

# Mitigation of debris flow risk – Awatarariki fanhead, Matatā - Update



Subject: **MITIGATION OF DEBRIS FLOW RISK – AWATARARIKI FANHEAD, MATATĀ - UPDATE**

To: **COUNCIL**

Meeting Date: **THURSDAY, 10 NOVEMBER 2016**

Written by: **MANAGER STRATEGIC PROJECTS**

File Reference: **A1120636**

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## **1 REASON FOR THE REPORT**

The Council's Awatarariki Debris Flow Risk Management Programme includes 10 workstreams to manage the loss of life and property damage risks from future debris flows within the Awatarariki catchment. This report provides a high level update on each of the workstreams.

## **2 DISCUSSION**

### **2.1 Workstream 1: Review Hazard and Risk Modelling**

This workstream is completed. The key output was the delineation of the geographic footprint of the high debris flow risk area.

### **2.2 Workstream 2: Property Valuations**

TelferYoung have now completed the valuations of all properties and their work has been peer reviewed by John Reid of Added Valuation Ltd. The Property Group Ltd (TPG) has reviewed the valuations and the peer review. TPG considers these processes to be robust and defensible, and has recommended base values for each of the privately-owned properties<sup>1</sup>. Completion of this workstream will occur with release of the valuation information to property owners.

### **2.3 Workstream 3: Alternative Escape Routes**

Cultural approval to construct the additional vehicular escape route to the west of Clem Elliott Drive has been given by Ngāti Rangitihi, Ngāti Rangitihi Incorporated, Ngāti Awa, and Ngāti Tūwharetoa ki Kawerau. An application has been lodged with KiwiRail to reposition the vehicular barrier on the heavy traffic bypass on the northern side of the rail line. Work will commence as soon as the KiwiRail approval has been received.

### **2.4 Workstream 4: Early Warning Systems**

This workstream identified that provision of an early debris flow warning system for the Awatarariki Catchment would require long-term, multi-agency commitment and significant financial investment; with no certainty that the outputs of the system (alerts and warnings) could be relied upon with confidence. As a consequence, investment in an early warning system was not proceeded with.

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<sup>1</sup> Although the properties in public ownership have been valued, these properties have been excluded for the purposes of establishing a base value as no change to the status of the properties is proposed.

## **2.5 Workstream 5 – Review Rates and Rates Remission**

This workstream reviewed the rates paid by Awatarariki fanhead residents since the 2005 debris flow event and compared these against the Council's rating policies and concluded that the Council's various disaster mitigation and stormwater policies have evolved over time and have been applied in accordance with those policies.

It was also identified that there has been no holistic approach to the application of the Rates Remission Policy to Awatarariki fanhead properties. Applications have been considered on an individual basis in accordance with the Policy, which has resulted in a high degree of variation between properties. The data on the application of the Rates Remission Policy to Awatarariki fanhead property owners has been independently reviewed by John Reid of Added Valuation and will be reported to the Council on 8 December 2016.

## **2.6 Workstream 6 – Right Turning Hazard**

On behalf of the Council, Opus investigated concerns from Consensus Development Group representatives that traffic turning right into Kaokaoroa Street from SH2 constitutes a hazard to vehicles approaching Matatā from the west. The Consensus Development Group was a group the Council worked with to review options after the Council has resolved to move to a planning solution to manage future debris flow risk from the Awatarariki catchment. The Group included Awatarariki fanhead representatives, Councillor Orr, council officers of both WDC and BOPRC, expert advisors and an independent facilitator.

It was concluded that neither crash statistics nor traffic volume statistics are sufficient to attract a high priority for funding by NZTA. NZTA were subsequently provided with a copy of the Opus Report.

## **2.7 Workstream 7 – Voluntary Retreat Package**

At the 28 July 2016 Council Committee meeting, the Council adopted the Acquisition Strategy prepared by The Property Group Ltd (TPG) and dated July 2016 as the basis for developing Voluntary Retreat Proposals to owners of the 35 private properties in the high debris flow risk area. Property owners were subsequently provided with a copy of the report to Council, together with a copy of the Acquisition Strategy.

