



**Hahei Beach Residents  
and Ratepayers Assoc.**



**Hot Water Beach  
Rate Payers Assoc.**



**Mercury Bay South  
Ratepayers Assoc.**

## **Submission to Thames Coromandel District Council Draft Long-Term Plan 2018 - 2028**

16 April 2018

Thames Coromandel District Council  
Private Bag  
Thames

Attention: Angela Jane/Scott Summerfield

On behalf of the Hahei Residents and Ratepayers Association, Hot Water Beach Rate Payers Association, and Mercury Bay South Ratepayers Association, we wish to make the following submission in relation to the draft Long-Term Plan (LTP) 2018 - 2028

### **1 Background**

As one of New Zealand's top tourist destinations, the communities of Hot Water Beach, Hahei and Cooks Beach face very serious challenges due to the rapid growth of tourism in our area. Based on the current growth rates of around 20% pa, we expect 0.5 million walkers to Cathedral Cove, and similar numbers to Hot Water Beach in the next few years (See Appendix 1 for forecast Cathedral Cove Walker).

Both the numbers and the growth rate of tourists places a huge burden on the residents and ratepayers in our area. As our infrastructure provider, TCDC has a statutory obligation to provide appropriate infrastructure to:

- **Protect the amenity values of residents and ratepayers** – We cannot allow the tourism industry to take over our area to the detriment of the local residents.
- **Protect our uniquely beautiful assets** – uncontrolled, the tourism industry will exploit nature for its own short-term interests. TCDC has responsibility to manage tourist numbers by developing alternative destinations and other creative solutions.
- **Balance needs of local businesses and residents** – we all recognise that a vibrant business sector is very important for our communities. TCDC has a responsibility to invest in infrastructure that ensures businesses can thrive, but not at the expense of residents.
- **Coromandel's Anchor Destinations** – one of the main reasons tourists come to Coromandel is to visit Cathedral Cove and Hot Water Beach. From our area, many tourists visit other Coromandel destinations, providing jobs for residents and ratepayers throughout the Coromandel. It is therefore vital that we protect our world-famous tourist attractions for the whole of the Coromandel.

This submission describes the investment that we believe is essential for our area of South Mercury Bay and recommends many changes to the draft LTP 2018 – 2028. The recommendations are based on extensive consultations with our communities.

## **2 Upgrade Dalmeny Corner Road and Bridge**

### **2.1 Background**

This is the only route for residents and tourists to enter our area - via SH25 and over the one lane bridge near Dalmeny Corner (Newtons Bridge). We believe the one lane bridge is a high risk to both tourists and residents. Further, the road from Dalmeny Corner to the bridge is subject to frequent flooding. We request the TCDC include in the LTP funds to study upgrade options for this important bridge and road. We also request the potential upgrade costs be included in year 3 of the plan.

### **2.2 Issues**

#### **2.2.1 Road Safety**

With the huge growth in tourists, we are seeing much larger volumes of vehicles entering our area. Over the holiday period, we had up to 6,278 vehicles per day entering Hahei, based on TCDC supplied counters. We assume similar numbers entered the Hot Water Beach and Cooks Beach area. So, it likely we could see up to 12- 15,000 vehicles per day travelling over this one-way bridge. The bridge appears to be narrower than normal, and we are very concerned that tourists, not experienced with driving on our roads will crash and hurt themselves or other travelers on the bridge.

#### **2.2.2 Unreliable Access to our Area**

When we receive heavy rainfall, the Dalmeny Corner Road and Newtons Bridge often flood, particularly if there is a high tide. With a usual resident population of 1,000, rising to approximately 8,000 during the summer, it unacceptable to cut this large population off from normal services. Also, should an emergency medical event occur, we may need land access to hospitals as it is unlikely that the Emergency Helicopter service will be operating in bad weather.

In an advanced country like New Zealand, authorities have an obligation to provide reliable access for their citizens.

### **2.3 Recommendations**

We recommend the LTP include the following

- Funding to cover the cost of studies that will lead to a community supported long term solution. The engineering study should address flooding, drainage of nearby properties, bridge design options and prepare budget costs
- Discuss options with NZTA
- Install vehicle counting equipment to measure vehicle flows from 1 December to 30 April every year.
- Include estimated cost of bridge and road upgrade in year 3 of the LTP. Since there have already been several engineering studies, we expect TCDC will be able to estimate the budget costs easily.

