



Economic Development

What we do and why

Economic development is about making it easier for economic activity to happen in Taupo District. Council carries out a range of activities that contribute to this, including building and maintaining roads, supplying water, removing waste and keeping towns tidy.

Council also works with Enterprise Lake Taupo (ELT) to help facilitate a good business environment. Enterprise Lake Taupo's work includes providing advice to potential investors, implementing projects to support the District's economy and carrying out facilitation and advocacy work with other organisations to get the services the District's economy needs. Council provides a base level of funding to ELT to ensure long term continuity of its work.

Enterprise Lake Taupo has prepared an action plan for the economic development of Taupo District. The action plan identifies what needs to be done to make it easier for people to carry out economic activity. It requires working together with other organisations both within and outside the District, including linkages with the Waikato and Bay of Plenty.

The areas where work will be focussed have been called the 'four platforms'. These are the platforms from which economic activity can take place. They are infrastructure, people and skills, visitors and investment promotion, and leadership.

Council will continue to take a supportive role for economic activity. Providing a basis from which businesses can grow and develop will help provide opportunities for investment. The overall goal of this is to provide income for the people of our District and thus improve our quality of life. Another way is through the development of the Taupo Urban Commercial and Industrial Structure Plan¹⁷. This will provide an understanding of what type of development is suitable and where it is best located.

One way to facilitate economic development is by making it simpler for people to get business advice. A potential goal is to develop a hub that provides a single point of contact for people who may be interested in business development services. Grouping a range of organisations together will promote better customer service and co-operation between those organisations.

Co-operation and collaboration will also be promoted in other ways as working together with other organisations in the District, regionally and nationally has the potential to improve outcomes for the community. Council will promote collaboration where appropriate with the intention of developing better results than would have been possible if organisations operated separately and independently.

¹⁷ See Liveable Places on page 92



Disestablishment of Taupo District Economic Development Advisory Board

Enterprise Lake Taupo was set up by the Taupo District Economic Development Advisory Board in early 2008 as a collaborative organisation to promote and support economic development in Taupo District. Enterprise Lake Taupo now carries out the activities that had been the responsibility of the Advisory Board.

As there is no need for this duplication the Advisory Board will be disestablished. The members of the Advisory Board support the Board's disestablishment and support Enterprise Lake Taupo as the organisation to take over the Board's functions.

Economic Development Action Plan

Enterprise Lake Taupo has prepared an Economic Development Action Plan. The action plan contains a programme of actions that, if implemented, should help support economic activity in the District. It includes actions to be carried out by a range of organisations to help provide a solid basis for all businesses to grow and develop.

Facilitation of an Ice Arena

Preliminary investigations are underway into the possibility of an indoor ice arena in the Taupo District. The following factors are being considered:

- acquisition of land
- building and funding of an ice arena
- operational costs.

Council is currently pursuing a facilitation option where Council will look to work with other parties such as a trust or commercial venture to facilitate an ice arena. Council will decide the extent (if any) to which it is involved. In this role:

- Council could assist in the provision of land, if a sufficient business case is presented
- Other parties would be responsible for funding the building and ongoing operational costs of an ice arena. Council would choose a level of involvement (if any).

At this stage Council is considering potential locations for an ice arena as part of the development of the Taupo Sportsground Management Plan in 2009/10. We are also awaiting a decision from the external parties involved as to whether, and when, a Trust will be formed. Council will consider any further involvement after these two decisions have been made.

Affordable housing

The Taupo Urban Area Housing Strategy was adopted in 2007 to address some of the issues arising around housing affordability. Progress has been made on the following key actions from the strategy:

Investigate the feasibility and structure of a housing trust

The Lake Taupo Housing Trust has been formed. The trust is in the early stages of determining their strategy and approach to the development of affordable housing.

Develop energy efficiency programmes

A partnership has been formed between local and regional councils, health providers, local Iwi, community agencies and the Energy Efficiency and Conservation Agency (EECA) and funding received to commence an insulation retrofit programme in 2009¹⁸.

Other actions we will be working on in the coming years are a voluntary code of practice for private landlords, development of an affordable housing component as part of Council's urban land development and lobbying central government for changes to welfare structures.

What are the significant negative effects?

Economic activity may have potential unintended consequences for environmental, social and cultural wellbeing. If it is not managed appropriately.

Link to Council strategies

At a regional level, the action plan for Taupo District will link into the Waikato and Bay of Plenty regional strategies that are being developed. We need to ensure that our District makes linkages with other parts of the country to build on collective strengths.

The action plan builds on and refines the Taupo District Economic Development Strategy which was developed in 2002.

