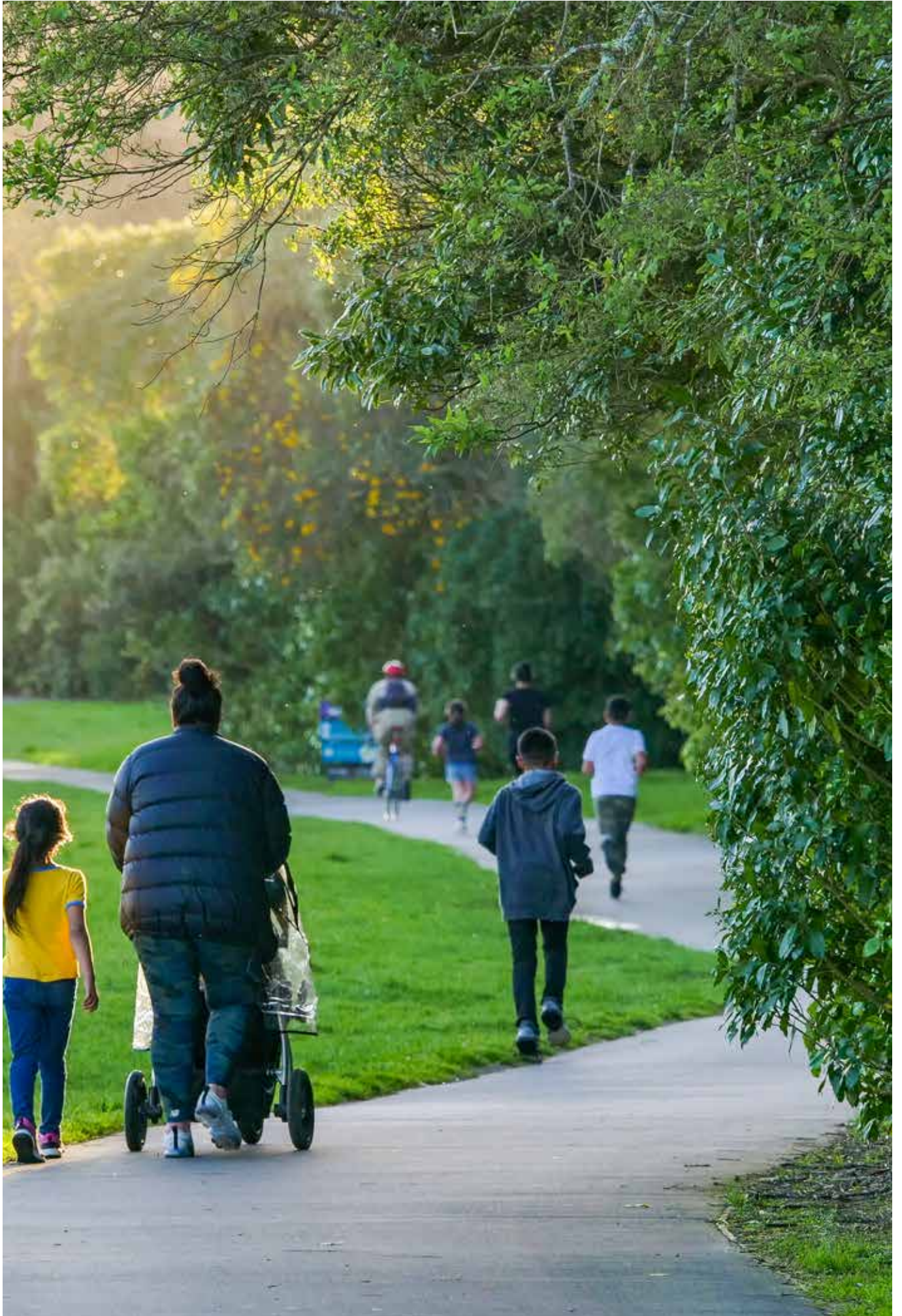
Getting heavy traffic out of neighbourhoods will also create more liveable local streets. We saw this during the Covid lockdown, when there was less traffic, and our local neighbourhoods were used more by families cycling or walking.

We're improving the way the CBD looks and works. Streets for People (the CBD upgrade) will make the city centre safer and a more pleasant place for pedestrians to spend time – and hence money, which has significant benefits for our economy. For more information see pages ***.

To make all these changes effective, we also need to improve the way we renew and maintain our network. In the past we haven't spent as much on these as we should have. As a result, the quality of road surfaces has been deteriorating over the past five years, due to more heavy vehicles, and poor underlying ground conditions. (The quality of road surfaces emerged as an issue in our last residents survey.)

By increasing the amount we spend on maintenance and renewals we should be able to spend less in the long term – and we will provide a better quality of service now. We're phasing this increase in spending in over the next few years (see the section on Renewals on page ** for more information)

**INCLUDE A CHART SHOWING WHAT
WE INTEND TO SPEND IN THIS AREA –
IN TOTAL AND IN KEY AREAS. WITH
COST PER HOUSEHOLD.**



What we're proposing

We've identified we need to increase the amount we spend renewing and maintaining our transport and infrastructure. We're bringing this increase in over three years to reduce it's impact on our rates.

We will continue to maintain and develop roads, cycleways, footpaths, traffic lights, streetlights, signs, bus-stops, street trees and gardens, carparks, etc. We will also continue to encourage people to bike, walk and use public transport. We will make all of these safer to use.

Specific projects currently in the draft Plan as shown below.

NB costs are total costs, including inflation, over the stated years. OP means the costs are operational, so each ** means ** in rates. Other costs are capital new, where each ** means in **. Many of these projects are co-funded by NZ Transport Agency Waka Kotahi.

PROGRAMME NUMBER(S)	PROJECT NAME	AMOUNT	YEARS
1472, 1932 and 2013	Strategic Ring Road to get heavy traffic off urban streets and improve traffic efficiency	\$1,099,000 OP for business case \$105,374,000 (75% from NZTA)	1-4 2-9 for capital work
1691	Road Safety Improvements throughout the City	\$20,377,000 (half from NZTA)	1-10
279	Minor Road Safety Improvements	\$15,801,000 (half from NZTA)	1-10
1689	Rural Road Safety Improvements	\$13,464,000	4-10
159	Kelvin Grove Rd Five-Dips Safety Improvements	\$7,343,000(half from NZTA)	4-6
684	Longburn-Rongotea Rd / No 1 Line Intersection Safety Improvements	\$5,025,000 (half from NZTA)	1 and 4-6
167	James Line (Schnell Dr to Kelvin Grove Rd) Improvements	\$1,847,000	4-5
1682	Pioneer Highway – Improvements	\$5,605,000	7-10
1944	Upgrade Village Roads to urban standard	\$7,819,000	3-10
1367 and 1806	Street Light Improvements	\$4,610,000 (half from NZTA)	1-5
243	Urban Bus Terminal Redevelopment	\$12,386,000 (half from NZTA)	1-4
1121	Tennent Drive Transport Improvements, including public and active transport (near Food HQ and Massey University	\$10,165,000 (half from NZTA).	2-3 5-8

PROGRAMME NUMBER(S)	PROJECT NAME	AMOUNT	YEARS
1559	Citywide Urban Cycle network Improvements	\$24,447,00 (half from NZTA)	1-10
1677 and 1678	Shared path projects, including connecting Palmerston North with Bunnythorpe, Feilding, Ashhurst and Aokautere	\$32,526,000 (half from NZTA)	1-10
1679	Citywide Footpath Improvements	\$5,717,000 (half from NZTA)	1-10



WHAT IF WE SPEND AND DO LESS?

The transport network would receive less maintenance and less development, including safety improvements. Over time it would become more congested and less safe. There would be more potholes, cracked footpaths, blocked gutters, etc.

Fewer people would cycle, walk and use public transport – with less environmental and health benefits.

We don't think either of these are good long-term outcomes.

We could also spend less by not doing or by pushing back the programmes listed in the table above – if you think we should do this please identify specific programme numbers. These are mostly capital spending so each \$100,000 less we spend would reduce the average household rates by XX a year.

What really matters to you?

What do you think of our ideas for improving the transport network?

Whether you agree or disagree with our proposed approach, we want to hear from you. If you agree with us, we still need to hear your views, otherwise we may change what we are thinking of doing. **We want to hear all views.**

We are also keen to find out how we could encourage more people to use public transport?

For more information on trends in the area and what Council intends to do see [**link to Supporting Material**](#)



WHAT IF WE SPEND AND DO MORE?

We've prioritised our spending in this area and improved our asset management planning. We've identified we need to increase the amount we spend renewing and maintaining our transport infrastructure.

We're bringing this increase in over three years to reduce its impact on rates. Our initial focus is on key health and safety issues. However, this three year approach does bring a risk there will be more minor roading issues like potholes and footpath cracks, and hence repair costs, in the short-term. See page ** for more information.

We could reduce this risk by bringing in this increased renewals and maintenance more quickly. As its operational spending every \$100,000 we spend equals *** in average household rates.

We could bring forward some of the programmes listed in the table above – if you think we should do this please identify specific programme numbers. Or there may be new programmes that you think we should do. These are mostly capital spending so each \$100,000 more we spend would increase the average household rates by XX a year.





PALMY
2021-2031

WHAT REALLY
MATTERS?
**A CREATIVE +
EXCITING CITY**

What we are working to achieve

Our goal is for Palmy to be a creative and exciting place to live. To have a great lifestyle in a city that reflects the diversity of our community. Our target is for Palmy to score above 65 on the Creative Cities Index by 2031 (currently it is 55.9).

We will support the arts to flourish and our cultural institutions to thrive as they respond to our communities' needs and interests.

Everyone should have opportunities to be active and to experience the advantages of a big city without hassle and cost.

In the past Palmy had a reputation for not having much to do. That is changing, especially for our residents. The city is increasingly a family-orientated, lifestyle centre where investment, business, creativity, culture, arts, education, recreation and entertainment thrive.

Having lots of things to do is also important for peoples' enjoyment, fitness and health.

Hence our priorities are to:

- Create a city that has great places for all people
- Celebrate the City's history and diversity, and build on the strength of being a city of many cultures and languages
- Be a creative city that nurtures and celebrates the arts
- Develop a national reputation as an exciting city with plenty to do at night and on weekends
- Be one of the most active communities in New Zealand



FOR MORE INFORMATION – READ OUR:

Creative and Exciting City Strategy

City Shaping Plan

Arts and Heritage Plan

Active Communities Plan

What's Happening Now?

Increased numbers of people are commuting to Palmy from across the region for work and study and social, recreational and cultural activities, including shopping. Our city-centre Streets for People and Placemaking programmes give locals, visitors and commuters a better experience to encourage them to stay longer and spend more money. Increasing the after-five economy in the city-centre is an opportunity that's currently being missed.

Palmy is well-served by parks and green spaces, ranging from small urban 'pocket parks' to wilderness areas. More than 80 per cent of the City's homes are within easy walking distance of a park.