### **3 Cathedral Coast Walk Project (Walk)**

#### **3.1 Background**

In 2013 the Miles Report was commissioned to evaluate a proposed Great Walk that would link Whitianga to Hot Water Beach.

The Report claimed that

- The day walk would attract 120,000 visitors within 5 years.
- The majority of walkers would stay overnight on the Coromandel
- Whitianga would become the main walk hub.
- Failure to complete the full length walk within 2 years of commencement would halve its benefits to the area.

The original Walk proposal was well supported within the South Mercury Bay area, however that support has now evaporated. The route from Hahei to Hot Water Beach, as originally proposed, is not possible due to private land issues, nor is there a viable link across the Purangi Inlet from Cooks Beach to Lees Road. Furthermore, a request in year 9 of the draft LTP for \$1.151M of Mercury Bay Ratepayer funding for the “Purangi Upper Harbour Walkway” is further evidence that the original project would not stand up to a post CAPEX audit.

Over the last few years, TCDC has spent \$826,000 attempting to build the Walk. There are no significant results from this work other than the Andlinger Cathedral cove track extension.

Our communities request that all work on the Walk stop **immediately**. That Council focus on building the necessary infrastructure we need to support our communities and meet the needs of the booming tourism growth in our area.

#### **3.2 Issues**

##### **3.2.1 Management of Tourist Growth**

When the Walk was first proposed, no one could have predicted the growth in tourism our area is now experiencing. Cathedral Cove and Hot Water Beach have become some of the top destinations in NZ thanks to extensive international marketing. In the last 5-year period, visitor growth is well in excess of the 120,000 walkers the Miles study forecast.

Now the challenge is to manage our unique tourism assets, protect our resident and ratepayers’ recreation areas whilst ensuring that tourists continue to enjoy the beauty and natural experience we offer. Too much tourism can destroy our unique fragile natural beauty and we need to develop strategies to manage tourism sustainably, not spend ratepayer’s funds bringing more tourists. Controlling tourist numbers is a new concept to New Zealand and will require intense negotiations with DOC, iwi, and local businesses.

##### **3.2.2 Why does TCDC continue to spend Ratepayers Funds on The Walk?**

We understand that \$826,000 has been spent on the Walk to September 30th, 2017. Council has authorised a further \$267,000 to prepare RMA documentation. Spending continues even though several Councillors have stated they do not support the Walk and would prefer to spend ratepayer funds on infrastructure, being water and sewage treatment, traffic management and village improvements (footpaths),

The commitment to fund the Walk was approved in the previous 2015/25 LTP. The intervening period has highlighted the need to rectify infrastructure deficiencies such as roads/bridges, carparks and footpaths, water supply, waste water and waterway/estuary pollution throughout the South Mercury Bay Area.

Economic Development policy has also changed. The current Council's approach to economic development is to 'enable development through the provision of appropriate infrastructure and planning frameworks, connecting willing developers'. We support this new approach, but Council needs to implement this policy and rectify earlier decisions.

The current estimate of the Walk is \$7M and the LTP is proposing Council spend whatever is necessary to complete the Walk. It appears that the Lees Road car park has been confirmed as an approved activity under the District Plan. It will operate as a private tourism venture and therefore there is no requirement for Council funding.

The draft LTP includes District Transportation spend on Lees Road Carpark & improvements of \$139,000 in the 2019/20 LTP and \$3.246M in the 2020/21 LTP, a total of \$3.385M. We understand the cost of upgrading Lees Road is only \$1.628M leaving \$1.747M available for other projects. We recommend these funds are allocated to the Dalmeny Corner (Newtons) Bridge upgrade.

Circumstances have changed, priorities need to be reviewed- inappropriate decisions revoked. We anticipate that Council will respond appropriately.

### **3.3 Recommendations**

We recommend the LTP incorporate the following:

- Put all work on the Walk on hold and reassess project viability during the development of the Walk to the 2021 - 31 Long Term Plan
- Proceed with the planned upgrade of Lees Road paid from District Transport
- Allocate surplus funds to Upgrade Newtons Bridge and Dalmeny Corner Flood mitigation
- Stop the RMA Consent process associated with the Walk.

## **4 Control Freedom Camping and Compliance Enforcement**

### **4.1 Background**

As each year goes by we are seeing an increase in freedom camping vehicles in our area, particularly non-compliant vehicles.

