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**24 March 2009**

FOR IMMEDIATE RELEASE

ATTENTION: CHIEF REPORTERS  
CIVIC REPORTERS

## **Community asked for views on 7 key issues**

Community feedback on the seven key issues in Council's Draft Ten Year Plan (Towards 2019) will ultimately influence the level of Invercargill's rates, Chairman of Finance and Policy Cr Norman Elder said today.

He encouraged residents to read the Summary of the Ten Year Plan that would be delivered to households in early April. The Summary outlines the seven key issues and the options available, including the option Council has factored into the Plan – but this could change depending on public consultation.

The issues are:

### **1. Housing Care Service**

Council currently has 216 units in 22 Housing Care complexes in Bluff and Invercargill. Not all units are occupied, so there are currently vacant units. Traditionally the Housing Care Service has been self funding, which means rental income has covered the costs associated with maintenance and refurbishment. Council wants to remain a good landlord to its tenants by providing adequate, affordable housing to those with limited means. The increasing age of many Housing Care units means that they no longer provide the facilities required, such as they have baths instead of showers, stairs instead of ramps and no car park or mobile scooter storage facilities.

Council would like to know if the community is prepared to:

1. Use ratepayer funding to refurbish units; OR
2. Reduce the number of units by approximately 10% (by selling them as they become vacant) using funds to reduce the loan balance and then using the money saved to refurbish the remaining units; OR

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3. Retain the units in Council ownership and the community accepts that units will be maintained but not improved, which will result in reduced occupancy levels and reduced income over time.

Council has incorporated the **second** option in its Ten Year Plan.

## **2. Solid Waste Management**

Council operates a collection and disposal service for solid waste, as well as waste transfer stations. These services are provided by external contractors. The Southland Regional Landfill is where the City's waste is deposited. Twenty percent of the wheelie bin waste collected from Invercargill and Bluff is green waste and should not be deposited in the landfill. The other issue that Council is facing is the imposition of a Government levy of \$11.25/tonne of waste, which increases the cost of providing the service. Council is trying to reduce the amount of waste going to landfill by providing alternative waste disposal practices, such as recycling, green waste and clean fill.

Invercargill City Council, Southland District Council and Gore District Council are looking at a region wide waste disposal system, to provide economies of scale. If this happens, it is likely that a District wide service would be provided for green waste, recycling and landfill waste. It will cost approximately \$250 per ratepayer and these costs have been factored into Council's Ten Year Plan. (The cost for 2009/10 is \$151.65.)

## **3. Bluff Swimming Pool**

Council currently operates two swimming pools in the district, Splash Palace in Invercargill and the Bluff Swimming Pool.

The Bluff Swimming Pool is nearing the end of its useful life and future options for swimming facilities for the Bluff community need to be considered. It would cost over \$1 million to redevelop the existing facility. During 2009/10 Council proposes to work with the Bluff Community Board as it consults the community and reaches a conclusion on the community's long term aquatic needs and how they could be met.

Council has indicated in the Plan that it will continue to provide the Bluff Community with \$180,000 per annum, as the District's contribution towards aquatic facilities in the port community. (It costs about \$180,000 per annum to operate the Bluff Swimming Pool.) Consultation will help in deciding how the \$180,000 will be spent.

## **4. Awarua Industrial Development**

Council has a history of developing industrial land to encourage economic development within its district. Recently Council purchased 612 hectares of land to the south of the Awarua phosphate works and is in the process of changing its zoning from rural to industrial. It has cost Council about \$9.5 million to buy the land and interest paid on those loans is being capitalised and contained within the project. There is currently no rate impact for this

activity. It is proposed that the industrial land will be sold at a price that will cover the costs associated with the land purchase and the cost of developing the infrastructure to the site (e.g. water, sewerage, stormwater and roading).

There are four options:

1. Council retains ownership of the land and pays the interest on loans for the next three years through additional borrowing. Income from the sale of land at Awarua will be used to repay loans; OR
2. Council keeps ownership of the land and pays the interest on loans from rates (\$650,000 in 2009/10). Income from the sale of land at Awarua will be used to repay loans; OR
3. Council investigates entering a partnership with other investors or selling the land to a Council-owned property company. Income from the sale of land at Awarua will be used to repay loans; OR
4. Council retains the zoning of the land as rural and sells it. There would be no impact on rates but it would be more difficult to attract large industries into the district because there would be no land zoned for this purpose.

Council has incorporated **Option One** into the Ten Year Plan.

## **5. Rugby World Cup**

The Southland Rugby Football Union has approached the three Southland local authorities and community funders with the view to hosting a Home Union and two Home Union games in Invercargill during the Rugby World Cup 2011. The community needs to consider whether it would like Council to contribute towards this bid (\$108,000 spread over three years) and if it does, which ratepayers should fund this request.

The Plan includes funding Council's contribution of \$108,000 over three years, to be funded by business ratepayers.

## **6. The Southland Indoor Leisure Centre Charitable Trust**

The Chairman of the Southland Indoor Leisure Centre Charitable Trust, Acton Smith has written to Council: "On behalf of the Trustees of the Southland Indoor Leisure Centre Trust and Southland Stadium Ltd, I wish to acknowledge my sincere gratitude for the proposed funding partnership that has been established between the Southland District Council, Invercargill Licensing Trust, Community Trust of Southland and Invercargill City Council. The proposed funding partnership, which is yet to be ratified by your Councillors, will provide my Trustees certainty of funding for the operating deficit and also for the maintenance and renewal of the significant capital assets that are invested in the Stadium complex."

The proposed funding partnership will mean that Council's commitment will increase from \$150,000 per annum to \$500,000 per annum. The average ratepayer's contribution will increase from \$6.52 to \$21.74. This increase has been included in the Draft Plan.

## 7. Southland Museum and Art Gallery Trust Board

The Southland Museum and Art Gallery Trust Board has requested that the Southland local authorities contribute \$6 million towards the refurbishment and extension of the Southland Museum and Art Gallery.

The Draft Plan includes three options:

1. Council does not contribute towards the Southland Museum and Art Gallery redevelopment; OR
2. Council contributes 55%, which is \$3.3 million, towards the redevelopment (Invercargill has 55% of the Southland population). The average ratepayer would pay \$13.50 per annum for this option; OR
3. Council makes a maximum contribution to the redevelopment and submitters are asked to specify what this should be.

Council has incorporated **Option One** into the Ten Year Plan.

Cr Elder urged people to make their views about these issues known to Council. They can:

- Fill out the submission form contained in the Summary posted to them.
- Speak to their submission on 18 May at a Council Hearing.
- Fill out a form on the Council's website [www.icc.govt.nz](http://www.icc.govt.nz)
- Speak directly to Councillors at key locations in the city, with staff present to help record the submission. (Details to be advised later.)
- Ring CUE TV City Talkback on 1 April and 6 May.

Submissions open on 5 April and close on 11 May 2009.

Ends.

Inquiries: Cr Norman Elder, (0274) 335 937.