Participation in organised sport is declining and predicted to decline further. About three-quarters of sport and recreation engagement is unstructured and informal and involves casual recreation rather than a competitive sporting environment. Walking is the most popular recreation activity in Palmy, followed by swimming, equipment-based exercise, cycling, and running.

While these are the most popular recreation activities, the diversity of our communities' recreation expectations is growing. Also, the standard to which people expect us to provide recreation facilities like local parks is increasing. This means we cannot meet every sport's needs and we need to prioritise our new spending. We'll use the Regional Sports Facilities Investment Framework to ensure any need is proven and that new facilities are viable long-term before we commit to funding them, either by ourselves or in conjunction with others.

We will make better use of our current parks and facilities by increasing their maintenance and renewals (see section ***). We have also developed sets of minimum facility standards for our city-wide, suburb and neighbourhood reserves. These show which reserves will have play equipment, toilets, drinking fountains, etc. We have assessed each reserve against these, and there are some gaps. We have a programme to close all the gaps over time, starting with the largest gaps first.

Council has assumed it will receive \$500,000 in year one and \$800,000 per annum after that from Mercury Energy to lease land for their wind farm in our Turitea Reserve. We intend to use this money to help fund the operating costs of our city reserves. This complies with the purposes of the Reserves Act and reduces ratepayer costs.

Palmy is home to artists, community groups and organisations passionate about being part of a creative city. Many of the region's key arts facilities are based in Palmy, such as Te Manawa, Regent on Broadway, the Globe Theatre, Square Edge and Centrepont Theatre, New Zealand's only provincial professional theatre company.

And the City has a growing number of events. A stand-out example of this is the Festival of Cultures, which, with Council support, has run for over 20 years. It has grown from a local event to a week of events attracting more than 14,000 participants. Other events happen at more of a community level. e.g. gala days, cultural and religious festivals, fundraising events, art exhibitions, project launches, and national day and New Year celebrations for the many different groups living in the City.

Some of these events are in the CBD and we will continue upgrading the city centre streets. We call this the Streets for People upgrade and through it we will progressively improve the public spaces to make them safer, more people friendly, and lively. We do this through having wider footpaths, more seats, trees and plantings, social spaces, etc. We have just finished doing the section between the Plaza and Church St. We have listed the order in which we propose to do the upgrades in the following table (prog No 1686): do you agree with the individual projects, and the order in which we propose to do them?

Council owns eight earthquake-prone buildings (Te Manawa, the Regent Theatre, the Civic Administration Building, Central Library, Kelvin Grove Crematorium, Wastewater Treatment Plant, Keith St Power Station and Square Edge). By law, these have to be strengthened or demolished over the next 15 years. We intend to strengthen them and have budgeted \$150m for this over the 15 years.

**INCLUDE A CHART SHOWING WHAT WE
INTEND TO SPEND IN THIS AREA - IN TOTAL AND IN KEY AREAS. WITH COST PER HOUSEHOLD.**



What we're proposing

We've identified we need to increase the amount we spend renewing and maintaining our infrastructure. We're bringing this increase in over three years to reduce its impact on our rates.

We propose to keep providing these day-to-day services:

- Accessible and well-maintained play, active recreation and sports facilities to increase levels of physical activity and participation. (Note: these facilities are city reserves, suburb reserves, local reserves, sports fields, the Central Energy Trust Arena, walkways and shared paths, and swimming pools)

- Support to art organisations, cultural Council-Controlled Organisations (CCOs) and individuals
- Seed funding and support for people to lead public space projects to develop accessible, active, comfortable and social public places

And we will:

- Work closely with Rangitāne o Manawatū to support it as kaitiaki of its heritage places
- Increase the community's understanding and appreciation of iwi's heritage
- Promote and celebrate local history and heritage buildings

NB costs are total costs, including inflation, over the stated years. OP means the costs are operational, so each ** means ** in rates. Other costs are capital new, where each ** means in ** rates.



PROGRAMME #	PROGRAMME	AMOUNT	YEARS
1424	Active Community Access Fund to help subsidise sports fees for people on low incomes	\$113,000 OP	1-10
990	Central Energy Trust Arena - Southern Grandstand	\$17,472,000 (dependent on two thirds of this being raised externally)	7-9
2006	City Centre Play to provide permanent play equipment in the CBD	\$448,000	1-6
1852	Closing Levels of Service Gaps for Reserves	\$661,000	1-6
1899	Aquatic facilities and water recreation preliminary feasibility study	\$104,000 OP	1-2
1838 and 2012	Upgrade the Exotic Aviaries at the Esplanade		
	Stage 1	\$834,000	1-2
	Stage 2	\$601,000	6-7
902	Property - Seismic Strengthening of Council Properties (most of which are arts and culture buildings, including the Regent, Te Manawa, Central Library and Caccia Birch, plus the Civic Administration Building)	\$115,106,000	1-10
1949	Civic and Cultural Precinct Masterplan – which will include reviewing options for the Central Library and Te Manawa	\$250,000 OP	1
1686	Streets for People to continue the street improvements around the CBD (ie as in Cuba St and the Plaza to Main St):	Half of this would be funded by NZTA	
	➤ Square East	\$3,784,000	1-2
	➤ Broadway	\$5,844,000	1-3
	➤ Rangitikei St	\$978,000	2-3
	➤ Square West	\$4,651,000	3-5
	➤ Square North	\$2,624,000	5-6
	➤ Church St	\$3,917,000	6-7
	➤ Inner Square	\$683,000	7-8



WHAT IF WE SPEND AND DO LESS?

We currently spend **\$\$*** on day-to-day maintenance of our current parks and \$XM on arts and culture.

Each \$100,000 less we spend would reduce the average household rates by XX a year.

However, it would mean we would need to reduce the effort we put into looking after our parks, playgrounds, sports fields and swimming pools and supporting the arts.

We don't believe this is viable long term. Reduced spending now would mean fewer services and eventually would lead to significant catchup costs or facilities getting run-down and possibly closing.

We could also spend less by not doing or by pushing back the programmes listed in the table above – if you think we should do this please identify specific programme numbers. These are mostly capital spending so each \$100,000 less we spend would reduce the average household rates by XX a year.

What really matters to you?

What do you think of our ideas for being a creative and exciting city?

Whether you agree or disagree with our proposed approach, we want to hear from you. If you agree with us, we still need to hear your views, otherwise we may change what we are thinking of doing. **We want to hear all views.**

For more information on trends in the area and what Council intends to do see **link to Supporting Material**



WHAT IF WE SPEND AND DO MORE?

We've carefully prioritised our spending in this area. We've improved our asset management planning and have identified that we need to increase the amount we spend renewing and maintaining our recreation assets.

We're bringing this increase in over three years to reduce its impact on rates. Our initial focus is on key health and safety issues. However, it does bring a risk that, over the next few years, there will be more minor maintenance issues in our parks, playgrounds, sport facilities, etc. These could bring additional costs to fix. See page ** for more information.

We could reduce this risk by bringing in this increased maintenance more quickly. It is operational spending – so every \$100,000 we spend equals ** in average household rates.

We could bring forward some of the programmes listed in the table above – if you think we should do this please identify specific programme numbers. Or there may be new programmes that you think we should do.

There are some programmes that we considered but, in the end, did not include. We would like your views on the following ones in particular (other programmes we considered are on page **):

- New Skatepark
(Feasibility \$\$ OP. Construction \$\$)
- Covered Bowling Green Feasibility
(\$50,000 OP)
- Contribution to Artificial Bowling Green
(\$622,000 OP)
- Outdoor gym equipment in suburb parks
(\$60,000 each)

Most of the programmes in the table above are capital spending so each \$100,000 more we spend would increase the average household rates by XX a year.







PALMY
2021-2031

WHAT REALLY
MATTERS?
**CONNECTED +
SAFE COMMUNITIES**

What we are working to achieve

Our goal is for Palmerston North to be a city where everyone feels connected and included.

A safe city, where people have access to the housing they need and opportunities to connect with others. Where communities have access to accessible and appropriate support.

We understand that we need to work with our partners towards achieving our shared goals. We can achieve better outcomes with our communities by working effectively together.

Our target is for more than 75% of people consider Palmerston North is a welcoming and inclusive city with a good standard of living.

Currently (2019) 57% are satisfied with community spirit and 65% with safety. Standard of living is a new measure.

Hence our priorities are to:

- Develop, provide, support or advocate for services, facilities and events that create connected, welcoming and inclusive communities
- Ensure the City has a healthy community where everyone has access to healthy, safe and affordable housing and neighbourhoods
- Support communities to achieve their aspirations.
- Be a city where people feel safe and are safe.



FOR MORE INFORMATION – READ OUR:

Connected and Safe Communities Strategy

Connected Communities Plan

Safe Communities Plan



What's Happening Now?

LIBRARIES

We provide library services through the Central Library, four community libraries (Ashhurst, Awapuni, Highbury/ Te Pātikitiki, and Roslyn), the mobile library, Blueprint, and Youth Space. The role of libraries has expanded from being a 'warehouse for books', to providing opportunities for people to participate in their communities (eg through book clubs, pre-school programmes, etc) and programmes that support literacy (including digital literacy).

COMMUNITY CENTRES

We own eight community centres run by voluntary Community Committees.

CEMETERIES

We provide and operate four cemeteries (Kelvin Grove, Terrace End, Ashhurst and Bunnythorpe) and a crematorium at Kelvin Grove.

TOILETS

We have 52 public toilet blocks throughout the city. All new toilets are accessible and gender neutral and, where possible, we are refurbishing existing toilet blocks to also be accessible and gender neutral.

COMMUNITY GRANTS

We allocate over \$2m in community grants annually.

A 2018 comparison showed that, per capita, we provide more community funding than some other local authorities. However, funding programmes are increasingly oversubscribed.

SOCIAL HOUSING

We provide 407 social housing units for seniors, people with long term-disabilities, and those who experience barriers to accessing housing in the private rental market. Most of these are rented at subsidised rates. We have about 400 individuals or households on our waiting list. Hence we are proposing to increase the number of Units we provide – see the table below for Social Housing Programmes.

All our units meet the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard and the new Healthy Homes Standards.

EVENTS

We deliver or fund city events including Anzac and Armistice Day, A Very Palmy Christmas, Explore Esplanade Day, Festival of Cultures, Fireworks and New Year's Eve in the Square. Most of the City's events - gala days, cultural and religious festivals, fundraising events, art exhibitions, etc - are led by local communities.

SAFE CITY

Most safety initiatives in the City are a result of many organisations working together – especially through the Safety Advisory Board (SAB) and the Manawatū-Whanganui Civil Defence Management Group. We play active roles in these. As a result of the work of the SAB, the city is accredited as a Safe Communities Foundation' Safe City'. We're also responsible for safety and health-related bylaws.