Prior to the closure of the Grange Road car park, 20 vehicles were observed staying overnight during summer. This occurred even though there were only 4 designated spaces. DOC did not take any enforcement action.

Since 8 January, when the Grange Road car park was closed, freedom campers have moved to the designated site at Cooks Beach and often campers exceed the approved numbers.

Some campers still park in non-designated sites in Hahei and Hot Water Beach. Freedom camping will continue at the beachfront in Hahei until the land owned by DOC is transferred to the Council (due 1 May). However extra enforcement has at times, curbed this activity.

The camp sites/resorts around our area are usually full over the summer period and do not have room for freedom campers.

Freedom camping will not reduce, so we need to look at alternatives. While some freedom campers are low budget tourists, if we can keep them in our area for longer, then hopefully a few dollars may be spent here.

### **4.2 Issues**

#### **4.2.1 Permit Farm Freedom Camping**

Currently, farmers can accommodate only 2 freedom campers according to the District Plan. This makes no sense as many farmers have plenty of space to accommodate freedom campers.

We ask that the council look to relax rules to allow freedom camping on farmland. This action would generate extra income for farmers and reduce non-compliant camping activities in our area.

Also, illegal freedom camping requires excessive enforcement time. By providing freedom campers with a viable alternative, enforcement time could be better utilised.

We request that TCDC encourages Destination Coromandel to use in-house resources to identify potential locations for informal freedom camping sites.

#### **4.2.2 Enforcement**

All our Communities believe that more enforcement patrols are needed in our area over the summer months. While we have seen extra patrols, there are still many instances of illegal parking and non-payment of parking fees, as patrols are not frequent enough

At Hot Water Beach, the pay & display machines are often not operating due to lack of paper for tickets and vehicles are not displaying valid tickets indicating payment. As a result, income from this source is lost.

Given that potential pay and display options are to be introduced in Hahei and the increasing number of visitors in our area, we see the need for greater local enforcement.

Our view is that we need a dedicated enforcement officer in our area over the summer months, backed up by trained local people to assist – maybe one at Hot Water Beach and one in Hahei. The

locally trained people could ensure that the pay & display machines are operating properly, and cash cleared on a regular basis.

These changes would create additional income and assist residents who often have their access to their own properties compromised.

#### **4.3 Recommendations**

We recommend that the LTP include the following

- Change Rules in District Plan to allow additional freedom camper numbers on rural properties, providing their neighbours agree.
- Appoint a TCDC Enforcement traffic officer to be based in South Mercury Bay over the busy summer months.
- Appoint residents to assist the TCDC Enforcement officer based in our area.

## 5 Provide Green Waste Transfer Station

### 5.1 Background

For many years, the residents and ratepayers of South Mercury Bay have requested Green Waste Transfer stations. We understand various proposals have been considered, but with an increasing population, both tourist and permanent residents, now is the time to move ahead and establish green waste facility.

Our population justifies a green waste facility. Green waste stations already exist in Whitianga, Tairua, Matarangi, Whangamata, Coromandel, Opito Bay (as of recently), Pauanui and Thames. Based on the TCDC population numbers, the permanent population of Hot Water Beach, Hahei and Cooks Beach is 1,200, while Matarangi and Whangapoa has a permanent population of only 484.

Let's add South Mercury Bay to the list.

### 5.2 Issues

- ***Distance to Whitianga Refuse Transfer Station*** - Presently, residents of Flaxmill Bay, Cooks Beach, Hahei and Hot Water Beach must undertake a 75 km return trip to deposit green waste in either Whitianga or Tairua. The residents of this area feel that this is unacceptable and indeed, inequitable. To put this into context, we do not believe that the residents of Thames would be prepared to travel to Paeroa and beyond to deposit their green waste.
- ***Location for Green Waste Transfer*** – There are several locations available for a Green Waste Transfer facility. Our initial review of options suggests that the preferred location should be on the Purangi Road near Hahei Road.

### 5.3 Recommendations

We recommend the LTP includes the following

- Cost of a study to examine green waste transfer options for South Mercury Bay area.
- Budget CAPEX cost of \$200,000 to be spent in year-2 of the LTP
- Consider inviting private sector waste management organisations to provide the services required

## **6 Managing Local Tourist Infrastructure - Financial Reporting**

### **6.1 Background**

The Mercury Bay Community Board approved a Policy for Revenue Allocation (Revenue Policy) from Income Generating Initiatives on 13<sup>th</sup> April 2016 (See attached copy). The policy provides the framework for spending revenue generated in each area to fund services and facilities.

