

MINUTES



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MEMBERSHIP: Mayor Meng Foon, Deputy Mayor Rehette Stoltz
Craig Bauld, Bill Burdett, Manu Caddie, Andy Cranston, Alan Davidson, Roger Haisman, Amber Dunn
Meredith Akuhata-Brown, Pat Seymour, Larry Foster, Manu Caddie, Graeme Thomson, Brian Wilson.

MINUTES of the FUTURE TAIRAWHITI COMMITTEE

Held in the Council Chambers, 15 Fitzherbert Street on 20 March 2014 at 9am.

PRESENT:

Mayor Meng Foon (Chair), Councillors Craig Bauld, Brian Wilson, Bill Burdett, Andy Cranston, Alan Davidson, Amber Dunn, Roger Haisman, Larry Foster and Graeme Thomson.

IN ATTENDANCE:

Chief Executive Judy Campbell, Group Manager Community Planning & Development Nedine Thatcher Swann, Group Manager Engineering and Works Peter Higgs, Acting Group Manager Environment & Policy Kevin Strongman, Democracy & Support Services Manager Heather Kohn, Community Policy & Resources Manager Yvette Kinsella, Policy Advisor Maori Focus Sarah Pohatu, Legal Counsel Melanie Walker, Commercial Operations Manager Matt Feisst and Minute Taker Coral Dunn.

APOLOGIES:

Councillors Seymour, Stoltz and Akuhata-Brown

1. Apologies

MOVED by His Worship the Mayor, seconded by Cr Davidson

That apologies from Crs Seymour, Stoltz and Akuhata-Brown be sustained.

CARRIED

2. Interests

No interests declared.

3. Public forum, petitions, deputations and representation from tangata whenua

Nil

4. Confirmation of non-confidential minutes

Gisborne District Council – Future Tairawhiti Meeting 30 January 2014.

MOVED by Cr Wilson, seconded by Cr Burdett

That the minutes of 30 January 2014 be accepted.

CARRIED

5. Matters Arising

Nil

6. Notification of late items, questions and general business

Nil

7. Mayor's and Councillors Reports

Nil

8. Staff Reports

For noting

8.1 14/103 Gisborne District Council's Commercial Operations

Chief Executive Judy Campbell advised that although this a complex topic the report is designed to start the conversation and raise questions in preparation for further discussion about what is to be achieved by owning commercial assets totalling \$98.5m and Council's conflicting instructions "make money versus do not compete with anyone".

Discussion followed.

Judy Campbell's responses to comments and questions about assets, book value of Gisborne Holdings, the airport, sale and retention of various assets, management of commercial property, appropriate use of sale proceeds, strategy and policy, tax implications and better communication with the community were:

- Commercial land includes Fitzherbert Street, Te Puia Springs, Banks Street, 17 staff houses, etc
- The Tauwhareparae Farm's forestry asset will return significant income in 10 years time (which has not been built into the Ten Year Plan).
- The book value for Gisborne Holdings is current value – this structure is a waste of money and its constitution is out of date.
- There no legal restriction to selling the airport other than a certain portion being returned to the Crown. It is noted that other councils have sold their airports.
- An option is to retain a controlling share of an asset and list the balance eg Tauranga Council has 54% ownership of Port Tauranga.
- Retaining commercial assets and operating in the commercial world will require Council to be clear on governance and operational matters.
- Current management of commercial property is achieving better returns, however the current system makes decision difficult eg opportunities pass by the time decisions are made (Vehicle Testing Station); approval to purchase a vacuum cleaner for the Holiday Camp had to go through five layers to get approval.
- Sale proceeds could be protected or ring fenced for specific purposes to ensure these monies are not used to pay for operational matters.
- A governance structure would be redundant if assets disposed and proceeds banked
- Clear logical strategy is required to avoid assets being at the whim of comment and to negate internal contradictions relating to Tauwhareparae Farms Limited (TFL) and the other assets ie if it is good enough for TFL to make money its good enough for the Holiday Camp.
- Expert advice will be sought re tax implications, etc.
- As the decision to divest assets is a long process need to start planning now for the second half of the Long Term Plan as future income streams are needed to ensure the low rates established by current internal efficiencies can be maintained
- Council Controlled Organisations will require strong statements of intent to avoid miscommunication between both parties
- A strategy paper to be developed with report to Council for decision prior to Long Term Plan consultation which begins at the end of 2014

MOVED by His Worship the Mayor seconded by Cr Caddie

That the Committee

1. notes the report.

CARRIED

8.2 14/078 Place Name Change – Canvassing Community Views

His Worship the Mayor advised this report was in response to the petition received from Kaiti School and whether or not Council should canvass the matter during the Annual Plan process.

Responses from councillors were mixed. Some did not see any need for change, that people could use whatever name they wanted whereas others felt the proposed “two names” would reflect the shared history of the people of this region and that Council as representatives of the whole community should consult with the wider community.

In response to a question about the petition Annette Taupili, Kaiti School Board of Trustee advised it was about the children voicing pride in their flourishing region, reclaiming their cultural identity and replacing the negative connotations associated with the word poverty.

Cr Cranston commented that the name change proposal represented a huge marketing opportunity to showcase our abundant region in the national arena.

MOVED by His Worship the Mayor, seconded by Cr Wilson

That the Committee

1. receives the report
2. **Recommends that Council:**
 - a) instructs staff to complete appropriate research

CARRIED

Late Items

Nil

Questions

Nil

General Business

There being no further business, the meeting concluded at 10.17am.

Meng Foon
Chairperson

Secretarial Note: Amendment to Minutes – Present to include Cr Caddie.