CENTRAL ENERGY TRUST WILDBASE RECOVERY

This is a world-class rehabilitation facility for New Zealand's endangered birds, including kiwi, takahē and yellow-eyed penguins. It is located in the Esplanade and is open to the public for free.

We are often asked to provide or help fund new community facilities. We are proposing to develop a Community Facilities Stocktake and Needs Assessment to provide a city-wide view on where and what facilities Council should help fund. This would include any funding for projects like a Kelvin Grove or Highbury Community Hub.

**INCLUDE A CHART SHOWING WHAT WE
INTEND TO SPEND ON IN THIS AREA - IN TOTAL AND IN KEY AREAS.
WITH COST PER HOUSEHOLD.**



What we're proposing

We've identified we need to increase the amount we spend renewing and maintaining our community infrastructure. We're bringing this increase in over three years to reduce its impact on our rates.

We propose to keep providing you with these day to day services:

- Ensure our city libraries collect, curate and provide access to knowledge, ideas and works of the imagination that are primarily focused on meeting the needs of communities with the greatest needs and reflect the diverse and changing needs of communities.
- Provide library programmes that support the development of all forms of literacy.
- Support community centre management groups to provide community centres that are responsive to their community's needs.
- Provide public toilets throughout the City, to a standard that meets public expectations
- Provide cemetery services that are responsive to community needs
- Provide warm, safe and accessible social housing for older people, people with disabilities, and other people on low incomes who experience barriers to renting in the private market

- Support and fund communities and organisations to build community, neighbourhood and organisational capacity and capability
- Provide, fund and support events so Palmy has a full events calendar catering for different sectors of the City
- Coordinate and facilitate the Safety Advisory Board to enable the fulfilment of its strategic plan
- Build community resilience and disaster preparedness for Civil Defence and emergency situations
- Enforce bylaws and legislation relating to supply and sale of alcohol, stray and aggressive dogs, keeping animals, food and commercial premises, gambling, and excessive noise.

NB costs are total costs, including inflation, over the stated years. OP means the costs are operational, so each ** means ** in rates. Other costs are capital new, where each ** means in ** rates.

PROGRAMME #	PROGRAMME	AMOUNT	YEARS
1459	Build additional social housing units built to Healthy Homes Standard	\$7,002,000	3-5
1743	Build Stage 3 of social housing units at Papaioea Place	\$5,075,000	1-2
1898	City-wide community facilities stocktake and needs assessment	\$100,000 OP	1
1564 and 1565	Increase in community (community development, arts and environment) grants	\$924,000 OP	1-10
161	New Public Toilets	\$1,385,000	1,3,5,7, and 9
1941	Removing Overdue Library Fines for Youth and Children:	\$368,000 (reduction in OP revenue)	1-10





WHAT IF WE SPEND AND DO LESS?

For capital spending, each \$100,000 less we spend would reduce the average household rates by XX a year. For operating programmes, each \$100,000 less we spend would reduce the average household rates by XX.

However, it would mean reducing the effort we put into looking after the social well-being of residents and sense of connection between them.

We don't believe this is viable in the long-term. Reduced spending now would mean fewer services and reductions in community support and spirit.

We could also spend less by not doing or by pushing back the programmes listed in the table above – if you think we should do this please identify specific programme numbers.

What really matters to you?

What do you think of our ideas for being a connected and safe city?

Whether you agree or disagree with our proposed approach, we want to hear from you. If you agree with us, we still need to hear your views, otherwise we may change what we are thinking of doing. **We want to hear all views.**

What do you think of the criteria and guidelines for delivering our social housing (see ** for more information).

For more information on trends in the area and what Council intends to do see **link to Supporting Material**



WHAT IF WE SPEND AND DO MORE?

We've prioritised spending in this area. We've improved our asset management planning and have identified we need to increase the amount we spend maintaining our community infrastructure.

We're bringing this increase in over three years to reduce its impact on rates. Our initial focus is on key health and safety issues. However, this three year does bring a risk there will be more minor maintenance issues in our libraries, community centres, public toilets, cemeteries and social housing. These could require additional repair costs in the short-term. See page ** for more information.

We could reduce this risk by bringing in increased maintenance more quickly. It's operational spending – so every \$100,000 we spend equals *** in average household rates. Rates would rise, or we'd have to cut back on new projects and services.

We could bring forward some of the programmes listed in the table above – if you think we should do this please identify specific programme numbers. Or there may be new programmes that you think we should do. There are some programmes that we considered but, in the end, did not include. We would like your views on the following ones in particular (other programmes we considered are on page **):

- An online engagement hub that is based around peoples' interests in Council, with a wide range of social media and other options for people to easily participate in Council's decision making: \$408,000 OP total in years 1-10
- A range of methods – website, film, open days, etc - to increase voter turnout in Council elections and interest in Council processes: \$255,000 OP total in years 1-10.

For capital spending each \$100,000 less we spend would reduce the average household rates by XX a year. For operating programmes each \$100,000 less we spend would reduce the average household rates by XX.



A landscape photograph of a field at sunset. The sky is a mix of orange, red, and purple. In the foreground, there's a field with some rocks and a few people. A large, stylized green graphic, resembling a stylized 'P' or a leaf, is overlaid on the left and bottom of the image.

PALMY
2021-2031

WHAT REALLY
MATTERS?
ECO CITY

What we are working to achieve

We understand that Palmerston North has a responsibility to respond to climate change for the benefit of everyone. Our goal is for Palmerston North to decrease carbon emissions and reduce our ecological footprint. We will protect and enhance our natural and built environments, accommodate growth through intensification, and support active transport. We will work with our partners towards achieving our shared goals.

We also provide the infrastructure that contributes to the health of the environment and to residents' health - water, wastewater, stormwater, and resource recovery (recycling and rubbish collections). This infrastructure is necessary to meet many of the basic day to day services we provide. The city cannot grow and business could not operate without it. The bulk of our costs go on looking after and developing it.

Our goal is a 30% reduction in CO₂e emissions in the city by 2031. This is ahead of the national target. As a council we're already on the journey – see 'climate change' on page **.



FOR MORE INFORMATION – READ OUR:

Eco-City Strategy
Environmental Sustainability Plan
Manawatū River Plan
Resource Recovery Plan
Waters Plan
Climate Change Plan
Asset Management Plans

Hence our priorities are to:

- Respect and enhance the mauri of the Manawatū River
- Work with the community to reduce carbon emissions
- Regenerate native biodiversity
- Invest in infrastructure that serves to protect, enhance and preserve the environment
- Use Council's legislative powers and policies to ensure urban development is sustainable, now and in the future
- Educate the community, and in particular, property owners, on the benefits of investing in sustainable building design and green buildings
- Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for Council, Council-run events, and facilities.

A lot of what we do is provide and look after infrastructure – roads, pipes, parks, community buildings, etc. Our engineers enjoy building and fixing these things, but the real reason we do it is so that healthy, clean water comes out of your taps every time you turn them on; “stuff” disappears every time you flush the loo; and you can easily and safely walk, cycle, bus or drive to the park (which we also look after).

This is expensive – this year we are spending the equivalent of an 8% rates increase on additional renewals and maintenance – but what would it cost you if we didn't look after this infrastructure properly? How would you cope if it didn't work?

You may have seen news items recently on water and sewer pipe breakages in other cities. They are disruptive and cause major environmental damage. This is what we are working to avoid.

What's Happening Now?

We provide and manage the City's water, wastewater and stormwater networks, including Ashhurst, Bunnythorpe, Linton and Longburn. These networks are all about environmental and public health and safety:

- Water is about a safe and reliable supply of water to residential and commercial properties, as well as managing a water conservation strategy to promote efficient water use
- Wastewater is for the safe and reliable collection, treatment and disposal of sewage from residential and commercial properties in an environmentally acceptable way
- Stormwater protects residential and commercial buildings from flooding, with minimal environmental impact.

We also provide a reliable and efficient waste and recycling service to minimise the amount that goes to landfill.

To provide these services we:

- have 548 km of pipes for our water supply networks for Palmerston North, Ashhurst, Bunnythorpe, Longburn and Linton

- collect and supply 10 billion litres of water each year – enough to fill 4000 Olympic swimming pools
- have 422 km of wastewater mains and 245 km of lateral connections to private properties
- treat 13 billion litres of wastewater each year
- have 290 km of piped stormwater drain, 20 km open drains and 14km of stopbanks along city streams
- collect annually 3000 tonnes of paper and plastic recycling, 1700 tonnes of recycled glass, and 3300 tonnes of rubbish bag waste. People and businesses drop off another 2700 tonnes of organic and green waste at the Awapuni Resource Recovery Park.

Our water is tested from source to tap and complies with New Zealand Drinking Standards.

Horizons Regional Council is responsible for preventing flooding from the Manawātū River and Mangaone Stream. We're responsible for managing localised stormwater ponding issues and drains. In some cases, we've designed streets as ponding areas that, in periods of heavy rain when the stormwater pipes cannot take away the water quickly enough, will temporarily hold the rainwater and stop it entering dwellings.

Reducing the Risk of Service Failure

All our three water networks are aging. In the past we haven't funded the longterm level of required renewals of infrastructure to reduce costs. But this meant we are now having to do more reactive maintenance to fix things that break, which actually adds costs.

(Renewal is when we replace an asset or a component of it. Maintenance is when we fix it. To ensure that our assets can provide the services residents expect we maintain them until they get to the point where it is more cost-effective to renew the asset. So, at home, you might maintain the roof by sealing some small leaks and making sure there are no loose sheets. At some point though the number of patch-ups required means it is more cost effective to renew the roof.)

We're getting on top of this by increasing our investment in renewals and moving to a proactive maintenance plan. This means we can prioritise our renewal spending to reduce the risk of network failures.

For example, we've \$20m (31km) of highly critical wastewater pipes (i.e. they serve a high number of customers or critical providers such as hospitals) that are old and potentially due for replacement.

We're working hard to assess the condition of our infrastructure – much of which is underground – so we can better understand the risk of it failing. We can then prioritise its repair or replacement. This is very cost-effective in the long-term but does require upfront condition assessment programmes. This will help us make better decisions about when we need to maintain and renew it.

Central Government three waters reform grant (see section **) is being used to reduce the backlog of renewals.

We're making similar improvements in the way we manage our roading, recreation and property assets. Our ability to provide day-to-day services is dependent on us having well-maintained and managed networks and facilities. Growth and economic development also depend on these networks and facilities.

These improvements are cost-effective in the long-term but have initial upfront costs. We must balance spending on renewals and proactive maintenance, with spending on providing new services and facilities.

The more we do of one, the less we can do of the other.

Our approach is to spread the budget for this catch up over three years. However it will still take many years to bring the assets up to condition.

