

Negotiated funding outcomes for Hawke's Bay Regional Council

An integrated package of funding has been negotiated by **Hawke's Bay councils** and the **Crown** to support recovery from Cyclone Gabrielle.



The offer is an all or nothing deal

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all 5 councils in Hawke's Bay must agree to the cost-share arrangement



For investment in:

- Flood mitigation
- Purchase of Category 3 residential property rights
- Damaged roads & bridges



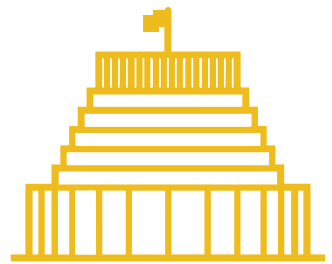
On 2 August 2023, Hawke's Bay Regional Council accepted the Crown's offer of **\$203.5 million** towards flood mitigation

and approved an additional **\$44.15 million of debt** to fund its cost-share portion

Key facts relevant to Hawke's Bay Regional Council

How much Crown funding was committed?

\$556 million



Crown investment comprises of

up to **\$92.5 million** toward purchase of Category 3 residential property rights and associated costs

\$260 million toward specific transport projects and programmes

\$203.5 million toward flood mitigation (including \$70m ring-fenced for Wairoa)



How much funding has Hawke's Bay Regional Council committed?

\$44.15 million



\$44.15 million from HBRC



\$247.6 million

15%

of the combined funding for flood mitigation works. HBRC will fund its share from borrowing

Combined funding for flood mitigation

Who benefits from the combined funding for flood mitigation?

The combined funding is based on community interventions to move and keep properties out of category 2 and reduce the number of category 3 properties.

This is aimed at reducing uncertainty for affected land-owners who are waiting on these decisions. The region as a whole benefits from the Crown offer as the full cost burden is not placed on ratepayers. The funding package also includes region-wide projects such as repairs and upgrades to telemetry.

How many Category 2 properties are there?

Category	2P	2C	2A	Total Category 2 properties	Moved to 1
Hastings	18	200	77	295	695
Napier	1	-	-	1	178
CHB	8	-	127	135	444
Wairoa	-	-	684	684	-
Total	27	200	888	1,115	1,317

Numbers as at Thursday 10 August 2023

Each property is only included once and if the property is in more than one category, then the 'worst case' category is used.

Some properties have changed category as a result of re-categorisation submission requests which have been signed off by HBRC, even though some part of their property is in a more serious category.

Key:

- **1** - Repair to previous state is all that is required to manage future severe weather risk event.
- **2C** - Community level interventions are effective in managing future severe weather risk event.
- **2P** - Property level interventions are needed to manage future severe weather event risk, including in tandem with community level interventions.
- **2A** - Potential to fall within 2C/2P but significant further assessment required.

Under the terms of the funding partnership with Government, Hastings District and Napier City Councils have the role of purchasing private residential property or property rights (foregone by property owners) in Category 3 areas. These councils have the number of houses and properties in Category 3 for the voluntary purchase and settlement process. Category 3 is defined as areas where future severe weather event risk cannot be sufficiently mitigated. In some cases, some current land uses may remain acceptable, while for others there is intolerable risk of injury or death.

Category 2 properties are currently located in areas from Wairoa to Pōrangahau.

Maps showing these areas are available at hastingsdc.govt.nz/land-categorisation-hb



Next steps - When will the Crown funding be confirmed?

Hastings and Napier councils are required by law to consult on a Long Term Plan amendment to provide for the new activity of acquiring Category 3 residential property rights.

Submissions close 5pm, 5 September 2023

For more information and to have your say on either of these consultations visit consultations.nz