Key organisations that we work with

Enterprise Lake Taupo
Towncentre Taupo
Ministry of Economic Development
Waikato and Bay of Plenty economic groups
NZ Trade and Enterprise

¹⁸ See Community Engagement on page 75



Key actions, projects and services

2009-2010

- Implement Council actions in Economic Development Action Plan
- Support Enterprise Lake Taupo operations
- Phase out Taupo District Economic Development Advisory Board
- Ongoing delivery of insulation retrofit programmes with EECA and other partners
- Investigate locations for an ice arena as part of the Taupo Sportground Management Plan

2010- 2012

- Implement Council actions in Economic Development Action Plan
- Support Enterprise Lake Taupo operations
- Review Economic Development Action Plan in 2010/11

2012- 2019

- Implement Council actions in Economic Development Action Plan
- Support Enterprise Lake Taupo operations
- Review Economic Development Action Plan in 2013/14 and 2016/17

How we'll know we're on track

<i>What we want to know</i>	<i>Measure</i>	<i>Source of information</i>	<i>Target</i>
Services set in economic development contracts are being delivered	Completion of economic development projects	Reports from contractors	Achieve ¹⁹
This activity is indirectly having a positive effect on the economy	Economic indicators ²⁰ such as business confidence, unemployment rates, business numbers and average income	Statistics New Zealand economic indicators	Positive changes

¹⁹ In 2007/08 this target was achieved in part

²⁰ See page 281 (SOD indicators)



Economic Development - Cost of Service Statement

Operating Funding Requirements	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Operating Income										
Targeted rates	49	51	52	54	55	57	58	60	62	64
Development and/or financial contributions	0	0	0	0	0	0	0	0	0	0
Property Sales	0	0	0	0	0	0	0	0	0	0
Vested assets	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0
Total Income	49	51	52	54	55	57	58	60	62	64
Operating Expenditure										
Operating expenditure	245	254	260	268	275	282	290	298	308	318
Depreciation and amortisation	60	60	60	59	59	58	57	57	56	56
Finance costs	0	0	0	0	0	0	0	0	0	0
Total Operating Expenditure	305	314	320	327	333	340	347	355	364	374
Net Deficit (Surplus) of Operations	256	263	268	273	278	283	289	295	302	310
Funded by:										
General rates	196	203	208	214	220	225	232	239	246	255
Operating deficit (surplus) from/to reserves	0	0	0	0	0	0	0	0	0	0
Recognition of vested assets	0	0	0	0	0	0	0	0	0	0
Depreciation not funded	60	60	60	59	58	58	57	56	56	55
Total Funding Applied	256	263	268	273	278	283	289	295	302	310



Liveable Places

What we do and why

Unmanaged growth has the potential to undermine the sustainability of the community; it can result in damage to sensitive environments, conflicts between competing land uses and inefficient or inadequate infrastructure. The Council has a key role to play in planning for how we will manage future urban growth using Taupo District 2050 (TD2050), the district wide growth management strategy, as a blueprint. A lot of work has already been done to implement TD2050 and over the coming ten years the focus is going to be on completing the structure planning for the identified urban growth areas. The Taupo Urban Commercial and Industrial Structure Plan is already being developed. The next priority is the South Western Settlements Structure Plan. Once drafted, each of these structures is then anchored in the District Plan.

Along with planning for the future, Council is involved in managing how land is used and where subdivision takes place. This is primarily done through the District Plan, which provides direction on what activities are considered to be acceptable while protecting the community and environment against adverse effects. In the short and medium terms work on the District Plan will concentrate on completing existing projects like the Natural and Landscape Values Plan Changes. The purpose of this project is to identify areas of important landscape and natural value in the Taupo District and to protect these areas from inappropriate development. Toward the end of the ten year period the emphasis will move to preparing for the next major review of the District Plan.

Central Government and regional councils also develop policies and rules which govern how land and resources are used. These policies and rules can impact on how our communities grow and function, so it is important that the Council puts forward the views of the District's communities for consideration. At the moment there is a significant amount of Central Government policy on issues such as electricity generation and freshwater. This direction setting from Central Government is expected to continue over the period of the ten year plan. At the same time, a number of the surrounding regional councils, including Environment Waikato, are reviewing their regional policy statements. These statements set the direction for how resources are used through the regions and our District Plan must give effect to that direction. It is very important that we are involved in the development of these statements to advocate on behalf of the District's communities.



Creating a civic heart for the Taupo town centre

The construction of the East Taupo Arterial allows us to reclaim and reinvigorate the Taupo Central town centre environment²¹. With Lake Terrace and Tongariro Street coming back to Council as local roads, there will be all sorts of opportunities to create much better linkages between the town centre, the Lake and the Tongariro Domain.

Council is looking to help revitalise the town centre environment through the creation of a civic heart. Civic buildings like libraries, museums and offices have resources and activities that appeal to people of all ages and all cultures in a community. They can be real catalysts for drawing people to places and encouraging social interaction. We are fortunate to already have the public library and the Great Lake Centre right in our town centre. We want to build on the benefits of having these existing facilities by building a new civic administration centre to complement them.

As noted in Heritage and Public Art, (page 131) we are also giving some thought to the development of a new arts/heritage/cultural centre to meet the cultural needs of the community. There is the real potential to combine that centre and the new civic administration building as part of the new civic heart. This will also mean that the current Lake Terrace Council site will become available.

Having people around in public places is a real plus in terms of creating a feeling of vibrancy and excitement; it is also a positive for retailers who see greater foot traffic, and for the general community who benefit from a place that feels safe, inviting and fun to be in. We think that by creating a heart for our town centre we will be able to achieve this.

There are a number of ways that this civic heart can be made a reality in the town centre environment. We are looking at potential locations and how best to design the civic heart through the Taupo Urban Commercial and Industrial Structure Plan. That process will make sure that we take into account things like traffic movement, parking needs and open space connections. It will also offer a number of informal and formal opportunities for the community to provide ideas about the best future location. Once we have agreed on the right location, funding will need to be identified.