We have taken this gradual approach to the catchup to allow us to do some new things like a EnviroHub and Resource Recovery Centre (a base for environmental groups where people could learn more about sustainable living), building more social housing units, and walkway extensions. This means we can continue to develop the City. However, there are risks in this approach during the catchup period:

- assets could fail, causing environmental and health and safety problems (e.g. sewer blockages and overflows)
- assets may not be repaired in a timely manner, leading to customer complaints about the state of assets (e.g. footpath maintenance)
- levels of service may reduce (reduced facility operating hours, or increases in network blockages)
- we may need unbudgeted funding to fix faults and breakages.

There is also a risk of renewing and replacing our assets too soon – while they are still in good condition and can provide the services people expect. Replacing them too early means we're not getting full use out of the assets. Our asset condition programmes will give us better information about when is the best time to renew these assets.

What really matters to you?

Should we be investing more to speed up the renewals and proactive maintenance catch up?

If so, where should the funding come from - further rates increases or by reducing other things we are doing or proposing to do? (Major projects and services are listed in the rest of this Consultation Document and more information is in the Supporting Information link) Getting this balance right is difficult, and it is one of the key issues we're thinking about in developing this 10 Year Plan.

We think we've got it right. Do you? Let us know, it's easy to tell us your thoughts. See page ** **



This article relates to the infrastructure strategy, see page XX to read more.

Nature Calls

Nature Calls is our wastewater treatment plant upgrade.

Every time you remove a plug from the sink, flush, turn off a tap, or your dishwasher or washing machine beeps – that water goes to our Wastewater Treatment Plant at Tōtara Road, where it's treated before being discharged into the Manawatū River.

We treat the water to minimise its impact on the River.

Nature Calls is the biggest financial and environmental decision our city faces. It focuses on determining the best practicable option for

treating the city's wastewater for up to the next 35-plus years. A process is now underway to further refine the shortlisted options for how we treat and discharge wastewater in the future. We need to submit a resource consent application for a new wastewater treatment plant by June 2022. At the present time it has been assumed an acceptable option can be obtained for \$350 million (plus inflation) but there is a high level of risk it could be more or less than this. It's our biggest project and has a major impact on our budgets and our plans. It is subject to parallel consultation - for more information see *****



This article relates to the infrastructure strategy, see page XX to read more.

Waste (Rubbish and Recycling)

It's likely that between July 2020 and 2024 the Central Government Waste Disposal Levy will increase from \$10 per tonne to \$50-60. This will increase the amount we have to pay to dispose of rubbish – and hence increase the cost of rubbish bags to residents. Everything we send to landfill also leads to increased greenhouse gasses.

That's why we're planning to increase the amount of waste diverted from landfill. Our aim is to increase this from 38% to 48% by 2025.

We'll do this by trialling and, if successful, introducing a city-wide household food waste collection service, and a construction and demolition waste processing service. We will also provide additional recycling collection services to non-residential customers on a user pays basis.

One issue we're facing is the limited market for some items that are recycled, and we're having to pay recyclers to take them rather than being paid.



This article relates to the infrastructure strategy, see page XX to read more.

Manawatū River Park

For many decades city residents turned their back on the Manawatū River. Over the past ten years, the City has begun to embrace the river as a significant recreational asset that allows people to connect with the natural environment and extend their physical activity. This has

also provided opportunities for Rangitāne o Manawatū to express their unique relationship with the Manawatū River. The shared path network was the catalyst for this change in perception.



This article relates to the infrastructure strategy, see page XX to read more.

Central Government Three Waters Reform

Water is a precious resource – we can't make more. Currently, we look after "the three waters":

- Drinking water - what comes out of your tap. Our drinking water comes from the Turitea Dam and a series of bores around the City. It's treated before it gets to your home to ensure you don't get sick.
- Wastewater - everything that goes down a drain inside your home or business. In your kitchen, laundry, bathroom – if it goes down a plug or drain inside, then that is wastewater. It is treated before being discharged to the River.
- Stormwater - the water that goes down a drain outside your home or on the street. This water goes straight to our streams and rivers without treatment.

New Zealand's three waters system is facing significant challenges. Central Government is undertaking a three-year programme to reform local government three waters service delivery arrangements.

Local government in New Zealand is facing urgent challenges in the provision of these services including: funding infrastructure deficits, complying with increased safety standards and environmental expectations, building resilience to natural hazards and climate change into three waters networks, and supporting growth.

The Government is looking at reforming how these waters are managed. Its current thinking is drinking water and wastewater should be managed by a small number of multi-region entities whether stormwater is part of this is yet to be determined. These entities would be publicly owned, with mechanisms to stop the privatisation of water supplies. The size, shape and design of these entities is still being worked through.

The main reason for the reforms is the huge cost of meeting public health and environmental standards for water and wastewater. Central Government has estimated a \$30-40 billion deficit in waters funding across the country. Total spending by local government each year is \$1.5b, so the problem is significant - fixing water and wastewater problems is unaffordable for most Councils. It's a significant problem for us (see the previous section on Nature Calls).

Residents connected to the water or wastewater networks will still have to fund the networks, but the new entities will have economies of scale. They will have stronger balance sheets, more access to capital, and alternative ways of funding their work.

These reforms are still just a Central Government proposal, and there is a lot of detail to work through. We've agreed to participate in the exploration of these reform options and, as a result, we received \$9.4m in Central Government grant funding to help improve our water and wastewater network.

At this time we don't have enough information to consult with the community on the reform options, however, governments indicative timing suggests that further engagement and consultation with communities will occur in the later part of this year.

While the government is developing detailed proposals, we're preparing this 10 Year Plan on the assumption we'll continue to manage and fund the three waters. If the reforms go ahead we'll need to develop a new 10 Year Plan to reassess our priorities.

More information on the review is at dia.govt.nz/Three-Waters-Reform-Programme



This article relates to the infrastructure strategy, see page XX to read more.





Climate Change

Climate Change will bring a significant increase in rainfall in winter, and a higher frequency of extreme rainfall events.

For stormwater this higher intensity rainfall is likely to mean more frequent flood events and property damage. (Urban development has also increased the amount and speed of rainwater going into our urban waterways.)

We're making these stormwater improvements so that the network is more able to cope with flood events. Our civil defence staff also work with local communities to ensure they are more prepared to cope with floods if they occur.

For wastewater it means higher peak wastewater flows and total wastewater volumes due to more stormwater getting into the wastewater network in heavy rain. Some of this is through residential roof downpipes illegally putting water into wastewater sumps. This extra inflow increases energy and treatment costs. More downpours are also likely to result in an increase in the number of wastewater overflows during wet weather. We've projects in place to reduce this stormwater flow into the wastewater system and to improve the stormwater network.

We're also working with developers to encourage them to include rainwater tanks for holding rainwater and to minimise the areas of impervious surfaces.

We also encourage residents to adopt more sustainable lifestyles through cycling or using public transport, reducing energy use, and recycling. We also look at ourselves – as an organisation, we have reduced our annual Co2e emissions by 5200 tonnes since 2016.

More heavy downpours will lead to issues for our sports fields and walkways. So we need to improve drainage, or there will be more temporary sports field closures.

NIWA projections show the Manawātū region is not prone to more severe droughts, so climate change should not significantly impact our rural hinterland's economy.

More information is in our [Climate Change Plan](#), and [Asset Management Plans](#). We are developing a Low Carbon Road Map to see how the city can reduce carbon emissions – we will talk with you about this more later in the year. The '[Palmy Climate Calculator](#)' on our [website](#) allows people to explore how changes to transport, land use, industry, buildings, and energy will impact the City's carbon emissions.

A key question for you: do you think we have got the right emphasis and the right amount of effort in this area?



This article relates to the infrastructure strategy, see page XX to read more.



Sustainable Growth

The City is projected to grow significantly over the next 10 years. Housing affordability is declining and, by providing land zoning and infrastructure we need to ensure housing supply matches demand. Major infrastructure projects and private development including Te Ahu a Turanga: Manawatū Tararua Highway, KiwiRail Regional Freight Hub, Mercury Energy Turitea Wind Farm, Regional Freight Ring Road, FoodHQ, Defence regeneration at Linton and Ohakea, Countdown Distribution Centre and a variety of Council infrastructure projects will continue to drive this growth and place more pressure on housing affordability and infrastructure. As a result we are rezoning additional land for housing at Aokatuere, Kakatangiata and Ashhurst and encouraging urban intensification, mixed-use developments (commercial and residential together) and apartments to increase housing supply, utilise existing infrastructure and increase vibrancy.

We are also repurposing historical industrial and commercial areas such as Roxburgh Crescent and Council land such as Huia Street Reserve and Albert Street Depot for housing. We're also accelerating the provision of infrastructure to enable industrial and residential development to happen faster.

The significant pipeline of central government, residential and commercial infrastructure investment in the Manawatū means the existing contractor resources are stretched, putting upward pressure on prices and extending delivery. As a result Council have considered its programme of work and taken the opportunity to push out non-critical programmes.



This article relates to the infrastructure strategy, see page XX to read more.

**INCLUDE A CHART SHOWING WHAT WE
INTEND TO SPEND ON IN THIS AREA - IN TOTAL AND IN KEY AREAS.
WITH COST PER HOUSEHOLD.**

What we're proposing

We've identified we need to increase the amount we spend renewing and maintaining our three-waters and resource recovery infrastructure. We're bringing this increase in over three years to reduce its impact on our rates.

We will propose to keep providing the day-to-day three water services residents and businesses rely on:

- Stormwater services to protect buildings from inundation from flooding in major events
- Reliable collection and high-quality treatment and disposal of wastewater to minimise negative environmental effects
- Safe and reliable water supplies which minimise waste.

This infrastructure is critical for households and businesses as well as growth, so we have a big focus on making it more resilient – for example, by providing duplicate water mains pipes in case one is damaged or breaks.

We will also propose to provide these ongoing services:

- Ensure the city's solid waste is adequately and affordably managed
- Maximise the proportion of waste diverted from landfill (e.g. through recycling and composting)

- Manage hazardous waste in an environmentally-responsible manner
- Foster sustainable practices and behaviours
- Develop policies and plans, and work with city stakeholders to achieve the target of a 25% reduction in greenhouse gas emissions by 2028
- Continue to reduce greenhouse gas emissions from our own activities
- Work with iwi and community groups to re-establish bush, particularly along waterways
- Control introduced predators
- Respect and support the relationship Rangitāne o Manawatū has with the Manawatū River
- Increase using the Manawatū River environment for passive and active recreation
- Increase the health and amenity of the river environment through increased biodiversity.

Specific projects currently in the draft Plan include:

NB costs are total costs, including inflation, over the stated years. OP means the costs are operational, so each ** means ** in rates. Other costs are capital new, where each ** means in ** rates.

