

## SUBMISSION BY THE TAURANGA CHAMBER OF COMMERCE ON THE TAURANGA CITY COUNCIL DRAFT ANNUAL PLAN 2017-2018

### INTRODUCTION

1. The Tauranga Chamber of Commerce appreciates the opportunity to make a submission on the Tauranga City Council Draft Annual Plan 2017-2018.

**Address for service:**

- Ms Laina Andrews, EA to Chamber Chief Executive, Stan Gregec;  
Email: [laina@tauranga.org.nz](mailto:laina@tauranga.org.nz); Phone: 577 9283
2. The Tauranga Chamber has a significant membership made up of SMEs and corporates, including many businesses that expect their views to be forcefully represented in this Submission.
  3. The Tauranga Chamber is dedicated to the strengthening of the Western Bay of Plenty's status as one of New Zealand's pre-eminent commercial, industrial and communications regions and to assisting its development as a desirable environment for its 120,000 citizens. To this end, the Chamber has sought to establish a partnership relationship with central and local government organisations to help achieve shared delivery of these objectives for Tauranga/Western Bay.

### GENERAL RECOMMENDATIONS

The Tauranga Chamber of Commerce:

4. **Supports in general terms** the increased Capital expenditure programme from \$123m to \$154m in the LTP in order to deliver the additional infrastructure and other assets required to support Tauranga's current level of population growth. The Chamber acknowledges that current growth of the city is running significantly ahead of previous projections, and this has created additional pressures and brought forward plans to cater for this growth.
5. **Supports in general terms** the Council's proposed increased Operational expenditure programme from \$193m to \$213m, noting that the differential will allow the Council to respond to increased demand for Council services at the current levels of service.
6. **Supports** the need to increase debt levels as a consequence of bringing forward capital expenditure on infrastructure projects and the cost of servicing debt on these.
7. **Gives qualified support** to the Council's current bid for a share of the Government's Housing Infrastructure Fund (HIF) to fund the four projects that will allow both city-wide growth and to open new urban growth areas:
  - Waiari Water Treatment Plant (\$114.6m)
  - Te Maunga Wastewater Treatment Plant upgrade (\$55.9m)
  - Infrastructure for Te Tumu urban growth area (\$39.8m)
  - Infrastructure for Tauriko West urban growth area (\$45.8m)

The Chamber notes that submission of the HIF application is non-binding and that further assessment of risk, particularly in respect of the impact on the Council's balance sheet, will be undertaken as part of the 2018-28 LTP.

8. We note that the annual plan is produced for each year in between long-term plans, which are prepared every three years.
9. In our view, the 2017-18 draft Annual Budget provides an opportunity for the new Mayor and councillors to provide evidence showing that a serious effort has been made to control internal costs and resize the Budget to prioritise spending on priority areas.
10. In our view, a strongly robust and searching review of internal cost structures is a reasonable business-like first step to expect the Mayor and new Council to undertake, and for ratepayers to see the results reflected in the Year One budget.

## **SPECIFIC RECOMMENDATIONS**

On specific projects for which feedback has been requested:

### **11. Visitor Information Centre**

The Chamber supports the proposal to include \$4m over two years to deliver a new Visitor Information Centre at Coronation Park.

- The Chamber supports the preferred location of the Visitor Information Centre to be OPTION A (corner of Nikau Crescent and Maunganui Road)

### **12. Regional Film Office**

The Chamber supports the establishment of a Regional Film Centre and supports the proposed funding allocation for this on the basis that this is a sunrise industry with the potential to make a significant economic contribution to the region over time.

### **13. Mainstreet Targeted Rates**

The Chamber supports the proposed increases to the targeted rates for Mount Mainstreet and Papamoia Unlimited, and notes that these have been initiated by the respective organisations.

### **14. Development Contributions Policy & User Fees**

The Chamber *supports* the proposed changes to the Development Contributions Policy, and to the User Fees and Charges Schedule.

Stan Gregec  
Chief Executive

20 April 2017

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