All our communities strongly supported the policy as it sets out the mechanism for investing income from tourism investments in our area. The policy enables our communities to see benefits from being in tourist hot spots, not just the annoyance of putting up with huge numbers of tourists.

Following the approval of the policy, we had hoped to work with TCDC to prepare annual revenue forecasts, operating costs, and investment plans for our areas. Unfortunately, this has not happened. We request that changes are made to TCDC's management and financial reporting systems so we can work as a team with TCDC, to improve our communities.

### **6.2 Issues**

#### **6.2.1 *Managing Local Tourist Infrastructure – Maximising User Pays***

Over the next ten years, we anticipate tourism will grow significantly in our area, requiring investment in the appropriate tourism infrastructure. Clearly, this infrastructure should not be a burden on residential ratepayers as most never use the tourism related infrastructure. TCDC has a policy of user-pays and we support this approach.

To successfully implement a user pays system, it very important to work with the local community to understand the following key issues:

- What is best strategy to maximise income from tourists?
- How can we make sure only tourists pay and the effect on residents is minimised?
- The infrastructure must be operated and maintained to a high standard. We are competing with tourist attractions around NZ and we must make sure tourists have a great experience in the Coromandel.
- Like any tourism management business, there must be monthly reports that, at a minimum, cover the following:
  - a) Key performance indicators such as revenues, tourist numbers, vehicle numbers etc
  - b) Financial performance relative to budget.
  - c) Operations and Maintenance (O&M) reporting
  - d) Construction report. This would only be necessary if new facilities were being built and had not been hand over the O&M team.

Currently, TCDC is not set up to manage tourism infrastructure or to address these key issues. Essentially, TCDC is set up to deliver services to communities and so management changes in TCDC are needed.

#### **6.2.2 *Funding Tourism Infrastructure - Building an investment business plan.***

The Revenue Policy sets out clear guidelines for allocating revenues from income generating assets. Many of the revenue generating assets will have predictable annual revenue streams and in a

normal business, it would be possible to borrow against the future revenue stream to build the assets we need now.

We recommend we use this approach to funding assets here and develop a tourism business plan for each area. The business plan will detail forecast revenues, operating costs, and income. Using the free cash flow from the tourism investments. The business plan should be developed jointly by TCDC staff and the local community, with final approval by the relevant Community board.

Currently we have an infrastructure deficit and funds are need now (2018/20) to meet current demand let alone future tourist numbers. Of course, the business plan will need to look at how increasing visitor numbers may impact further on our infrastructure.

Once approved, the business plan will be managed locally, with oversight from the relevant community board.

### **6.3 Recommendations**

We recommend the LTP includes the following:

- Commitment from TCDC to implement a tourism management plan aimed at maximising user pays tourist income by empowering local communities to implement the principles set out in the Revenue Policy paper
- Bring our infrastructure up to date through borrowings (Internal?) and funded from future revenue streams.
- A statement that Council will support local communities in the development of tourism business plans and invest in tourist infrastructure, supported by future revenue streams.

## **7 Mercury Bay Operational Expenditure 2018 to 2021**

### **7.1 Background**

The Mercury Bay Community Board assists in funding libraries and community halls. Some are volunteer organisations and it critical that Council funding continues to support libraries and community halls. The facilities are very important assets to our communities and are well supported.

Also, with increasing tourism, Council must provide funding for additional litter collection and servicing of toilets in our area.

### **7.2 Issues**

#### **7.2.1 Library and Community Hall Annual Grants**

Mercury Bay Community Board supports volunteer administered libraries and community halls with allocated annual grants. The annual grants need to increase to cover inflationary costs. These costs are beyond the control of the volunteer organisations. For instance, the cost of insurance has increased substantially over both LTP periods

We recommend that the Library Grant should increase from the current \$3,500 p.a. to \$3,900pa.

Libraries and community halls provide a valued level of service to their respective Communities and the cost of operation should not be the sole responsibility of volunteers.

#### **7.2.2 South Mercury Bay -Litter and Sanitary Service upgrade.**

Hot Water Beach and Cathedral Cove attracts an extremely high level of daily visitors, estimated during the peak summer period to be approximately 4,000 to 7,000 per day.

