

We're backing

Our Place

Attention
Clutha
District
Ratepayers!

Balclutha

How about you?

Annual Plan 2020/21 Update



We're all backing Our Place Balclutha



Deputy Mayor Stewart Cowie



Councillor Ken Payne



Councillor Bruce Graham



Councillor John Herbert



Councillor Carol Sutherland



Councillor Michele Kennedy



Councillor Alison Ludemann



Councillor Bruce Vollweiler



Councillor Mel Foster



Councillor Jo-Anne Thomson



Councillor Dane Catherwood



Councillor Gaynor Finch



Councillor Selwyn Wilkinson



Councillor Wayne Felts

We're supporting plans for Our Place Balclutha

This is an update and decision time about priority projects Council is backing in the Our Place Balclutha Community Plan.

What's the best option to choose?

We have some options, and want to ask which you think is the best option? The decision we make will affect those who live in the Lower Clutha area, and also ratepayers throughout the district.

We're talking projects and partnerships

We recognise future investment in Balclutha's community facilities need partnerships and significant community input to make them happen.

Message from the Mayor Bryan Cadogan

In recent years an enthusiastic and highly capable group of locals have been diligently working to advance plans for the Balclutha Memorial Hall. They've balanced all the options and have now advanced the proposal to the defining point from a ratepayer perspective - be it \$5 million just to comply with earthquake requirements and nothing else, or to revamp, or totally redevelop.

The group's preference is the bold and exciting prospect of a brand new development inspiring the future by serving the present and honouring the past.

We are a vibrant and positive District and now we are presented with the opportunity for a defining project that we can all be proud of. But first we need to reconfirm your support, so please consider what is being proposed and we look forward to your assistance and input.



The story so far...

In 2016/17 Council undertook a wide range of community consultation to form the Our Place Balclutha community plan. The consultation found that the option 'to create a multi-purpose community and visitor hub at the current hall site' was a community priority.

Council felt that the success of this significant and important community project would be best achieved if it was led by the community with Council's support.

A coordinating group was developed, and then the Clutha Community Hub Charitable Trust was formed to represent the community as a legal entity and to progress the project.

Further consultation (with both non-profit and commercial groups) about how the existing facilities may or may not meet the community's needs has taken place.

A feasibility study commissioned by the Trust and carried out by independent consultants in 2019 analysed different scenarios. These included carrying out a compliance update of the existing hall, a new build, or to redevelop the hall using the existing structure. The study concluded the new build option provides best value for money in creating a high-quality community amenity to inspire the current community and next generations through wider access to the arts, theatre, our districts' diverse culture, and our local heritage

Council supported this in principle so investigations could continue in the form of a business case.

The business case approved by Council in June 2019 built on the feasibility study and:

- identified the case for change and the preferred option for achieving this,
- established the best option that optimises value for money,
- outlined the investment requirement and assessed the associated risks, and
- demonstrated the proposed option is deliverable.

In approving the Business Case Council agreed to fund subsequent investigative stages from funds that had been identified for the refurbishment of the Memorial Hall.

Council has made it very clear that Our Place community plan projects can generally proceed where a project is financially rates neutral, and where a project would be seeking additional Council funding, it would go through a due process for consultation.

As part of the Annual Plan 2020/21 consultation process, we're taking the opportunity to bring you an update and get your feedback before making a decision that affects the rates you pay.

Our decision-making requirements mean we need to indicate to you at this stage what our preferred option is (Option 2 to build a new facility), but we need to check before we commit ratepayer funding.

The decision we make about which option to go with will impact on both Annual Plan 2020/21 budgets and rates in the years to come.

FURTHER INFORMATION

Further information can be found in the following:

Clutha Community Hub Feasibility Study - April 2019

Clutha Community Hub Business Case - May 2019

Go to <https://www.cluthacommunityhub.info/>

No longer part of the story...

The 2019 Clutha Community Hub feasibility study and business case also considered an option to remodel the existing facilities and increase the footprint of the hall to cater for more community activities. This has been ruled out as it had a very similar cost as the new build as presented in Option 2 in this consultation document.

Questions were also asked about whether the existing site is the most suitable site. The feasibility study addressed this and due to the prime location of the existing site, the alternative of relocation was discounted at an early stage.