PROGRAMME #	PROGRAMME	AMOUNT	YEARS
124 and 1696	Ensuring Turitea Water Treatment Plant is compliant with future Drinking Water Standards, including revisions post-Havelock North:	\$7,132,000	1-4
1873	City-wide Water Main Upgrades for Firefighting	\$478,000	2-4
1697 and 1389	Turitea Water Treatment Plant upgrade and Water Network upgrades to ensure continuity of supply following a major disruption such as an earthquake	\$7,866,000	1-2, 4-6, 8.
1871, 1872, 1900	Water Safety Plans for Bunnythorpe, Ashhurst, and Longburn	\$25,000 OP for each Plan	1
1902	Water Safety Plan for Palmerston North	\$118,000 OP	4 and 9
1864	Extend and Improve Longburn Water Supply	\$637,000	3-4.
1813	Water Condition Assessment to better understand the condition of water infrastructure and hence a clearer picture on required upgrades and renewals	\$385,000 OP	1-10.
1319	Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade - Options Analysis	\$5,907,000 OP	1-7
628	Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade to construct the new treatment plant	\$391,742,000	3-6
1716 and 1717	Wastewater Condition Assessment to get a better understanding of the condition of wastewater treatment plant and network and hence a clearer picture on required upgrades and renewals.	\$4,702,000 OP	1-10
1401	Infiltration and Inflow Investigation to locate sources of stormwater inflow into the wastewater system	\$4,753,000 OP	1-10
1712	City-wide Wastewater wet weather overflow mitigation	\$7,971,000	1-10

PROGRAMME #	PROGRAMME	AMOUNT	YEARS
1060	Stormwater Network Extensions and Upgrades to meet growth and reduce ponding. Includes work in Ashhurst and Bunnythorpe	\$7,924,000	1-10
1708	Citywide Stormwater Flood Mitigation	\$8,273,000	1-7
1709	Stormwater Condition Assessment to get a better understanding of the condition of stormwater infrastructure and hence a clearer picture on required upgrades and renewals	\$1,033,000 OP	1-10
2044	Kerbside Food Waste Collection and Processing: Investigation - City-Wide	\$271,000 OP	2-3
1373	Investigation new Recycling Drop-off Facility for Whakarongo / Kelvin Grove: Investigation	\$2,284,000	4-5
1724	Investigation of Waste Diversion from Landfill, including Construction and Demolition Materials	\$1,039,000 OP	1-10
1888	Low Carbon Fund to help with Council projects that have carbon reduction benefits	\$2,317,000	1-3
1875	Upgrade Council Fleet to Electric Vehicles	\$2,640,000	3-8
1959	Envirohub and Resource Recovery Centre (a centrally located, focus point for environmental and sustainable living information and good practice)	\$819,000	4-5
1844	Manawatū River Park (to continue to develop the area for informal recreation):	\$3,638,000	1-7



WHAT IF WE SPEND AND DO LESS?

We would do less.

The chart above shows what we currently do and spend in this area. This is operating spending. Each \$100,000 less we spend would reduce the average household rates by XX a year.

However, we don't believe it's prudent to reduce spending. We're trying to catchup on maintenance and care of these networks rather than get further behind.

Reduced spending would make the networks less resilient and there would be more water pipe breakages, sewerage spills, stormwater blockages, etc.

Reduced spending would make Palmy's environment less sustainable.

We could also spend less by not doing or by pushing back the programmes listed in the table above – if you think we should do this please identify specific programme numbers. These are mostly capital spending so each \$100,000 less we spend would reduce the average household rates by XX a year.



WHAT IF WE SPEND AND DO MORE?

We've carefully prioritised our spending in this area. We've improved our asset management planning and have identified we need to increase the amount we spend maintaining our three waters and resource recovery (waste) infrastructure.

We're bringing this increase in over several years to reduce its impact on rates. Our initial focus is on key health and safety issues. However, it does bring a risk there will be more three waters network breakages, leaks and maintenance issues at our waste and recycling facilities. Fixing these would mean additional repair costs in the short-term. See page ** for more information.

We could reduce this risk by bringing in this increased maintenance more quickly. It's operational spending – so every \$100,000 we spend equals **** in average household rates.

We could bring forward some of the programmes listed in the table above – if you think we should do this please identify specific programme numbers. Or there may be new programmes that you think we should do. These are mostly capital spending so each \$100,000 more we spend would increase the average household rates by XX a year.

What really matters to you?

What do you think of our ideas for being an eco city?

Whether you agree or disagree with our proposed approach, we want to hear from you. If you agree with us, we still need to hear your views, otherwise we may change what we are thinking of doing. **We want to hear all views.**

For more information on trends in the area and what Council intends to do see **link to Supporting Material**



Infrastructure Strategy

One of the Council's major roles is providing the city's infrastructure. This covers transport, stormwater, wastewater, property and recreational assets. These all underpin economic, social cultural and environmental well-being.

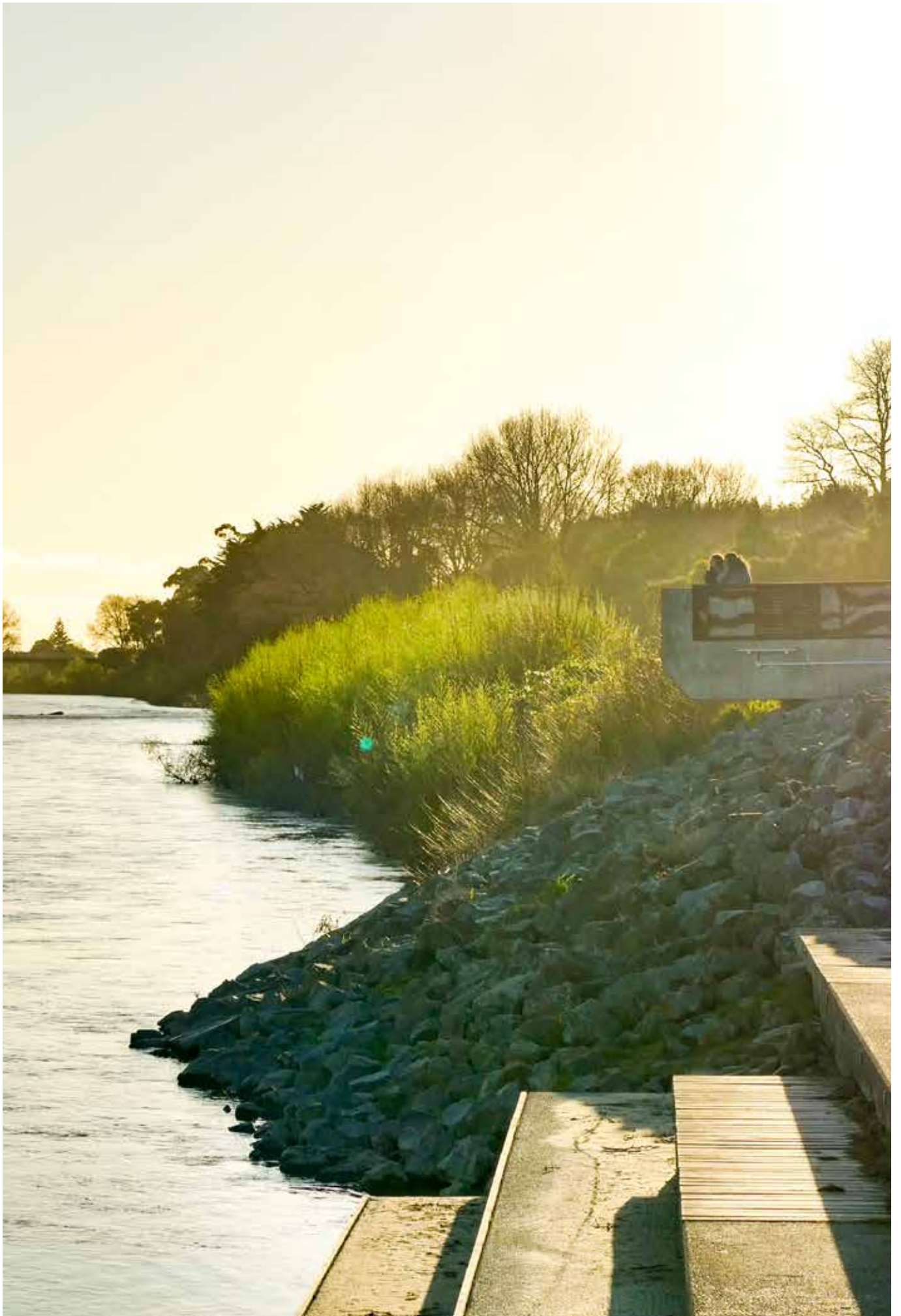
Our Annual Residents' Survey shows that people are generally satisfied with the standard of our infrastructure. [Link to website](#)

The total replacement cost of this infrastructure is about \$2 billion. Most of it is in an early to mid-point of its life cycle and is in a good condition – although we are putting more emphasis on getting a better understanding of this condition.

Nevertheless it is expensive to look after and we recognise we need to spend more on maintaining and renewing it so it can keep providing the day to day services that people expect. We propose to step up our renewal and maintenance over the next few years – for more information see pages **. You can also get a more detailed picture in our Infrastructure Strategy ([link](#))

The Infrastructure Strategy is a comprehensive review of the issues we face in looking after our infrastructure ([link to the full strategy](#)). Most of these have already been discussed in this Consultation Document:

- Nature Calls – page **.
- Central Government water reform – page **.
- A regional freight ring-road – page **.
- Developing new infrastructure for growth – page **.
- Climate change – page **.
- Encouraging walking, cycling and public transport – page **.
- Construction industry capacity – page **.
- Streetscape upgrades – page **.
- Redeveloping the Central Energy Trust Arena – page **.
- Earthquake prone buildings – page **.



