

# Shaping our **TOMORROW**

*Ngā rā anamata*

**ANNUAL PLAN 2019/20**

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## **IMPLEMENTING A MANAGED RETREAT FROM THE AWATARARIKI DEBRIS FLOW HAZARD**

### *The situation*

In May 2005, extremely heavy rainfall in the steep catchments behind Matatā caused a number of debris flows, which devastated parts of the coastal township. A total of 27 homes were destroyed, 87 other properties were damaged, and major transport links were cut, resulting in an estimated \$20 million in damage.

The most destructive debris flow – from the Awatarariki Stream, at the western end of Matatā – saw an estimated 300,000 cubic metres of rock, wooden debris and mud flow through the urban area at the base of the catchment. While there were no deaths or injuries, the destructive force of this natural hazard was such that it could easily have had a tragic outcome.

An investigation by GNS Science in 2005 confirmed the debris flows were a natural process triggered by exceptionally heavy rain. GNS also indicated that there was evidence that other, and larger debris flows have occurred over the last 7,000 years; and that historical records indicate that four smaller debris flows may have occurred since 1860.

Between 2005 and 2012, the Whakatāne District Council investigated a range of possible engineering options (including a debris dam and a ring net structure) to mitigate the risk from future debris flows in the Awatarariki Stream catchment. Expert advice subsequently confirmed that there is no viable engineering solution.

From 2013, the Council has focused on reducing the life safety risk affecting properties on the fanhead through a planning approach. This has involved an assessment of the risk and investigations of non-engineering options (including the provision of early warning systems and proactive catchment management) that might reduce the risk for residents. The risk assessment concluded that part of the fanhead presents a high loss-of-life risk, which makes residential use of that area unsafe. The investigations of non-engineering options concluded that no alternative option was available that would effectively reduce the life safety risk posed by future debris flows.

In the absence of any viable risk reduction options, the Council has initiated plan change processes, under the Resource Management Act 1991, which aim to address the high loss-of-life risk by preventing future development and removing 'existing use' rights for residential properties on the fanhead.

In December 2018, the Whakatāne District Council adopted a series of recommendations to provide a solution to the long and harrowing process of addressing the debris flow risk to residents and property owners on the area of the Awatarariki fanhead that is subject to a high loss-of-life risk. An agreement was reached with the Government and the Bay of Plenty Regional Council on a process to explore funding for a property acquisition package. This would allow owners to sell their properties at market value, as if the debris flow hazard did not exist, and enable them to relocate away from the high-risk area.

## What is proposed?

The managed retreat proposal is expected to cost \$15.06 million in total and is dependent on the confirmation of equal funding commitments from the Government, Regional Council and District Council. This process would involve offers to purchase properties, based on independent property valuations, plus contributions to legal and relocation costs. A dispute resolution process will be available, should owners not agree with valuations.

Alongside this process, a proposed change to the Whakatāne District Plan will seek to re-zone the high-risk area of the fanhead from 'residential' to 'coastal protection', preventing any future development.

If the managed retreat process is not agreed upon by all parties, a change would also be sought to the Bay of Plenty Regional Natural Resources Plan. This would seek to manage the existing risk by preventing people from living on the fanhead.

## What are the costs, and who pays?

Council is working with funding partners to finalise the cost-sharing arrangements. The managed retreat proposal would see the \$15.06 million cost split three ways. Subject to budget bids being successful, the funding partners are the Whakatāne District Council, Central Government and Bay of Plenty Regional Council.

The Whakatāne District Council portion of \$5.02 million is proposed to be loan-funded over 30 years. The Plan changes are estimated to cost a further \$1.7-2.0 million and would be loan-funded over 10 years. The rating cost would be funded through the general rate.

### ***Increase in total rates over previous year:***

- 0.2% in 2019/20
- 0.84% in 2020/21
- 0.63% in 2021/22
- 0.03% in future years

### ***Increase in total debt over previous year:***

- \$4.2M in 2019/20
- \$1.02M in 2020/21