All stakeholders are aware that participation is voluntary, and that successful implementation of the Voluntary Retreat proposal is contingent upon adequate levels of funding being obtained from the Government and the Bay of Plenty Regional Council (BOPRC).

The Acquisition Strategy outlined a formula upon which voluntary retreat proposals to individual property owners are to be calculated. Completion of the Property Valuation workstream has enabled TPG to form a view on what values should be used as the "Base Value" in the Voluntary Retreat Proposal formula. The TPG report forms Appendix 1 of this report.

Provision of "Base Value" data enables indicative individual voluntary retreat proposal offers to be calculated. In an aggregated form, the upper limit of the financial envelope for voluntary retreat of 35 residential properties on the Awatarariki fanhead for the purposes of relocation from a high natural hazard risk, is in the order of \$12M plus GST. Due to the confidential nature of these offers, specific details for individual properties are excluded from this report. A confidential report outlining proposals for individual properties is provided in the public excluded section of the Agenda.

Work has also progressed on the Indicative Business Case for this project. This will be presented to the Council at the Policy Committee meeting on 8 December 2016 together with a request for approval to make formal applications to the Government and BOPRC for funding support.

## 2.8 Workstream 8 – Building Act Determination

The Ministry of Business Innovation and Employment released its final determination<sup>2</sup> in late-July, which confirmed the Council was correct to refuse to issue building consents for two proposed new dwellings in the high debris flow risk area within the Awatarariki Stream fanhead.

## 2.9 District Plan Change

As a consequence of the BOPRC Plan Change 2 (Natural Hazards) to the Regional Policy Statement becoming operative, both the District Plan and Regional Plans must give effect to:

- Identifying areas susceptible to natural hazards
- Assessment of natural hazard risk at the time of plan development
- Managing natural hazard risk at the time of plan development.

Plan Change 2 places responsibility for landuse planning, susceptibility mapping and detailed risk assessment for “extreme (prolonged or intense) rainfall hazard” that can result in landslides, debris flows/floods, flooding) on city and district councils within the region.

Work has commenced on preparing a discussion document to support a change to the District Plan provisions relating to debris flow risk on the Awatarariki fanhead. This work will fulfil the responsibilities, in relation to this natural hazard, that are imposed on the Council under the RMA, and under Plan Change 2 to the RPS. It will also reduce the uncertainty and conflict that exists for property owners and Council staff as a consequence of the current Residential zone enabling residential development as a permitted activity and the Building Act provisions constraining future development.

Staff are endeavouring to have this information available before the end of this year, with a view to public engagement commencing in February 2017.

## 2.10 Legal Quality Assurance

This workstream reviewed the work the Council has undertaken since 2012, and is intending to undertake, to manage the risk to life from future debris flows from the Awatarariki Stream at Matatā. It also considered how section 85 of the RMA can best be managed in future decision-making processes around the management of debris flow risk to properties on the Awatarariki fanhead, as well as which institutions have statutory responsibility for management of:

- Debris flow risk to people and properties on the Awatarariki fanhead, and
- Residual risk after completion of actions.

The legal review has already been reported to Council. It has also been shared with BOPRC on a confidential basis.

## 2.11 Next Steps

Key future milestones for this project moving forward relate to the progressing of Workstreams 3 (Escape Route), 7 (Voluntary Retreat) and 9 (District Plan Change) are outlined in the following table.