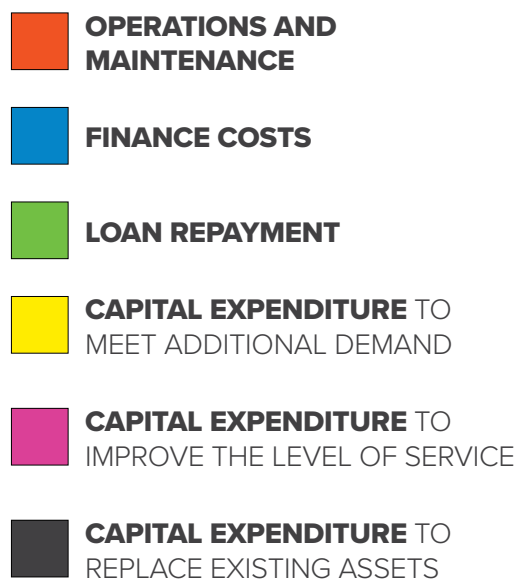
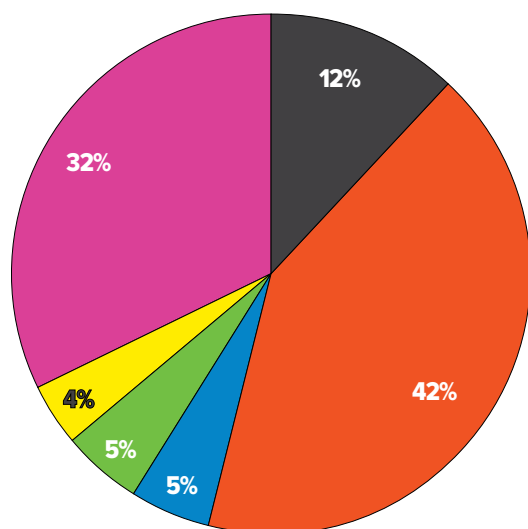
Finances

THE BIG PICTURE

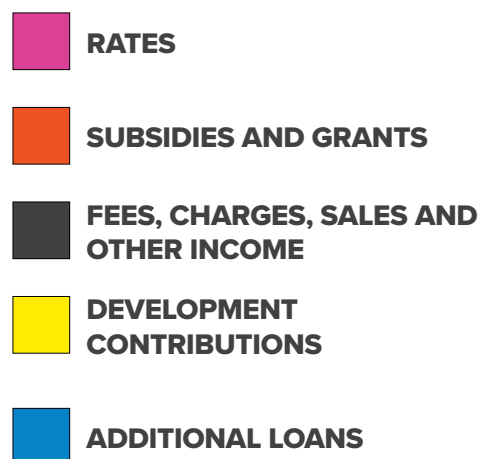
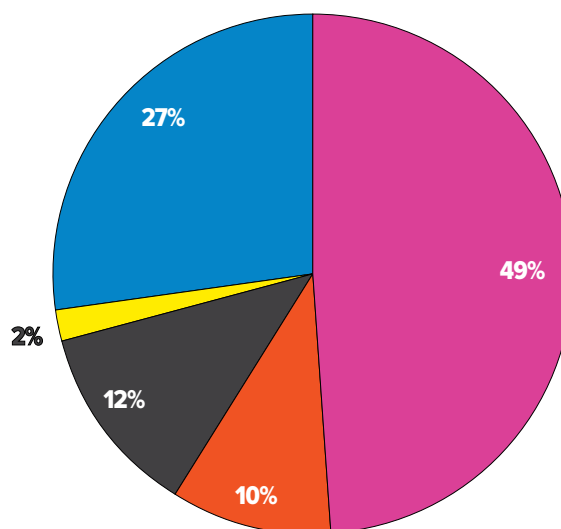
- Council has assets with a replacement value of more than \$1.8 billion that are generally in good condition and are big enough to cope with significant city growth.
- The Council's current debt levels are moderate for a regional New Zealand city (especially given the range and quality of services provided).
- Rates levels are comparable with other districts of our size.
- Council is planning for medium population and household growth as forecast by Infometrics plus a margin as required by the National Policy Statement for Urban Development.
- The City has adequate appropriately zoned land or land identified for rezoning to cope with the first 10 years of growth.
- Council believes it needs to invest in new and better catalyst projects to meet its Vision and Goals for the City.
- The requirement to update the City's wastewater treatment and disposal system (Nature Calls) provides the greatest single challenge to long-term financial sustainability of the Council. At the present time it has been assumed that an acceptable option can be obtained for \$391.7 million (\$350 million plus inflation) but there is a high level of risk it could be more or less than this.
- Council has been increasing its investment in asset management planning and is progressively obtaining better condition assessments of its infrastructure assets. This information has led the Council to conclude it needs to increase its investment in both asset maintenance and asset renewal.
- In order to fund existing Council services and key projects being proposed in the 10-Year Plan, including new capital expenditure of \$1,151 million, Council's rates and debt levels will need to increase – debt increasing from a forecast \$164 million to \$861 million.
- These projected levels of debt would mean Council's own prudent borrowing ratios would be significantly exceeded and it is highly unlikely lenders will be prepared to lend to the Council in such circumstances.
- The government is proposing major reform which would include the transfer of water and wastewater (the approach to stormwater is yet to be determined) to a small number of regional water entities. Like all Councils our Council is required to plan on the assumption this change will not occur. However, the forecast borrowing required for the Nature Calls project is such a significant component of the Council's debt projections that the Council is not in a position to develop a credible, sustainable long-term financial strategy.
- It is proposed that once there is more certainty about the waters proposals and the favoured option for the Nature Calls project an updated strategy will be prepared.
- Based on these assumptions total rates will need to increase by 6.9%¹ in 2021/22, 8.3% in 2022/23, 8.1% in 2023/24, 9.3% in 2024/25, 11.0% in 2025/26 and increases of between 2.6% and 6.5% in each of the following five years.

¹ The Council proposes to fund a central city Palmy BID group and to set targeted rates to collect the \$250k plus GST to fund the programme. Including this new programme would mean total rates income for 2021/22 would increase by 7.1% over the budget for 2020/21.

WHAT IS IT PROPOSED THAT MONEY WILL BE SPENT ON?



WHAT ARE THE PROPOSED SOURCES OF FUNDS?



Debt

The Council needs to borrow to fund major new capital developments in the same way as individuals do when they need a new home or car.

Our debt is also a way of sharing the costs of these projects across both current and future generations who will also benefit from these projects. To help decide the maximum level of borrowing that is sustainable, the Council proposes to adopt the following policy limits, which are unchanged from what we had previously:

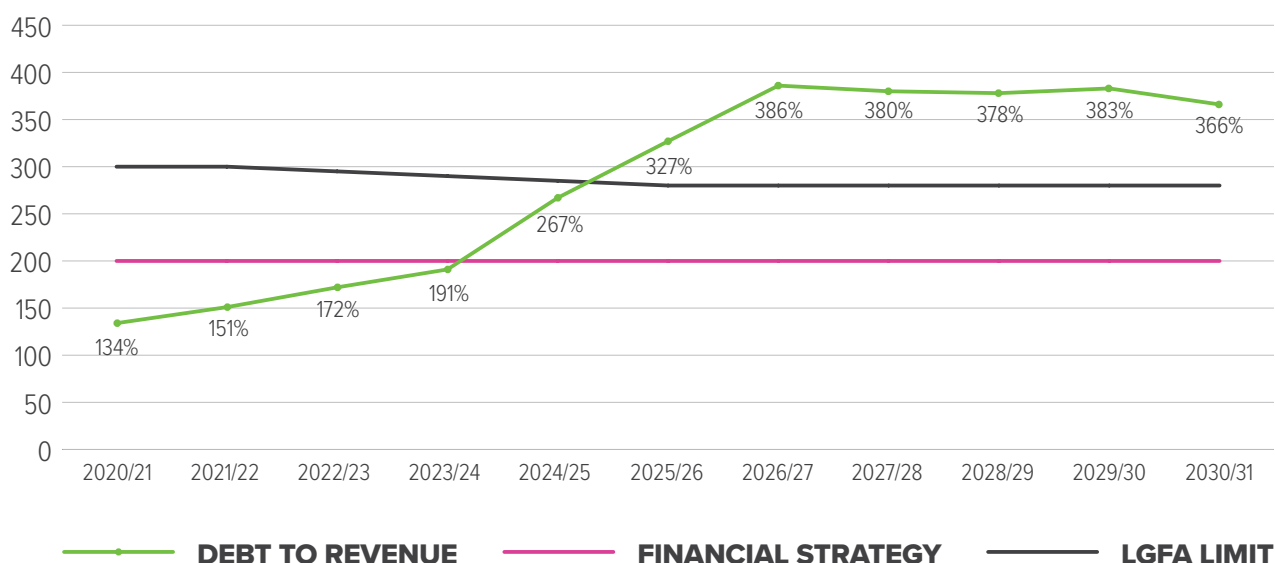
BORROWING LIMITS	POLICY MAXIMUM	FORECAST LEVEL AT 30 JUNE 2022	FORECAST MAXIMUM DURING 10 YEARS	FORECAST LEVEL AT 30 JUNE 2031
Net external debt as a percentage of total assets	<20%	11%	28.5%	27%
Net external debt as a percentage of total revenue	<200%	151%	386%	366%
Net interest as a percentage of total revenue	<15%	3.6%	10.5%	10.3%
Net interest as a percentage of annual rates income	<20%	4.7%	13.1%	12.9%
Liquidity	>110%	%	%	%

As can be seen from this chart the proposed borrowing means two of these ratios would be significantly exceeded during the 10 years of the plan. This is accentuated by the expected cost of the Nature Calls wastewater project (assumed to be \$350m plus inflation).

At this stage there is a high level of uncertainty of the cost of the upgrade and the on-going operating costs.

The net external debt as a percentage of total revenue is an important measure used by the Council and its potential funders. The following graph shows the projection for the 10 year period compared with both the Council's own policy maximum and that used by the NZ Local Government Funding Agency.

DEBT TO REVENUE RATIO



This shows that the Council would operate within the limits for the first four years of the plan but not after that.

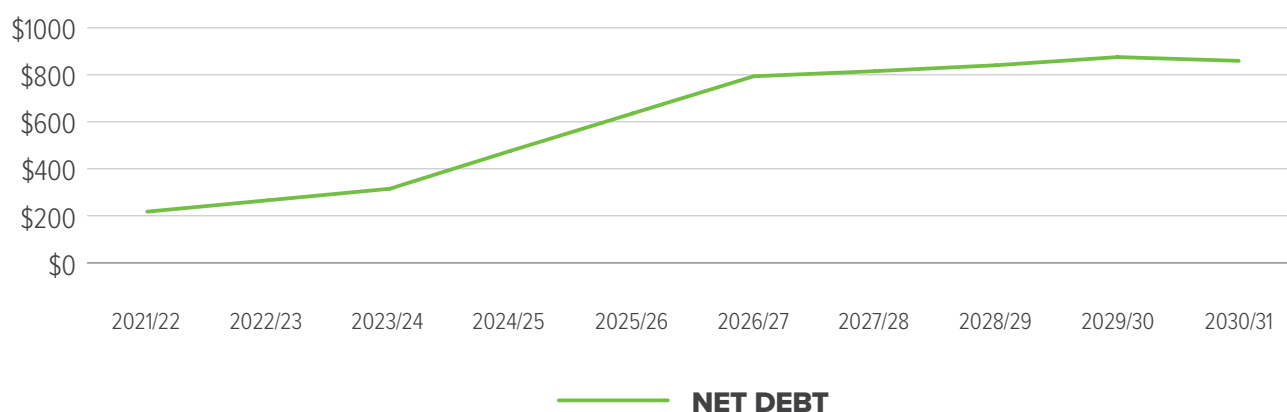
Under the current funding arrangements it is highly unlikely the Council will be able to borrow the full sum required to fund the whole capital expenditure programme. Something needs to change to make this possible. As mentioned elsewhere central government is proposing major reform which would see a transfer of water and wastewater (the approach to stormwater is yet to be determined) to a small number of regional water entities.

Until there is more certainty about the preferred option for Nature Calls and the proposed water

reforms it is difficult for the Council to make any firm plans about how best to proceed. The Council has decided its proposed 10-Year Plan is a prudent and responsible approach for the meantime. Once there is more certainty an updated 10-Year Plan will be prepared.