²¹ Please see the Taupo District Plan



Taupo Urban Commercial and Industrial Structure Plan

Taupo District 2050 (TD2050) has identified areas for future commercial and industrial growth in and around Taupo town. To ensure that these areas are developed to meet the community's future needs, Council is developing the Taupo Urban Commercial and Industrial Structure Plan. This plan is one of the ways Council will respond to the community outcome 'Thriving and Prosperous'. Specifically it will ensure that infrastructure and services keep pace with growth.

The plan will set out where different activities are best located, with enough flexibility to allow for future changes in the economy. It will also provide direction for how these areas will be appropriately serviced with infrastructure like roads and stormwater. Through the Economic Development Action Plan and our Visitor Strategy there has been a strong call to establish the district's personality and have a clear identity. These elements will be the best way to create a thriving civic heart.

Taupo District 2050 has previously identified the Taupo town centre environment as the major commercial and retail centre in the district and a key community asset. One of the key things the structure plan will seek to do is provide some more direction on how best to revitalise the town centre. With the completion of the East Taupo Arterial, Lake Terrace and Tongariro Street will be returned to Council control, opening up the potential for easier access from the town to the lake and the Tongariro Domain. Creating a civic heart will be a key focus for the town centre part of the structure plan.

During development of the structure plan there will be a range of opportunities for interest groups and the public to provide input. The plan is due to be completed in December 2009, at which stage the Council anticipates making a change to the District Plan to facilitate development in the new commercial and industrial areas. The structure plan is also expected to result in physical changes to the town centre which will be implemented over time through things like planting plans and roading upgrades.

What are the significant negative effects?

The preparation of structure plans identifies where future development potential may be and thus favours one set of landowners over another.

Environmental wellbeing may take precedence over social, cultural and economic wellbeing.

Link to Council strategies

Taupo District 2050
Taupo District Plan
Development Contributions Policy
Asset management plans

Key organisations that we work with

Environment Waikato and other regional councils
 Ministry for the Environment
 Department of Conservation
 Department of Internal Affairs
 Tuwharetoa Maori Trust Board
 NZ Transport Agency

Key actions, projects and services

2009-2010

- Completion of the Taupo Urban Commercial and Industrial Structure Plan
- Review of the TD2050 implementation plan
- Implementation of the District Plan monitoring process
- Initiation of the South Western Settlements Structure Plan
- Continue appeal resolution for Plan Change 23 (Mapara Valley)
- Continue appeal resolution for Natural and Landscape Values Appeal
- Continue drafting of Biodiversity Strategy and design guidelines for development in the Rural Environment
- Processing of Turangi Structure Plan including appeal resolution (dependent on private developer)
- Processing of Whareroa Structure Plan Change (dependent on private developer)
- Consultation on and notification of the Lake Taupo Erosion and Flood Plan Change
- Potential notification and adopting of Hazards Plan Change (dependent on review undertaken prior to June 2009)
- District Plan change (notification and processing) for Taupo Urban Commercial and Industrial Structure Plan
- Development of Taupo District Environment Design Guidelines

2010-2012

- South Western Settlements Structure Plan
- Taupo Town and Waitahanui structure plans
- Continue monitoring of the District Plan
- Review of TD2050
- Continue appeal resolution for Plan Change 23 (Mapara Valley)
- Continue appeal resolution for Natural and Landscape Values
- Continue appeal resolution for Turangi Plan Change
- Hearings, decisions and resolution of appeals on Whareroa Plan Change
- Resolution of potential appeals on the Lake Taupo Erosion and Flood Plan Change
- Hazards Plan Change
- Taupo Urban Commercial and Industrial Structure Plan Change
- Plan change for South Western Settlements Structure Plan
- Plan change for Taupo Urban Commercial and Industrial Structure Plan



2012-2019

- South Eastern Settlements Structure Plan
- Full review of TD2050
- Natural and Landscape Values Plan Changes
- Complete monitoring of the District Plan in 2017
- Collation and reporting on the District Plan monitoring process
- Notification, submissions, hearings, decisions and potential appeal resolution of Waitahanui Structure Plan change
- Input into the development and notification, submissions, hearings, decisions and potential appeal resolution of South Eastern Settlements Structure Plan change
- Review of the Historic and Cultural Values plan provisions and protection of sites in the Taupo District
- Review of the District Plan for notification in 2020

How we'll know we're on track

Short term

<i>What we want to know</i>	<i>Measure</i>	<i>Source of information</i>	<i>Target</i>
District Plan changes are developed in accordance with the provisions of the Resource Management Act 1991	All identified Plan Changes consulted, notified and heard in accordance with best practice and within statutory time frames	TDC	Achieve ²²
Structure plans developed by Council meet the consultation and decision making requirements of the Local Government Act 2002	All Council developed structure plans involve consultation during their development and in accordance with the special consultative procedure	TDC	Achieve
Council is advocating on behalf of the community with respect to environmentally focused national and regional policy development	Submissions are prepared where environmental policy developed by other government organisations has a significant impact on the Taupo District	TDC	Achieve

Long term

<i>What we want to know</i>	<i>Measure</i>	<i>Source of information</i>	<i>Target</i>
The community feels involved in the development and future of the District	Percentage of community who feel they have enough say in what Council does	WCOPS	75% ²³

²² In 2007/08 this target was achieved.