OPTION 1

Fix up existing Balclutha War Memorial Hall

WHAT DOES THIS OPTION INVOLVE?

Fixing up the existing hall to keep going as it stands. This involves compliance work to meet building code and earthquake requirements.

Council would continue to own and operate the hall.

This is the 'status quo' option.

ADVANTAGES OF THIS OPTION

This is the lower cost option. The impact on rates to pay for this option is outlined (right).

DISADVANTAGES OF THIS OPTION

Doesn't address issues of low usage and income, and longer term sustainability of the hall.

WHAT IT WOULD COST

We anticipated work would be needed to be done to the hall in our 2018 Long Term Plan and \$1.9M had been included for this work. However, further information has shown that work for the hall is expected to cost \$4-5M. This would be loan funded and repaid over 30 years via rates starting the year after the funding is made. External non-Council funding is not expected to be an option under the current ownership structure.

HOW WOULD IT BE FUNDED?

Option 1 - Patch up Existing Facility (\$4-5M)	2021/22 onwards
All Clutha District properties	\$12-15
Properties in the Lower Clutha community facilities rating area	\$28-35 (\$40-50 in total)



LOWER CLUTHA COMMUNITY RATING AREA

There are six community facilities rating areas in the Clutha District: Clinton, Lawrence Tuapeka, Bruce, Catlins, West Otago and Lower Clutha.

Each year properties in these areas pay a fixed charge that funds 50% of the costs for facilities in each respective area e.g. pools, halls, parks and reserves. The other 50% is funded via the uniform annual general charge (UAGC).

Both Options 1 and 2 would mean half the cost would be funded through the UAGC, and half the cost would be funded via the Lower Clutha Community rate.

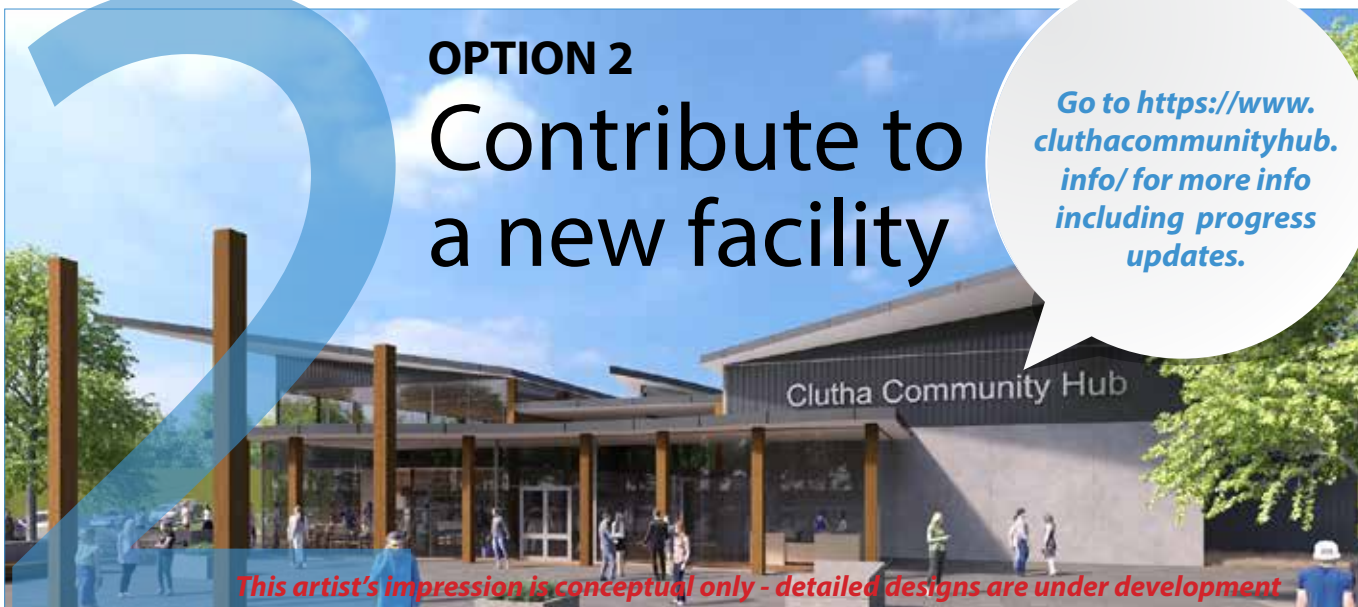
For further information go to:

<https://www.cluthadc.govt.nz/publications/plans/Documents/Long%20Term%20Plans/Rates.pdf>

OPTION 2

Contribute to a new facility

Go to <https://www.cluthacommunityhub.info/> for more info including progress updates.