The proposed capital expenditure of \$1,489m is made up of \$337m for renewing present assets and \$1,151m for building new assets. In order to fund capital expenditure the Council will need to borrow an additional \$884m. During the same period \$166m will be raised from rates to allow us to repay some of the debt. This means the Council's debt is forecast to increase from \$164m to \$861m over the 10 years.

NET DEBT FORECAST



Rates

Rates will have to increase to fund existing Council services and programmes proposed in the Plan.

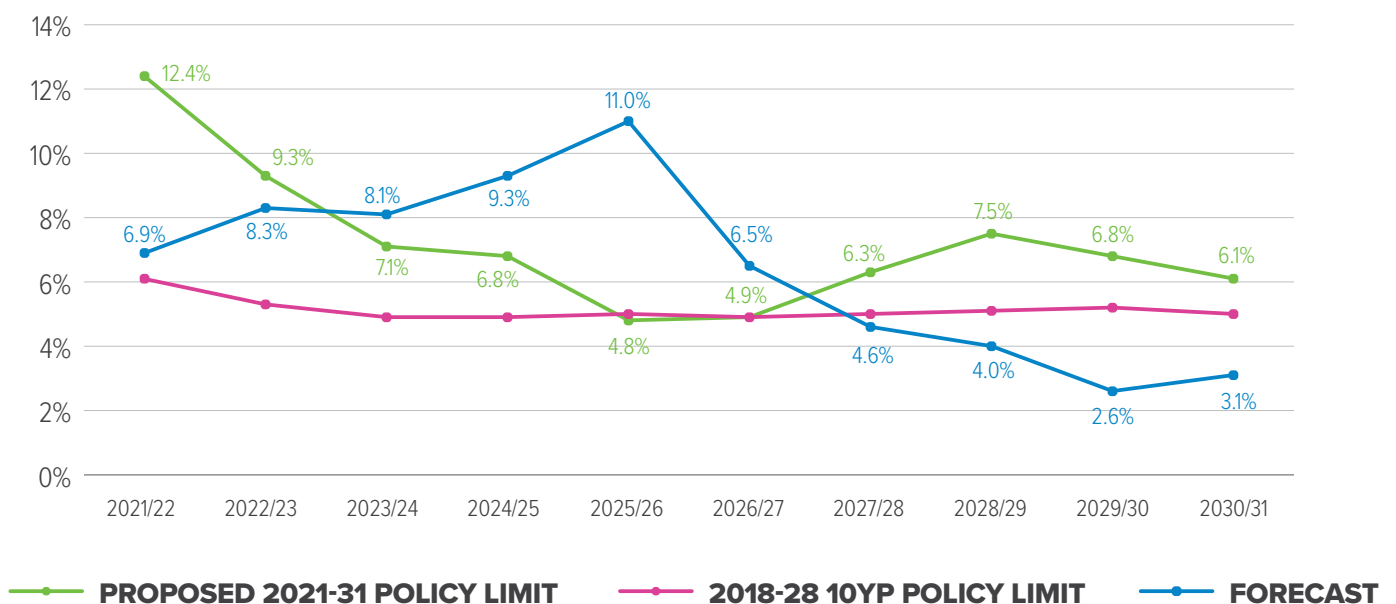
The desire to keep rates increases as low as possible has to be balanced with the need to fund the maintenance and renewal of key City infrastructure. The need to plan for a higher level of debt repayment to be able to service debt from future high-priority capital programmes also has to be considered.

Over the 10-year period, Council aims to limit rates as follows:

- Total rates² will increase by no more than the Local Government Cost Index (LGCI)³:
- Plus additional rates obtained from growth⁴ in the rating base
- plus 3% (to fund costs of higher standards and new services)
- plus increase in funding required for asset renewal⁵

The proposed increases in total rates each year are shown in the following graph:

ANNUAL INCREASE IN RATES REQUIREMENT



² Total rates excludes rates on Council properties but includes metered water revenue.

³ LGCI is an overall cost index developed by Business and Economic Research Limited (BERL) for local authorities. It is based on the cost structures of local authorities and includes operating expenditure and capital expenditure variables. The forecast LGCI published by BERL in September 2020 was used in this Plan.

⁴ Assumed to be 0.4% each year

⁵ Assumed to be 5.3% for 2021/22 and 3% for 2022/23

At this stage, the 10 Year Plan does not achieve the policy aims for some years. To meet its Vision and Goals for the City, the Council believes rates need to increase by more than its target limit at least in the short term, and then again when the full impact of the proposed wastewater system upgrade takes effect. The actual increase each year will be determined in the light of updated circumstances and the development of each Annual Plan.

Rates are made up of two parts, a fixed component that is the same for each property and a variable component based on the land value. For 2021/22, the fixed part (\$1,302 for residential properties) is proposed to be made up of the following:

CHARGE TYPE	CHARGE	WHAT IT PAYS FOR
Water	\$307	The cost of providing water
Wastewater	\$299	The cost of treating and disposing of wastewater
Kerbside Recycling	\$130	The cost of kerbside recycling
Rubbish and Public Recycling	\$66	General rubbish and recycling costs, including transfer stations, cleaning up fly tipping, community education
General	\$500	Contributes to paying for all other Council services and helps ensure all properties contribute a more equal share of cost rather than it all being based on the land value

For residential properties each of the above fixed charges (except for the general charge) is based on the number of separately used or inhabited parts.


The portion which is based on the land value is charged as a rate in the dollar which depends on how the property is used. Commercial property is charged at a higher rate than residential property. Residential


property is charged at a higher rate than rural/semi-serviced property.


Council is legally required to obtain updated rating valuations at least every three years. The values from 2018 will be used again in 2021/22 and the new values obtained in 2021 will be used for the three years from 2022/23.

RATES EXAMPLES

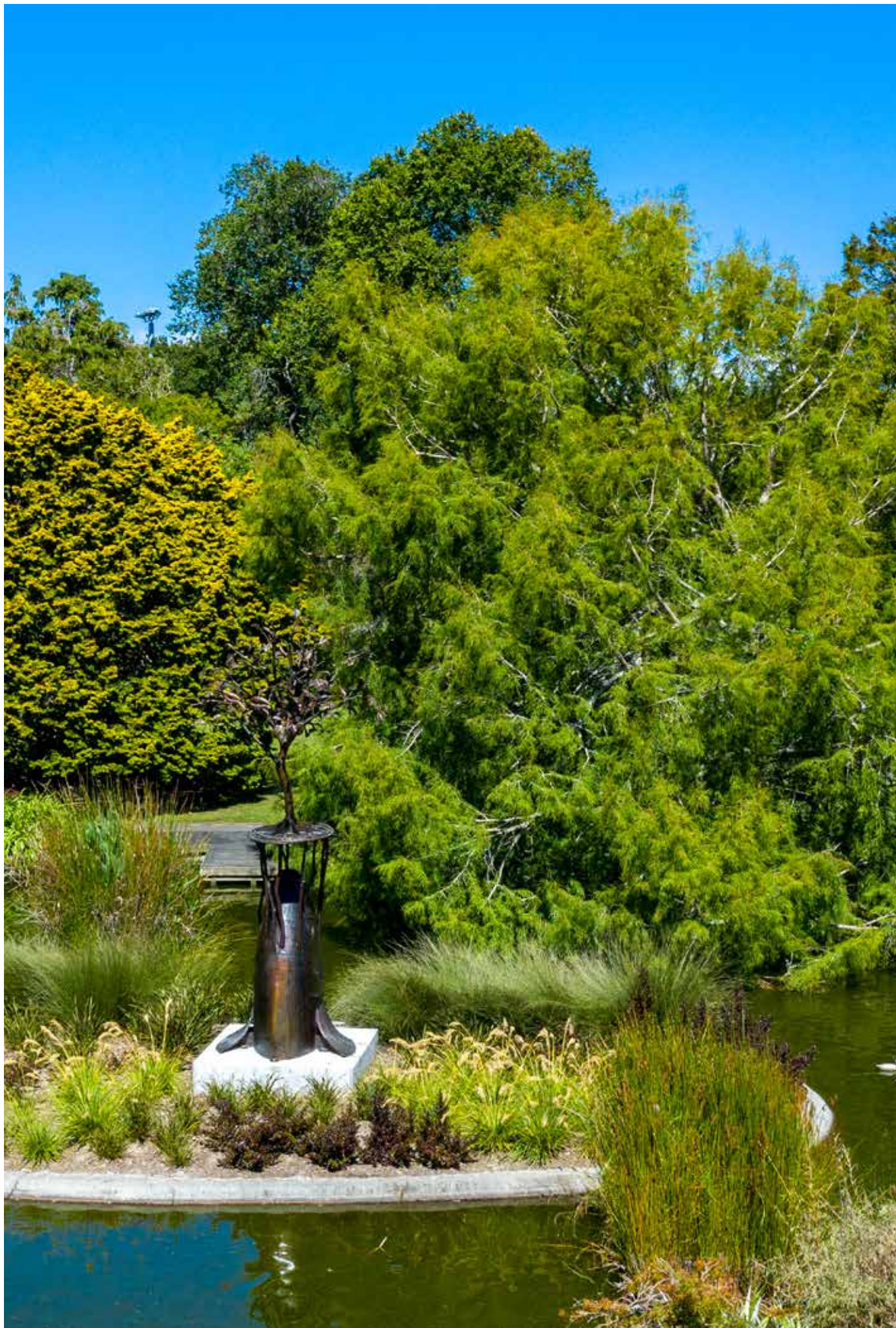
Examples of proposed rates for 2021-2022 are shown in the following tables

 LAND VALUE	SINGLE UNIT RESIDENTIAL				TWO UNIT RESIDENTIAL			
	\$185,000 QUARTILE 1	\$230,000 MEDIAN	\$243,000 AVERAGE	\$280,000 QUARTILE 3	\$220,000 QUARTILE 1	\$255,000 MEDIAN	\$273,000 AVERAGE	\$300,000 QUARTILE 3
General Rates \$ Incl. UAGC of \$500	1,656	1,937	2,018	2,249	2,507	2,827	2,991	3,237
Targeted Rates \$	802	802	802	802	1,604	1,604	1,604	1,604
Total Proposed Rates \$	2,458	2,739	2,820	3,051	4,111	4,431	4,595	4,841
Increase \$ above 2020/21	166	178	181	191	310	324	330	339

 LAND VALUE	NON-RESIDENTIAL (COMMERCIAL/INDUSTRIAL)				MISCELLANEOUS			
	\$230,000 QUARTILE 1	\$400,000 MEDIAN	\$708,000 AVERAGE	\$790,000 QUARTILE 3	\$145,000 QUARTILE 1	\$315,000 MEDIAN	\$594,000 AVERAGE	\$630,000 QUARTILE 3
General Rates \$ Incl. UAGC of \$500	5,336	8,910	15,386	17,110	1,650	2,999	5,213	5,498
Targeted Rates \$	365	365	365	365	66	66	66	66
Total Proposed Rates \$	5,701	9,275	15,751	17,475	1,716	3,065	5,279	5,564
Increase \$ above 2020/21	250	390	644	711	47	100	187	198

 LAND VALUE	RURAL/SEMI-SERVICED (BETWEEN 0.2 + 5HA)				RURAL/SEMI-SERVICED (5HA OR MORE)			
	\$250,000 QUARTILE 1	\$315,000 MEDIAN	\$316,000 AVERAGE	\$365,000 QUARTILE 3	\$320,000 QUARTILE 1	\$475,000 MEDIAN	\$829,000 AVERAGE	\$840,000 QUARTILE 3
General Rates \$ Incl. UAGC of \$500	1,393	1,625	1,628	1,803	1,008	1,254	1,816	1,833
Targeted Rates \$	66	66	66	66	66	66	66	66
Total Proposed Rates \$	1,459	1,691	1,694	1,869	1,074	1,320	1,882	1,899
Increase \$ above 2020/21	37	47	46	53	22	32	54	54

Non-residential examples do not include any rates for wastewater based on the number of toilet pans or water charged by meter. The proposed charge per pan is \$299. Metered water is charged on the basis of a fixed amount (depending on the size of the connection) and the balance by volume used. Increases are proposed for metered water. The examples do not include the proposed new rate for central city commercial properties to fund the Palmy BID.