²³ In September 2007 we achieved a result of 48.8%



Liveable Places - Cost of Service Statement

Operating Funding Requirements	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Operating Income										
Targeted rates	0	0	0	0	0	0	0	0	0	0
Development and/or financial contributions	0	0	0	0	0	0	0	0	0	0
Property Sales	0	0	0	0	0	0	0	0	0	0
Vested assets	0	0	0	0	0	0	0	0	0	0
Other income	2	2	2	2	2	2	2	2	2	2
Total Income	2	2	2	2	2	2	2	2	2	2
Operating Expenditure										
Operating expenditure	1,415	1,317	1,587	1,056	911	851	825	843	1,023	1,136
Depreciation and amortisation	3	2	2	2	1	1	1	1	1	0
Finance costs	0	0	0	0	0	0	0	0	0	0
Total Operating Expenditure	1,418	1,319	1,589	1,058	912	852	826	844	1,024	1,136
Net Deficit (Surplus) of Operations	1,416	1,317	1,587	1,056	910	850	824	842	1,022	1,134
Funded by:										
General rates	1416	1317	1587	1056	910	850	824	842	1022	1134
Operating deficit (surplus) from/to reserves	0	0	0	0	0	0	0	0	0	0
Recognition of vested assets	0	0	0	0	0	0	0	0	0	0
Depreciation not funded	0	0	0	0	0	0	0	0	0	0
Total Funding Applied	1,416	1,317	1,587	1,056	910	850	824	842	1,022	1,134



Taupo District Investments

What we do and why

Council generates income from a range of assets that it owns whether by investment or development. Income generated from these assets is an important income stream for Council to enable rates to be affordable.

The activity aims to maximise return from:

- urban land development (190ha)
- TEL Fund
- general reserve funds
- forestry (1,058ha)
- property

One of the outcomes is to pay for the East Taupo Arterial (ETA).

East Urban Lands

Over the past few years Council has been developing residential sections on 190 hectares of severance land purchased in the mid to late 1990s for the East Taupo Arterial route on the south eastern outskirts of town. An industry-leading master-planned urban design development comprising approximately 2,200 lots and known as the East Urban Lands (EUL) is currently in for consideration with Council for a land use consent. The EUL project is broken up into various neighbourhood precincts with their own individual characteristics of built environment. This is anticipated to be a long term (20 years plus) project. The precincts include a neighbourhood centre including commercial uses and high density residential, an educational and research campus with associated commercial use and residential as well as more traditional type of residential development in varying degrees of density and character. One of the primary aims is to create vibrant, safe and interactive communities through proven urban design principles and quality healthy homes through sustainable development. The project will be progressed on a staged basis depending on expected uptake and demand, with the first being the 17 lot Victoria Stage 2 in 2009.

TEL Fund

The TEL Fund is managed by the Treasury Management Policy. This policy enables a range of levels of risk versus return to be taken by the TEL Fund. This means, for example that the level of equities could be from zero to 50% of the fund. With the ongoing volatility in all markets, especially equity and property, the fund is taking a very conservative approach and will continue to apply that strategy for the foreseeable future.

Forestry

Council has 1,058 hectares in forestry spread over two major forests (Rangitaiki and Tirohanga) and four minor plantations. Harvesting of the two major forests will occur between 2014 and 2018 resulting in projected net income of \$8m over the five year harvest period. The impact of the Emissions Trading Scheme is still being assessed – specifically whether Council is entitled to any carbon credits on the pre-1990 Rangitaiki (Murray Black) forestry block.

Assets we use

Land, for example, the East Urban Lands
Forestry

Link to Council strategies

This activity aligns with the Council Treasury Management Policy. It is also in accordance with the recent Rates Review which encouraged income generation from sources other than rates.

Key organisations that we work with

Banks and private sector



Key actions, projects and services

2009-2010

- Set development and investment strategy for each class of assets
- Manage assets to deliver required level of income for year
- Manage TEL fund and general reserve funds
- Housing development on Stage 2 Victoria
- Completion of resource consent for Lot 60 residential development
- Residential subdivision consent for Stage 2 Botanical Heights (East Urban Lands) and marketing this subdivision
- Plan commencement of Broadlands Road Service Centre adjacent to East Taupo Arterial
- Construct Mahoe Street industrial development

2010- 2012

- Manage TEL fund and general reserve funds
- Complete housing development on Stage 2 Victoria
- Redevelop Mangakino Service Centre and Library
- Manage assets to deliver required level of income for year
- Construct and complete Stage 2 Botanical Heights
- Ongoing consent for Broadlands Road Service Centre, marketing and construction
- Commence The Stables residential development (East Urban Lands) planning
- Commence the East Urban Lands Campus and commercial development
- Plan and commence commercial/industrial opportunities following completion of the Taupo Urban Commercial and Industrial Structure Plan