Public toilets and rubbish bins are all extensively used. There have been numerous complaints and observations regarding unsanitary toilet conditions and rubbish bins overflowing.

The situation is unacceptable to the affected communities and visitors and tarnishes the reputation of Mercury Bay and the Coromandel.

We request that an increased level of service (twice daily) be provided during the peak period and long weekends in the Hot Water Beach, Hahei, Cooks Beach and Ferry Landing areas.

### **7.3 Recommendations**

We recommend the LTP includes the following:

- Increase library grants to \$3,900 pa
- Increase the litter and sanitary service to twice daily during the peak period and long weekends in the Hot Water Beach, Hahei, Cooks Beach and Ferry Landing areas.

## **8 Support for Surf Life Saving**

### **8.1 Background**

Nothing is more important to our communities than health and safety. In this area, the Hot Water Beach Lifeguards perform a crucial function.

The 2017/18 lifeguard season had paid guards (regionals) patrol Hot Water Beach, Hahei and Cathedral Cove. The Hot Water Beach regionals are still patrolling and will do so until Queen's Birthday weekend due to the high number of tourists at the beach daily.

Cathedral Cove had life guards do 854 hours. During this time, they performed 392 preventative actions which involved 2,664 people. 57 minor first aids, 4 major first aids, 11 people assisted to safety, 2 people rescued and searches for 2 missing people.

At Hahei, life guards were present for 608 hours. During this time, they performed 348 preventative actions involving 2443 people. 18 minor first aids, 1 major first aid, 2 people assisted to safety, 0 rescues and 1 search for a missing person. Sea conditions at Hahei were favourable this summer which is indicated by the fact there were no rescues. However, the preventative actions and the people involved also indicates how useful the lifeguard presence was at Hahei.

Hot Water Beach is still being patrolled and has clocked up 1993 patrolled hours to date. During this time 2670 preventative actions were performed involving 19,700 people. 55 minor first aids, 5 major first aids, 25 people assisted to safety, 28 people rescued and 3 searches for missing people. Of note here; is the first aids are not limited to people on the beach or in the water. The guards have been called to people's houses to provide first aid while waiting for an ambulance, to the car park and to the tracks around the side of the pa.

As a community, we must support the wonderful work of our life guards

### **8.2 Issues**

#### **8.2.1 Funding**

Visitors to our area are growing rapidly, and we need to expand life guard beach patrols. For the 2017/18 summer season, Hot Water Beach Lifeguards expanded their patrols to Hahei Beach and Cathedral Cove. We are very grateful for the services they provided.

But we need additional funding and we believe that some of the income earned from tourist facilities should be allocated to them. It is reasonable to use income generated by visitors to pay for their health and safety.

### **8.3 Recommendations**

We recommend the LTP includes the following:

- Allocate to Hot Water Beach Lifeguards, \$20,000 per year from revenues generated at the Hot Water Beach Car Parks.

## 9 Responses to The Big Stuff – Significant Proposals

### 9.1 Thames Sub-regional aquatic facility

The draft LTP proposes 3 options for a new or replacement Aquatic Centre in Thames. Our South Mercury Bay communities do not support any of the options, as each involve a very large investment which does not benefit us in any way.

Thames is a long way from Hahei, Hot Water Beach and Cooks beach and we can never imagine swimmers will drive to the proposed pool.

Our position is as follows

- We would support Option B if it could be shown that the debt associated with pool will not jeopardise investments in our area.
- Thames ratepayers must pay all costs, including investigation costs.
- Before proceeding, there must be binding agreement with adjacent councils, such Hauraki Council. Also, TCDC must explore alternative funding sources such as Lotteries Commission, etc.
- While TCDC is investigation the Thames Sub-Regional Pool, an investigation should also be conducted into upgrading the Whitianga swimming pool

We would like to speak at a hearing in support of our submission.

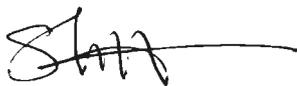
Yours faithfully

**Bill Stead**



**Chairman of Hahei Residents  
and Ratepayers Association**

**Stephen LeFebvre**



**Chairman Hot Water Beach  
Ratepayers Association**

**Graeme Lomas**



**Chairman Mercury Bay South  
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