HOW YOUR MONEY IS SPENT

HOW WE SPEND THE AVERAGE RESIDENTIAL CITY RATEPAYER'S RATES EACH WEEK.



\$7.74
14.27%

Active communities

Central Energy Trust Arena, reserves, sportsfields, swimming pools, support to recreation groups



\$6.21
11.45%

Transport

Roads, footpaths, shared pathways, streetlights



\$5.90
10.88%

Water

Treatment, storage, distribution



\$3.77
6.95%

Resource recovery

Kerbside recycling, rubbish and public recycling



\$3.49
6.44%

Arts and heritage

Arts, culture and heritage facilities (including Te Manawa, Regent) and support



\$3.45
6.37%

Connected communities

Community centres, Central Energy Trust Wildbase Recovery, public toilets, support to community groups, support to community and commemorative events and social housing



\$1.56
2.88%

City growth

Building and planning services, housing and future development, urban design



\$1.11
2.04%

Eco-City

Environmental sustainability, Manawatū River and environs (including Esplanade), climate change mitigation and adaption



\$0.82
1.51%

Safe communities

Animal control, civil defence and safer community initiatives



\$5.75
10.60%

Wastewater

Collection, treatment, disposal



\$4.44
8.19%

Governance and active citizenship

Mayor and Councillors, Council meetings, consultation, plans (including District Plan) and strategies, iwi relationships



\$4.07
7.51%

Libraries

City and branch libraries, mobile library, youth space



\$1.91
3.51%

Economic development

Economic development, international relations, conference and function centre, city marketing, economic events



\$1.72
3.17%

Stormwater

Flood protection*



\$1.64
3.03%

Organisational performance and strategic investments

Organisational performance and strategic investments



\$0.33
0.61%

City shaping

City centre, citymaking, place activation



\$0.32
0.59%

Cemeteries

Cemeteries and crematorium



\$54.23
per week
for average
ratepayer

* Horizons Regional Council is responsible for Manawatū River and Mangaone Stream flood protection

Independent auditor report

CONTENT TO COME

CONTENT TO COME

Proposed 10-year budget at a glance

AREA OF SPEND	2021-31 CAPITAL EXPENDITURE \$1,488.8M	2021-31 EXPENSES \$1,967.6M	HOW OPERATING EXPENSES ARE FUNDED	FOR EVERY \$100 OF RATES THIS MUCH GOES ON THIS ACTIVITY
Innovative + Growing City	\$5.7m	\$160.6m	RATES <div><div>48%</div></div> OTHER <div><div>52%</div></div>	<div><div>\$5</div></div>
Creative + Exciting City	\$229.2m	\$341.0m	RATES <div><div>85%</div></div> OTHER <div><div>15%</div></div>	<div><div>\$19</div></div>
Transport	\$440.8m	\$388.2m	RATES <div><div>46%</div></div> OTHER <div><div>54%</div></div>	<div><div>\$14</div></div>
Connected + Safe Community	\$65.5m	\$288.3m	RATES <div><div>72%</div></div> OTHER <div><div>28%</div></div>	<div><div>\$14</div></div>
Eco-City	\$43.1m	\$141.3m	RATES <div><div>68%</div></div> OTHER <div><div>32%</div></div>	<div><div>\$7</div></div>
Water	\$125.3m	\$109.3m	RATES <div><div>98%</div></div> OTHER <div><div>2%</div></div>	<div><div>\$9</div></div>
Wastewater	\$477.5m	\$285.8m	RATES <div><div>85%</div></div> OTHER <div><div>15%</div></div>	<div><div>\$19</div></div>
Stormwater	\$42.1m	\$65.3m	RATES <div><div>100%</div></div> OTHER <div><div>0%</div></div>	<div><div>\$3</div></div>
Driven + Enabling Council	\$59.5m	\$187.6m	RATES <div><div>52%</div></div> OTHER <div><div>48%</div></div>	<div><div>\$9</div></div>

Submission form

What really matters to you?

We want to know what you think of our ideas for achieving the city vision:

He iti rā, he iti pounamu - Small city benefits, big city ambition

We are asking you to provide feedback on the proposed 10-year plan under each goal heading.

The more detail you provide to explain your views, the better we will understand what really matters to you.

YOUR DETAILS

Full name	
Postal Address	Organisation (if applicable)
	Phone
Signature	Email

All submissions will be acknowledged in writing and given to the Mayor and Councillors, who will consider the views and comments expressed when finalising the 10-year plan.

If you would like to make a personal presentation in support of your submission to a Committee of Councillors, please tell us your choices of dates and times in order of preference.

Insert proposed hearing options.

As required by the Local Government Official Information and Meetings Act, 1987, all submissions will be publicly available, including their placement on the Council's website, although you may request that your contact details (but not your name) be regarded as confidential. If you want your contact details withheld please let us know by ticking the box

☐

SEND THIS FORM

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Goal 1: A innovative and growing city

Palmerston North is a growing city, and we need to plan for this growth. We need to make it easy to get around, and to make sure we cater for everyone's needs as the city expands.

The **Innovative and growing city** strategy describes our 10-year plan vision for goal 1.

Three plans sit beneath this strategy and describe Council's activities for the first three years of the 2021-2031 10-Year Plan: **Economic development** and **Transport**.

Under each heading, what do you think of our ideas for being an innovative and growing city?

CITY GROWTH PAGES XX-XX

Housing and future development

Urban design

ECONOMIC DEVELOPMENT PAGES XX-XX

Economic development

International relations

TRANSPORT PAGES XX-XX

Strategic transport

Active and public transport

KEY ISSUE: HOW ELSE COULD WE ENCOURAGE MORE PEOPLE TO USE PUBLIC TRANSPORT?

PLEASE ADD ANY OTHER COMMENTS YOU'D LIKE TO MAKE ABOUT HOW WE SHOULD PRIORITISE OUR SPENDING TO ACHIEVE GOAL 1.

Goal 2: A creative and exciting city

Our goal is for Palmerston North to be a creative and exciting place to live. We want to offer a great lifestyle in a city that reflects the diversity of city communities.

The **Creative and liveable city strategy** describes our 10-year plan vision for goal 2.

Three plans sit beneath this strategy and describe Council's activities for the first three years of the 2021-2031 10-Year Plan: **Active communities**, **Arts and heritage** and **City shaping**.

Under each heading, what do you think of our ideas for being a creative and exciting city?

ACTIVE COMMUNITIES PAGES XX-XX

ARTS AND HERITAGE PAGES XX-XX

Arts

Heritage

ARTS AND HERITAGE PAGES XX-XX

Citymaking

Placemaking

**PLEASE ADD ANY OTHER COMMENTS YOU'D LIKE TO MAKE ABOUT
HOW WE SHOULD PRIORITISE OUR SPENDING TO ACHIEVE GOAL 2.**

Goal 3: A connected and safe community

Our goal is for Palmerston North to be a city where everyone feels connected and included. We want to be a safe city, where people have access to the housing they need and opportunities to connect with others. We want communities to have access to accessible and appropriate social support.

The **Connected and safe communities strategy** describes our 10-year plan vision for goal 3.

Two plans sit beneath this strategy and describe Council's activities for the first three years of the 2021-2031 10-Year Plan: **Connected communities** and **Safe communities**.

Under each heading, what do you think of our ideas for being a connected and safe community?

CONNECTED COMMUNITIES PAGES XX-XX

Community facilities

Community development

Social housing

KEY ISSUE: **WHAT DO YOU THINK OF THE GUIDELINES FOR DELIVERING OUR SOCIAL HOUSING?** (SEE THE SOCIAL HOUSING CHAPTER OF THE CONNECTED COMMUNITIES PLAN)

Healthy communities

Events and festivals

SAFE COMMUNITIES PAGES XX-XX

**PLEASE ADD ANY OTHER COMMENTS YOU'D LIKE TO MAKE ABOUT
HOW WE SHOULD PRIORITISE OUR SPENDING TO ACHIEVE GOAL 3.**

Goal 4: An eco city

We understand that Palmerston North has a responsibility to respond to climate change for the benefit of everyone. Our goal is for Palmerston North to decrease carbon emissions and reduce our ecological footprint. We want to protect and enhance our natural and built environments, accommodate growth through intensification, and support active transport. We will work with our partners towards achieving our shared goals.

The **Eco city strategy** describes our 10-year plan vision for goal 4.

Five plans sit beneath this strategy and describes Council's activities for the first three years of the 2021-2031 10-Year Plan: **Climate change**, **Environmental sustainability**, **Manawatū River**, **Resource recovery** and **Waters**.

Under each heading, what do you think of our ideas for being an eco city?

CLIMATE CHANGE PAGES XX-XX

ENVIRONMENTAL SUSTAINABILITY PAGES XX-XX

Sustainable practices

Biodiversity

MANAWATŪ RIVER PAGES XX-XX

RESOURCE RECOVERY PAGES XX-XX

WATERS PAGES XX-XX

Wastewater

Water supply

Stormwater

KEY ISSUE: WHAT DO YOU THINK OF OUR PROPOSAL TO INCREASE INVESTMENT IN INFRASTRUCTURE RENEWALS AND A PROACTIVE MAINTENANCE PLAN TO REDUCE THE RISK OF SERVICE FAILURES?

PLEASE ADD ANY OTHER COMMENTS YOU'D LIKE TO MAKE ABOUT HOW WE SHOULD PRIORITISE OUR SPENDING TO ACHIEVE GOAL 4.



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