BEFORE A HEARING PANEL: WHAKATĀNE DISTRICT COUNCIL AND BAY OF PLENTY REGIONAL COUNCIL

IN THE MATTER

of the Resource Management Act 1991

AND

IN THE MATTER

of submissions and further submissions on Plan Change 1 (Awatarariki Fanhead, Matatā) to the Operative Whakatane District Plan and Plan Change 17 (Natural Hazards) to the Bay of Plenty Regional Natural Resources Plan

AFFIDAVIT OF JEFFREY ROBERT FARRELL ON BEHALF OF WHAKATĀNE DISTRICT COUNCIL

BROOKFIELDS LAWYERS

A M B Green Telephone No. 09 979 2172 Fax No. 09 379 3224

Email: green@brookfields.co.nz P O Box 240

DX CP24134 AUCKLAND

I, JEFFREY ROBERT FARRELL, Manager of Strategic Projects for Whakatāne District Council, swear

- I am the Manager of Strategic Projects at Whakatāne District Council.
- My qualifications and experience remain the same as set out in my statement of evidence in this proceeding dated 29 January 2020.
- As I advised the Panel in response to a question from Commissioner Van Voorthuysen, the Whakatāne District Council has revised the Awatarariki Managed Retreat timelines. The revised timelines, and the rationale for changing the timelines, are set out in the document annexed as Exhibit A.

SWORN at Whakatane this 16th day of March 2020 before me:

Jeffrey Robert Farrell

Saraya Ricky Waihoroi Ngatai

Solicitor WHAKATANE

A Solicitor of the High Court of New Zealand

"A"

This is the exhibit marked with the letter "A" mentioned and referred to in the annexed affidavit of Jeffrey Robert Farrell sworn at Whakatarethis loth day of March 2020 before me:

A solicitor of the High Court of New Zealand

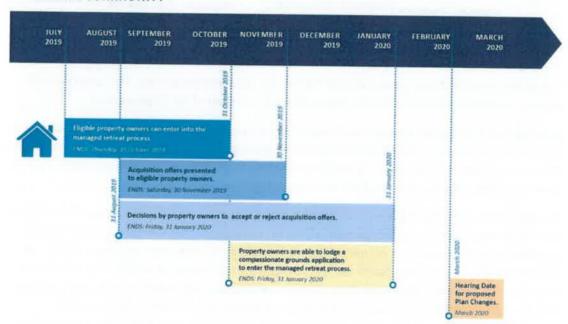
Waiharai Ngataii

Awatarariki Managed Retreat - Second Revision to Timelines Saraya Ricky

The first revision to the timelines for the Awatarariki Fanhead managed retreat programme occurred in response to requests from property owners at a property owner meeting on 16 July 2019 and in the submission by Mark Nicholson and Greta Nicholson-Steens. The requests were to extend the timeframe of 1 month for property owner consideration of acquisition offers. Revision 1 moved this timeframe from 1 month to 4 months with a new end date of 31 January 2020. The Revision 1 timelines are represented in Figure 1.

Figure 1 Revision 1 Timelines for Awatarariki Managed Retreat (August 2019)

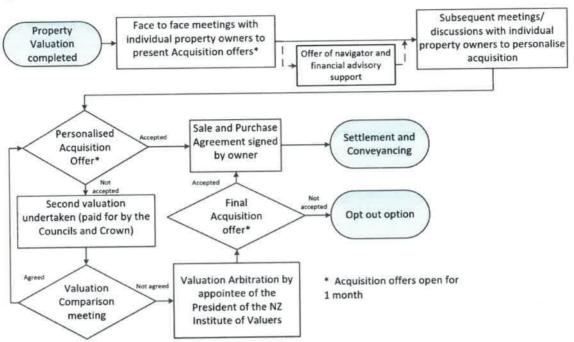
PROPOSED TIMELINES FOR THE AWATARARIKI FANHEAD MANAGED RETREAT - MATATĂ COMMUNITY



Some property owners did not enter into the managed retreat process until after the cut-off date of 31 October 2019. As the Council wished to provide as many landowners as possible with the opportunity to take up the managed retreat opportunity, those that entered late were not rejected. However, this had a flow-on effect and the deadline for acquisition offers to be presented to landowners was not able to be met. In response, the Council extended the deadline for property owners to accept or reject an acquisition offer from 31 January 2020 to 28 February 2020.

The Council's acquisition offers were rejected by some property owners who took up the available option of having a second valuation undertaken. In some instances, there was a significant difference in the market values assessed for some properties by the two valuers. The Council's valuation dispute process provides for a facilitated informal mediation between valuers and, if agreement on a market valuation cannot be reached, a formal arbitration. The process is detailed in Figure 2.

Figure 2 Acquisition Process



Due to the delays by some owners in entering the managed retreat process, the valuation and dispute resolution processes have not been able to be completed for 13 properties.

Consistent with its earlier position, the Council remains desirous of offering the opportunity for as many property owners as possible to complete the managed retreat process and therefore has kept the owner acceptance date open. Notwithstanding the Council's humanitarian approach, two key constraints influence the date at which the managed retreat option will cease.

The first constraint is the finite availability of the Crown and District Council funding of the managed retreat programme, which ceases to be available on 1 July 2020. The Crown's position is clearly specified in the Memorandum of Understanding (paragraph 5)¹ between the Crown, BOPRC and the District Council. The District Council has no managed retreat funding provision in its LTP for the 2020/21 financial year. The District Council could carry forward managed retreat under-expenditure from the current financial year but this will require a formal process that involves budget competition; in other words, until the Annual Plan budget process plays out, there is no certainty funding will be available to make new acquisitions under the Awatarariki Managed Retreat Programme beyond this financial year.

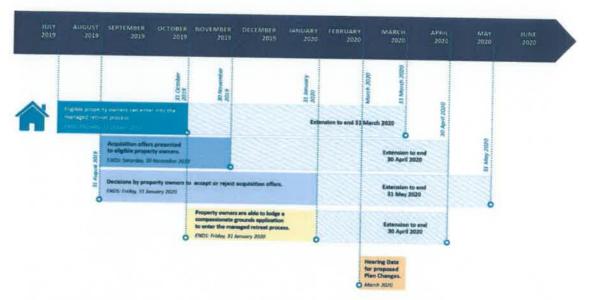
The second constraint is the time required to complete the valuation and dispute resolution processes.

Taking all of these factors into account, a further revision to the managed retreat timelines has been undertaken and approved by the Council's Chief Executive – refer Figure 3. The revised timelines will be communicated to property owners during the week of 16-20 March 2020.

Figure 3 Revision 2 Timelines for Awatarariki Managed Retreat (March 2020)

¹ The formal authority is the Cabinet Business Committee Minute of Decision CBC-19-MIN-0028 which can be found under the Community Resilience section: http://www.dia.govt.nz/Central-Local-Government-Partnership

PROPOSED TIMELINES FOR THE AWATARARIKI FANHEAD MANAGED RETREAT - MATATĀ COMMUNITY



The final date for property owners to accept acquisition offers is 31 May 2020. Property owners continue to be able to negotiate settlement dates out to 31 March 2021 which remains unchanged.