2012- 2019

- Manage TEL fund and general reserve funds
- Manage assets to deliver required level of income for year
- Complete The Stables residential development
- Complete the East Urban Lands Campus and commercial development
- Complete Broadlands Road Service Centre
- Progress ongoing stages of the East Urban Lands project as required by demand
- Ongoing commercial and industrial development as required

How we'll know we're on track

<i>What we want to know</i>	<i>Measure</i>	<i>Source of Information</i>	<i>Target</i>
We are developing sustainable revenue sources other than rates	Investment Strategy reviewed every three years	TDC	Achieve
	Targets set within the strategy		Achieve



Taupo District Investments - Cost of Service Statement

	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Operating Funding Requirements										
Targeted rates	0	0	0	0	0	0	0	0	0	0
Development and/or financial contributions	0	0	0	0	0	0	0	0	0	0
Property Sales	625	2,082	2,710	9,609	10,698	8,142	2,688	1,335	683	0
Vested assets	0	0	0	0	0	0	0	0	0	0
Other income	7,851	7,794	7,812	7,703	7,149	6,762	6,776	6,864	6,811	7,205
Total Income	8,476	9,876	10,522	17,312	17,847	14,904	9,464	8,199	7,494	7,205
Operating Expenditure										
Operating expenditure	735	732	755	806	802	824	883	878	908	970
Depreciation and amortisation	164	171	182	161	161	165	160	164	160	161
Finance costs	654	917	1,184	1,381	1,664	1,321	691	145	137	140
Total Operating Expenditure	1,554	1,820	2,121	2,348	2,627	2,310	1,734	1,187	1,205	1,271
Net Deficit (Surplus) of Operations	(6,922)	(8,056)	(8,401)	(14,964)	(15,220)	(12,594)	(7,730)	(7,012)	(6,289)	(5,934)
Funded by:										
General rates	(5,708)	(5,760)	(6,783)	(5,825)	(5,077)	(3,947)	(4,035)	(4,487)	(4,321)	(3,760)
Operating deficit (surplus) from/to reserves	(1,214)	(2,296)	(1,618)	(9,139)	(10,143)	(8,647)	(3,695)	(2,525)	(1,968)	(2,174)
Recognition of vested assets	0	0	0	0	0	0	0	0	0	0
Depreciation not funded	0	0	0	0	0	0	0	0	0	0
Total Funding Applied	(6,922)	(8,056)	(8,401)	(14,964)	(15,220)	(12,594)	(7,730)	(7,012)	(6,289)	(5,934)

Taupo District Investments - Cost of Service Statement

	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Capital and Reserves Funding Requirements										
Capital Expenditure										
Renewals	264	761	261	752	315	936	288	327	303	275
Growth	0	0	0	0	0	0	0	0	0	0
Increase in level of service	2,389	4,162	5,227	6,743	7,825	3,937	0	0	0	0
Total Capital Expenditure	2,653	4,923	5,488	7,495	8,140	4,873	288	327	303	275
Loan Repayments	76	1,355	3,573	3,738	10,481	10,260	6,731	746	95	102
Total Cost	2,729	6,278	9,061	11,233	18,621	15,133	7,019	1,073	398	377
Funded by:										
Loans Raised	2,476	4,275	5,352	6,861	7,923	4,031	0	118	122	162
Transfer from Reserve(s)	253	2,003	3,709	4,372	10,698	11,102	7,019	955	276	215
Total Funding Applied	2,729	6,278	9,061	11,233	18,621	15,133	7,019	1,073	398	377
Split of Capital Expenditure										
Renewals	264	761	261	752	315	936	288	327	303	275
Growth	0	0	0	0	0	0	0	0	0	0
Increase in level of service	2,389	4,162	5,227	6,743	7,825	3,937	0	0	0	0
Total Cost	2,653	4,923	5,488	7,495	8,140	4,873	288	327	303	275



Destination Marketing and Management

What we do and why

Council assists with destination marketing and management through Destination Lake Taupo (DLT) and the Lake Taupo Tourism Advisory Board²⁴ (LTTAB). The LTTAB is a Council Controlled Organisation (CCO) that provides advice on tourism and destination management in the district and advice on the marketing direction and operations of DLT.

We want to bring people to the district so that they can enjoy what we have to offer and contribute to our economic well-being. We have established international and national alliances so that we can benefit from what others are doing for example Tourism NZ and the Great NZ Touring Route.

A major focus for us over the coming ten years is the Sustainable Tourism Charter which we will develop in conjunction with those involved in the District's tourism sector.

Historically most of our international visitors have come from the United Kingdom. We recognise that this may change given the current economic climate. We are going to place more emphasis on the east coast of Australia given the expansion of the Rotorua Airport which will offer trans-Tasman flights. We will also work on attracting more domestic visitors to the District, either for a holiday or to take part in one of the many events that we offer.²⁵ To help us understand why people are coming here, but also why they are not, we will undertake some research which we can use to tailor our marketing.

Our two i-SITES, one in Taupo and the other in Turangi, provide residents and visitors with information about our district. They promote what we have on offer and provide assistance to people making decisions about their holidays. This is one of the key ways in which we can encourage our visitors to stay longer in the District.

The Conference Bureau provides a central point of contact for those wanting to host a conference in the District. One of the benefits of hosting conferences is the ability to offer incentive packages to conference attendees.