This artist's impression is conceptual only - detailed designs are under development

WHAT DOES THIS OPTION INVOLVE?

The development of Clutha Community Hub, a multi-purpose community, business and visitor hub designed to meet the needs of the Clutha District, now and into the future. The facility would be located at the site of the existing Balclutha Memorial Hall.

Integral to this proposal is that it is community-led, with ownership, governance and management by the Clutha Community Hub Charitable Trust (the Trust).

Community feedback to date has shown strong support for this option. Based on the feasibility study, business case and information to date, this is Council's preferred option.

ADVANTAGES OF THIS OPTION

The facility would have direct impacts for the well-being of the district's community, in particular economic, social and cultural well-being.

From an economic perspective it would provide a centrally located business hub of the southern part of the Otago Region with essential infrastructure to deliver a modern business environment that is currently missing in the Clutha District.

It would enable the existing i-Site to expand its operations to deliver a compelling modern experience for both international and national visitors alike. It would provide a focal point to showcase the Clutha District.

From a cultural perspective it would give a focal point for current residents and next generations that enables wider access to arts, theatre, local heritage and culture.

Without a marae in the district, it can provide a focal point to enable iwi to share their kōrero of the district and the Clutha River/Mata-Au.

From a social perspective the facility aims to be accessible and affordable to all community users. It would provide space for community groups, businesses, education, heritage, historical, health, culture and tourism groups to network and collaborate.

It would also enhance community pride and cohesion by delivering a centralised point to experience and celebrate the

diverse cultural background of our district and through general day to day interaction within the space.

Design elements would ensure retention and focus as a war memorial hall, including integrating the current memorial and repurposing parts of the existing hall.

This is a facility that would be future focused to meet needs now, and into the future, for at least 50 years.

DISADVANTAGES OF THIS OPTION

While it has been identified as the 'best value' option it has a higher cost, meaning it would impact rates more than Option 1.

WHAT IT WOULD COST

Initial estimates put this option at \$20M, but further investigation and refinements has seen this revised to \$15M.

HOW WOULD IT BE FUNDED?

Council has indicated that they would consider funding 50% (up to \$7.5M), subject to Clutha Community Hub Charitable Trust securing the balance of funding from philanthropic trusts and foundations, government funding, corporate sponsorship and public donations. The amount of 50% funding is in keeping with precedents set for other community facilities in the district, e.g. Cross Recreation Centre, Tuapeka Aquatic Centre, West Otago Health Centre and the proposed Milton Service Centre/Library/Pool facility.

Subject to criteria being met, a grant to Clutha Community Hub Charitable Trust of \$7.5M would be included in the 2020/21 Annual Plan budget. This would be loan funded and repaid over 30 years via rates starting the year after the funding is made. The best case scenario for this is in 2021/22, with construction in 2022.

The rates impact of \$7.5M for Option 2 - contribute to a new facility, is shown below.

Option 2 - New Facility (\$7.5M)	2021/22
All Clutha District properties	\$22
Properties in the Lower Clutha community facilities rating area	\$53 (\$75 in total)

How do the options stack up?