Action	Timeframe
Complete additional escape route	As soon as possible
Council decision to release valuation results and qualified indicative voluntary retreat proposals to owners	10 November 2016

<sup>2</sup> Determination 2016/034

Action	Timeframe
Council receives Indicative Business Case and agrees to make formal requests to the Government and BOPRC for funding	8 December 2016
Consider discussion document to support District Plan change	Before the end of 2016
Commence community engagement over District Plan change discussion document	February 2017
Funding discussions with Government and BOPRC	Ongoing to March 2017
Council decision to continue	Early-March 2017
Submissions to WDC and BOPRC annual plans	March/April 2017
Advertise District Plan change to incorporate new natural hazard provisions for the Awatarariki fanhead	April/May 2017

Timeframes from this point are indicative as dependent on responses of agencies

Budgets confirmed	30 June 2017
Formal agreements offered to property owners	July 2017
Signed formal agreements received	Late-July/early-August 2017
Property transfers completed (subject to regional and central government support)	From August 2017

### 3 ASSESSMENT OF SIGNIFICANCE

The matters of this report are part of a process to arrive at a decision that may be significant in accordance with section 3.3 of the Council's Significance and Engagement Policy. This states that a matter shall be determined to be significant if/when the impact or consequences of the proposal or decision on the affected persons (being a number of persons) will be substantial, or when the financial implications of the proposal or decision on the Council's overall resources are substantial. If funding arrangements with BOPRC and the government can be realised, an assessment will be required against the Significance Policy criteria to determine whether or not public consultation will be required. The intention is for certainty to be reached on funding prior to the next Annual Plan.

### 4 COMMUNITY INPUT AND PUBLICITY

There has been regular contact between staff and property owners through provision of update reports, phone conversations, emails, letters, and making arrangements for valuations of properties. Face-to-face meetings are proposed to present the indicative Voluntary Retreat Proposals to property owners.

### 5 CONSIDERATIONS

#### 5.1 Management of Debris Flow Risk

The risk to people and property from a debris flow from the Awatarariki catchment was identified in May 2005. During the intervening period, several solutions have been investigated. In December 2012, the Council was advised an engineering solution was not viable and resolved to pursue a planning solution. The planning solution followed best-practice which resulted in a risk-based

approach to natural hazard management being followed. Analysis of the risk to life from future debris flow events confirmed a very high loss of life risk existed in the High Debris Flow Risk Area.

The Council worked with a group of residents under the umbrella of a Consensus Development Group. BOPRC was represented on the group. An important point of agreement among the group was acceptance that a high risk of debris flow exists, while recognising that individual personal tolerance of this risk varies. The group also identified that a managed voluntary retreat was the best option for management of the debris flow hazard to Awatarariki fanhead properties.

A managed voluntary retreat is not a risk management strategy that is affordable if it is to be funded solely by Whakatāne District ratepayers. A combined multi-agency and property owner voluntary retreat package offers the best solution to managing debris flow risk to Awatarariki fanhead residents.

The next phase of the programme focuses on presenting individual property owners with indicative, qualified voluntary retreat proposals and engaging with the Government and BOPRC over possible funding arrangements.

## 6 CONCLUSIONS

There are 10 workstreams under the Awatarariki Debris Flow Risk Management Programme, of which six have been completed. Workstream 2 will also be completed, and Workstream 7 progressed, upon release of the valuation information to property owners.

Physical works to provide an additional vehicular escape route to the Clem Elliott Drive area will commence as soon as approval from KiwiRail has been received to reposition the vehicular barrier on the heavy traffic bypass on the northern side of the rail line.

Reports will be presented to the Policy Committee on 8 December 2016 on the Rates Remission Review and the Indicative Business Case for debris flow risk management on the Awatarariki fanhead.

Work on a District Plan change to introduce new district plan natural hazard rules for the Awatarariki fanhead has commenced.

### RECOMMENDATIONS:

**THAT** the report “Mitigation of Debris Flow Risk – Awatarariki Fanhead, Matatā – Update” be received.

Attachments:

Appendix 1 - The Property Group Report on the Methodology to Determine the Base Value for Awatarariki Fanhead Voluntary Retreat Offers

### Report Authorisation

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Final Approval:	Marty Grenfell	Chief Executive