The world is moving to online booking and we want to be at the front of this global shift. We are developing a digital strategy because the greater our digital footprint the more exposure we have. We are also planning to develop our niche markets which include golf, fishing, mountain biking, tramping, and walking.

We want to help to foster understanding and appreciation of our built, historical and cultural heritage. One of the ways we are doing this is to work with Maori to ensure that their culture and identity are protected.

The LTTAB provides us with a wealth of knowledge and expertise that we are looking to capitalise on over the next ten years. Destination Lake Taupo will have to work harder and smarter to ensure we obtain the best possible results for our stakeholders. We must work more closely with our industry locally and capitalise on any opportunities to work with our regional and national partners.

²⁴ See Council Controlled Organisations, Volume 2

²⁵ See Events on page 110



Sustainable Tourism Charter

Taupo District's tourism industry is dependent on its natural environment. There is an increasing demand for sustainable tourist activities both locally and globally, with tourists increasingly considering sustainability as part of their decision making process.

Destination Lake Taupo has a lead role to play in the facilitation of this process. By advocating and assisting we can influence key stakeholders to work towards becoming sustainable.

The development of a sustainable tourism charter will assist in maintaining our clean green image and will assist in:

- Increasing knowledge and relationships between operators and key stakeholders
- Building relationships between tourist operators the environment, tourist operators and the community
- Building relationships between tourist operators and Iwi
- Influencing other key stakeholders in terms of sustainability.

Opportunities presented by Rotorua Airport expansion

Additional funding has been approved to help address the decreasing visitor numbers domestically, and take advantage of the opportunities presented by Rotorua Airport expanding into trans-Tasman flights.

Our international marketing is undertaken in conjunction with our regional partners under the Great NZ Touring Route co-operative. The development of Rotorua Airport opens up the opportunity to market conventions and free independent travel from the Australian eastern seaboard. With Rotorua Airport less than one hour's drive away the Lake Taupo Region is a viable option for conventions and short-stay, self-drive holiday market, including the lucrative ski and winter holiday markets.

The additional funding will be complemented by funding from our regional partners, the Rotorua Airport, airlines and travel industry partners in NZ and Australia to fund a co-ordinated, three year branding and tactical campaign in the target cities.



Marketing Development Rate

Taupo District Council collects a rate called the marketing development rate (MDR) from all commercial, industrial and commercial accommodation properties in the District. The funding collected is used to market the District as a place for people to visit and live. It is paid by businesses and accommodation providers because the main benefit of attracting more people to the District is received by the businesses where those people spend their money.

Some organisations have expressed concerns over the fairness of this rate in relation to who pays it, who does not and the amount that each pays. Some examples have been cited where companies may pay only a small contribution to the rate due to their land value, but they receive significant benefit from the marketing activity. This led to the Taupo District Visitor Industry Forum held in early October 2008. The forum identified that further work was needed to find a fairer way of collecting funding for marketing the District.

The forum led to the establishment of a task force, organised by Enterprise Lake Taupo and the interim Lake Taupo Tourism Advisory Board, who then made a submission outlining that consideration should be given to developing a workable method of generating voluntary contributions from the visitor industry currently outside the MDR process. Council is planning to develop some options for the MDR which will form part of the 2010/11 Annual Plan. If changes are made to the MDR this will necessitate an amendment to the Long Term Council Community Plan.

What are the significant negative effects?

Council recognises that there is an effect on the economic wellbeing for some of those who contribute to the marketing development rate. This effect is due to the anomalies associated with who pays the rate, how much they pay and who benefits from the rate.

Link to Council strategies

Economic Development Action Plan
Ten Year Visitor Industry Strategy

Key organisations that we work with

Tourism NZ
Regional Tourism Organisations of NZ
Great NZ Touring Route Marketing Co-operative
Town Centre Taupo
Maori Regional Tourism Office
Accommodation Association
Tourism Lake Taupo
Enterprise Lake Taupo
Tourism Industry Association



Key actions, projects and services

2009-2010

- Development of a digital strategy
- Development of a sustainability charter
- Marketing research
- Domestic tourism marketing
- International tourism marketing
- Operating i-SITES in Taupo and Turangi
- Convention and incentive marketing
- Destination management
- Brand/identity development

2010-2012

- Implementation of the digital strategy
- Implementation of the sustainable tourism charter
- Domestic tourism marketing
- International tourism marketing
- Operating i-SITES in Taupo and Turangi
- Convention and incentive marketing
- Destination management
-