	Option 1 Fix up existing Balclutha War Memorial Hall	Option 2 Contribute to a new facility Clutha Community Hub
Strategic direction	No contribution and not in keeping with strategic direction to promote economic development and 'Living and Working in Clutha'.	Cornerstone facility to implement strategic direction. The facility would showcase the district as a whole, and promote it as a great place to live, work, visit and invest in. In keeping with and recognises future investment in facilities needs partnership and significant community input to be sustainable and to make them happen.
Contribution to community well-being	No change.	Additional services and nature of facility would provide a cornerstone to promote well-being from an economic, social and cultural well-being perspective .
Services provided (Level of service)	<p>i-Site with some Council services.</p> <p>Auditorium with 400+ seating.</p> <p>War memorial.</p> <p>Plunket rooms.</p> <p>A meeting room.</p>	<p>Enhanced i-Site and visitor experience.</p> <p>Clutha District Council Service Centre.</p> <p>Large, multipurpose, 400+ auditorium with raked seating and modern backstage facilities.</p> <p>Business hub with opportunities for co-working, hot desks and permanent tenanted office spaces.</p> <p>Centralised reconfigurable meeting and functions spaces for public, business and community groups.</p> <p>Community service hub including tenable offices, Plunket clinic and shared playgroup space.</p> <p>Central space with dedicated war memorial incorporating the existing memorial, modern toilet facilities, museum pop up display space, gallery space, dedicated space for tangata whenua's stories, mini theatre (cinema) and commercial kitchen.</p> <p>Provide a range of new modern retail/lease space opportunities.</p> <p>Opportunity for other complementary projects and facilities e.g. increased parking; improved links and access to the bridge and river; and a war memorial garden.</p>
Ownership model	Continue to be Council owned and operated.	Become community owned and operated by the Clutha Community Hub Charitable Trust.
Cost	<p>\$4-5M</p> <p>Minimal income each year (currently \$10,000).</p>	<p>\$15M (\$7.5M from Council)</p> <p>Business model to become financially sustainable once fully operational.</p>
Annual rates cost	<p>Facility fully rates funded</p> <p>\$12-15 for all Clutha District properties via the uniform annual general charge.</p> <p>\$28-33 for properties in the Lower Clutha community facilities rating area (\$40-50 in total).</p>	<p>Facility partially rates funded.</p> <p>\$22 for all Clutha District properties via the uniform annual general charge.</p> <p>\$53 for properties in the Lower Clutha community facilities rating area (\$75 in total).</p>
Council Debt	\$4M loan paid back over 30 years.	\$7.5M loan paid back over 30 years.
Other	Longer term sustainability of the facility would need to be reviewed.	The only viable option for community ownership , as accepted in principle by Council in June 2019.

Be part of the next chapter of the Clutha story...

Attention
Clutha
District
Ratepayers!

What do you think?

Do you support:

Option 1: to fix up the existing hall, or

Option 2: to contribute to a new facility?

- You can give us feedback by going to: www.cluthadc.govt.nz/consultation and filling in the online form.
- There is also a form attached to this document.
- Pass on your feedback by **25 March 2020**, so that Council can consider this ahead of making final decisions for the Annual Plan 2020/21 at their meeting on 7 May 2020.
- If you would like to speak in support of your submission, a hearing will be held at Council's Rosebank Office, 1 Rosebank Terrace on **16 April 2020**.
- Council will adopt the Annual Plan 2020/21 on **11 June 2020**. It will take effect and apply from 1 July 2020. But note that rates changes for the hall would not take place until 2021/22 at the earliest.
- For further supporting information check out the Consultation and Plans pages on our website www.cluthadc.govt.nz, or call 0800 801 350.



Please give us your feedback by 25 March 2020



Clutha District Council
www.cluthadc.govt.nz

ANNUAL PLAN 2020/21

Feedback Form

We're keen to hear from you.

Please provide your feedback to us by **5pm, Wednesday 25 March 2020**.

Name/organisation:

Address: Postcode:

Postal Address (if different): Postcode:

Email: Phone:

Hearings will be held on Thursday 16 April at the Clutha District Council Rosebank Office.

Do you want to speak about your submission at this hearing? Yes No

Preferred method of contact: Email Phone

Please tick which option you support for the Clutha Community Hub consultation.

I support:

**Option 1 -
Fix up the
existing Balclutha
Memorial Hall**

**Option 2 -
Contribute
to a new
facility**

If there is any more information you want to supply relating to the proposed annual plan, please write it here or attach it to this form.

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Please note your feedback will be available to the public as part of Council's decision-making process, but any contact details will be redacted (withheld).

You can return your feedback form in the following ways:

- Online: cluthadc.govt.nz/consultation
- Post to: Clutha District Council, 1 Rosebank Terrace, PO Box 25, Balclutha 9240
- Email to: help.desk@cluthadc.govt.nz
- Deliver to: any Council office or library.