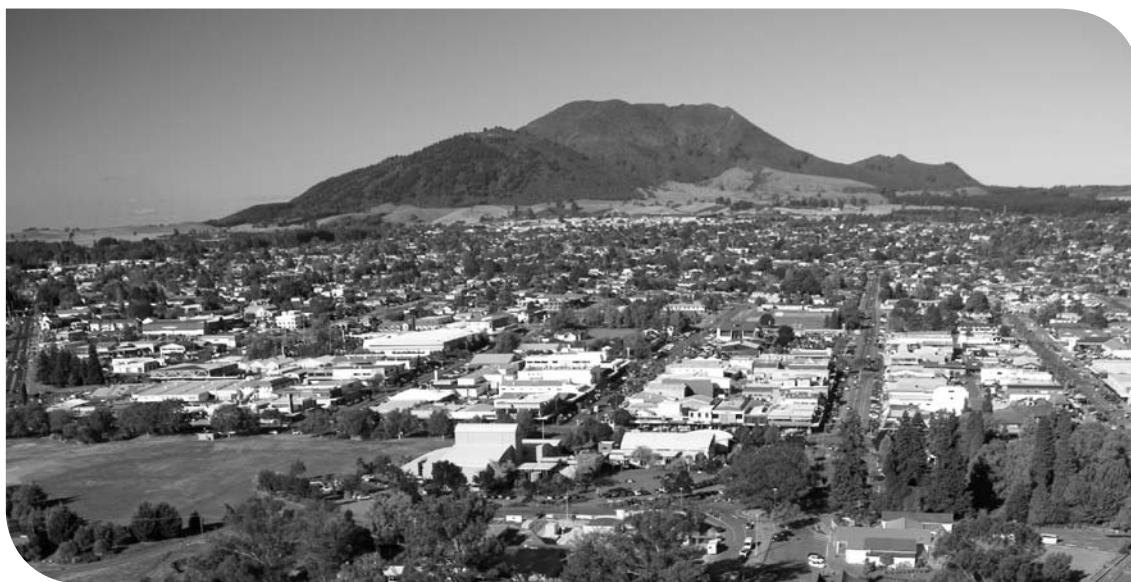
2012-2019

- Domestic tourism marketing
- International tourism marketing
- Operating i-SITES in Taupo and Turangi
- Convention and incentive marketing
- Destination management



How we'll know we're on track

<i>What we want to know</i>	<i>Measure</i>	<i>Source of information</i>	<i>Target</i>
The private sector is contributing to marketing campaigns	Percentage of marketing campaigns to be funded from private sector contributions	TDC	50% ²⁶
There is an increase in tourism	Domestic visitor nights increase each year	Commercial Accommodation Monitor, Stats NZ	Increase by 0.8% per annum ²⁷
Revenue from advertising sales is increasing	Percentage increase in revenue annually from advertising sales	TDC	5% ²⁸
Revenue from Visitors is increasing	Percentage increase in revenue per visitor from activity operators, accommodation and tourism support services	Tourism Research Council of NZ International Visitor Survey	5% ²⁹
Quality destination marketing and management	Percentage of respondents to annual visitor stakeholder survey are satisfied with the performance of Destination Lake Taupo	TDC	70%



²⁶ In 2007/08 we achieved 43%

²⁷ In 2007/08 there was a decrease of 4%

²⁸ In 2007/08 revenue from advertising sales increased by 27%

²⁹ In 2007/08 we achieved a 4.7% increase in commissions



Destination Marketing and Management - Cost of Service Statement

Operating Funding Requirements	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Operating Income										
Targeted rates	912	933	972	1,004	1,025	1,056	1,089	1,121	1,167	1,208
Development and/or financial contributions	0	0	0	0	0	0	0	0	0	0
Property Sales	0	0	0	0	0	0	0	0	0	0
Vested assets	0	0	0	0	0	0	0	0	0	0
Other income	731	758	777	800	825	847	870	896	924	956
Total Income	1,643	1,691	1,749	1,804	1,850	1,903	1,959	2,017	2,091	2,164
Operating Expenditure										
Operating expenditure	2,448	2,540	2,620	2,691	2,766	2,844	2,925	3,027	3,133	3,240
Depreciation and amortisation	54	50	62	71	58	62	65	58	67	71
Finance costs	35	35	33	31	29	27	25	23	22	20
Total Operating Expenditure	2,537	2,625	2,715	2,793	2,853	2,933	3,015	3,108	3,222	3,331
Net Deficit (Surplus) of Operations	894	934	966	989	1,003	1,030	1,056	1,091	1,131	1,167
Funded by:										
General rates	894	934	966	989	1003	1030	1056	1091	1131	1167
Operating deficit (surplus) from/to reserves	0	0	0	0	0	0	0	0	0	0
Recognition of vested assets	0	0	0	0	0	0	0	0	0	0
Depreciation not funded	0	0	0	0	0	0	0	0	0	0
Total Funding Applied	894	934	966	989	1,003	1,030	1,056	1,091	1,131	1,167

Destination Marketing and Management - Cost of Service Statement

	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Capital and Reserves Funding Requirements										
Capital Expenditure										
Renewals	16	24	132	51	40	116	36	82	134	21
Growth	0	0	0	0	0	0	0	0	0	0
Increase in level of service	2	0	0	0	0	0	0	0	0	0
Total Capital Expenditure	18	24	132	51	40	116	36	82	134	21
Loan Repayments	27	27	27	27	27	27	27	26	26	27
Total Cost	45	51	159	78	67	143	63	108	160	48
Funded by:										
Loans Raised	0	0	0	0	0	0	0	0	0	0
Transfer from Reserve(s)	45	51	159	78	67	143	63	108	160	48
Total Funding Applied	45	51	159	78	67	143	63	108	160	48
Split of Capital Expenditure										
Renewals	16	24	132	51	40	116	36	82	134	21
Growth	0	0	0	0	0	0	0	0	0	0
Increase in level of service	2	0	0	0	0	0	0	0	0	0
Total Cost	18	24	132	51	40	116	36	82	134	21



Events

What we do and why

Through Destination Lake Taupo, Council, in conjunction with the Lake Taupo Tourism Advisory Board, undertakes event facilitation.

Our reputation as “The Events Capital of New Zealand” is growing and it is opening up opportunities to increase our market share. Over the next ten years a strong emphasis will be placed on protecting and enhancing our reputation. This will be achieved in part by the development and implementation of a Sustainable Tourism Charter (see page 104). We also clearly set out our expectations regarding event management to organisers such as the need to develop and comply with a waste management plan.

Funding will be utilised to attract more large participation events, reinforce the infrastructure crucial to this growth and commission research. This research will focus on economic benefit, environmental impact, volunteer burnout and the perceptions surrounding the effect large scale events have on general tourism.

With the major annual sporting events cemented into the calendar, the focus is turning to international and world events with an arts/culture and festival type flavour. These events are more suited to filling the shoulder season over the summer months and to Taupo’s climate. The newly established Riverside Park amphitheatre is an exciting addition to the region’s event venues, allowing us to establish a vibrant series of summer events. Once completed, we will also be able to capitalise on the commercial concert market.

Research identifies that 60% of event participants return to holiday in the region so we will continue to market the events we offer to maintain or increase this number. The development of Rotorua Airport also presents us with opportunities for events in the District.



Here are some of the great events (and we apologise for those we have left out) that benefit the District:

A1GP World Cup of Motor Sport	Bike Odyssey (three day mountain bike ride)
NZ Offshore Power Boat Racing	100K Flyer
NYE 08 Concert Taupo	Erupt Arts festival
More FM Summer Series (Riverside Park)	Mizuno Half Marathon
Kiwiburn (Mangakino)	Wattyl Lake Taupo Cycle challenge
Taupo Medieval Festival	Pearl Izumi Taupo Half ironman
New Balance Great Lake Relay	Sika Show & Competition
Bonita Ironman New Zealand Triathlon	Ecoshow New Zealand
Oxfam Trailwalker	Taupo Home and Garden
World Masters Bench Press Championships	Tuwharetoa Cultural Festival

What are the significant negative effects?

Events can cause some inconvenience for some members of the community. There is also the potential for an adverse environmental effect. Council's Solid Waste bylaw requires that events held at Council venues require a waste management plan in order to reduce and minimise the impact of events on the environment.

Link to Council strategies

Ten Year Visitor Industry Strategy

Key organisations that we work with

Event organisers and sponsors
New Zealand Transport Agency
Police and emergency services
District Health Board



Key actions, projects and services

2009-19

Event facilitation and marketing. This includes

- co-ordination of local event organisers to encourage best practice, including sharing and storage of event related equipment and signage at entrances to Taupo township
- financially assisting media visits to boost exposure of existing key events
- providing financial and management support to encourage new events to be established
- engaging in co-operative advertising with existing event organisers to boost participation at existing events
- proactively seeking to increase international participation and exposure to both new and existing events
- protecting and enhancing the Lake Taupo region’s highly regarded reputation for hosting high quality events.

How we’ll know we’re on track

<i>What we want to know</i>	<i>Measure</i>	<i>Source of information</i>	<i>Target</i>
Major events continue to be held in Taupo District which contribute to the economic and cultural wellbeing of the District	Number of major events are retained in Taupo District	TDC	At least 20 major events are held annually, including three in Turangi and three in Mangakino ³⁰
Taupo retains national and international reputation as a successful events destination	All events receive positive media coverage locally and nationally	TDC	Achieve

³⁰ In 2007/08 we had 19 major events at the Taupo Events Centre, 318 events at the Great Lake Centre and 8 key council community events.



Events - Cost of Service Statement

Operating Funding Requirements	2009/10 (\$,000)	2010/11 (\$,000)	2011/12 (\$,000)	2012/13 (\$,000)	2013/14 (\$,000)	2014/15 (\$,000)	2015/16 (\$,000)	2016/17 (\$,000)	2017/18 (\$,000)	2018/19 (\$,000)
Operating Income										
Targeted rates	199	183	187	192	197	202	207	213	210	217
Development and/or financial contributions	0	0	0	0	0	0	0	0	0	0
Property Sales	0	0	0	0	0	0	0	0	0	0
Vested assets	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0
Total Income	199	183	187	192	197	202	207	213	210	217
Operating Expenditure										
Operating expenditure	284	259	265	273	280	287	295	304	314	325
Depreciation and amortisation	13	13	14	14	14	15	15	15	0	0
Finance costs	9	9	9	9	9	9	9	9	9	9
Total Operating Expenditure	306	281	288	296	303	311	319	328	323	334
Net Deficit (Surplus) of Operations	107	98	101	104	106	109	112	115	113	117
Funded by:										
General rates	107	98	101	104	106	109	112	115	113	117
Operating deficit (surplus) from/to reserves	0	0	0	0	0	0	0	0	0	0
Recognition of vested assets	0	0	0	0	0	0	0	0	0	0
Depreciation not funded	0	0	0	0	0	0	0	0	0	0
Total Funding Applied	107	98	101	104	106	109	112	115	113	117

