Kāpiti Coast
DISTRICT COUNCIL

# Rating system review background information

## Consultation supporting information

## Draft long term plan 2018-38

# Contents

# Introduction

**The Council levies rates so we can fund assets and deliver services for the Kāpiti coast community. In 2017 we began a rating review which looked at how the rates requirement (the total amount of rates the Council collects) is spread across the district's ratepayers, and considering if it does this fairly and appropriately.**

The rating system is created using a variety of mechanisms (including 14 different rating charges), and shares the rates requirement among the district's approximately 25,000 ratepayers from the residential, commercial and rural sectors.

As part of the long term plan consultation, we're asking ratepayers to consider whether a proposed change to the current rating system should be made or whether things should stay as they are. This would not change the total amount of rates the Council collects – just how that amount is shared among ratepayers.

The consultation document 'Building a stronger Kāpiti together' gives an overview of the options we're considering. It is available at **kapiticoast.govt.nz/kapiti2038** or at libraries and Council service centres. The following pages provide more background information on the rating review, the option the Council is proposing and a comparison with our existing rating system.

## Notes

### Rates figures used in workings and examples

All rates values in this document are 2017/18 values, unless otherwise stated. The proposed rating system changes are applied to these amounts to show the impact of the proposed change.

The actual 2018/19 rates values will also include any 2018/19 rates increases that are proposed. Information on the proposed rates increase is included in the 'Building a stronger Kāpiti together' consultation document.

### District and regional rates

The Council also collects rates on behalf of Greater Wellington Regional Council (GWRC). While Kāpiti residents also pay rates to the GWRC, this review applies only to the rating system of the Kāpiti Coast District Council. In a separate process, GWRC is also reviewing its rates. You can find out more about the proposed GWRC changes and give feedback on those at whatmatters.co.nz

# The current rating system

**More than three-quarters of the money needed to provide Council services comes from the local community as rates (with the rest from sources like fees, charges and subsidies). In 2017/18 the Council will collect $70.98 million in rates. Our rating system sets out how the Council allocates the total rates among the district's ratepayers.**

When the Council is establishing or changing a rating system, we can choose from a range of charging mechanisms set out in the Local Government Rating Act 2002 (LGRA).

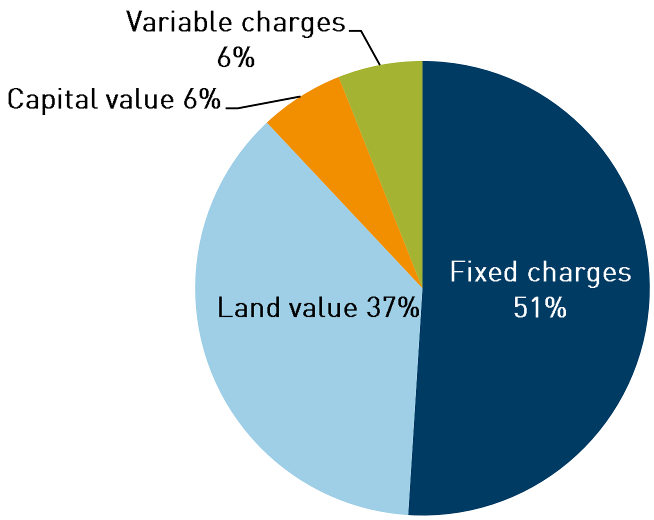
Our rating system is made up of 14 rating elements that together add up to your total rates bill. Each element will be either a fixed charge, a charge based on a property's land value or capital value, or a usage-based charge. Some of these rating elements have adjusted levels for specific circumstances, for example for properties in rural areas or for properties with multiple accommodation areas.

The rating elements in our system will be a charge that is either:

- fixed and doesn't vary according to property value, although it may vary according to property type or location;
- based on the capital value of a property. Capital value is the likely selling price of a property at the time it's valued, excluding chattels;
- based on the land value of a property. The land value excludes buildings and chattels; or
- variable and based on consumption, like water usage.

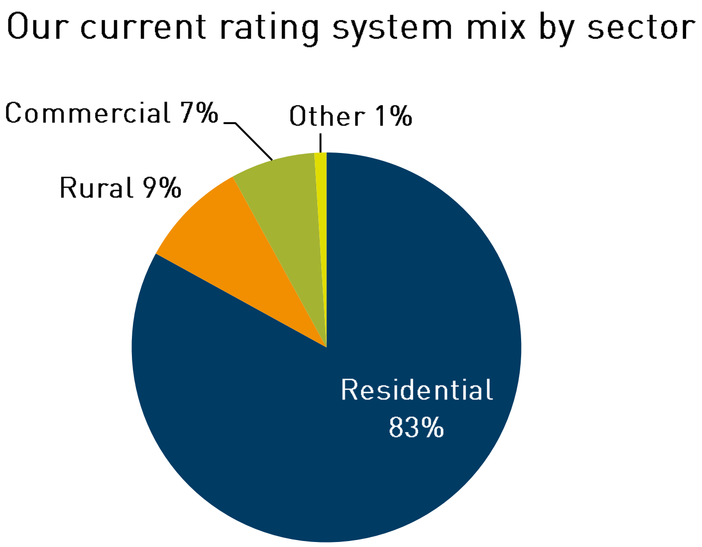
Fixed charges account for the largest portion of rates collection, at 51%, with land value charges at 37%.

Our current rating system mix by type of charge



Our rates are shared across all properties in the district. A significant majority of our income comes from residential properties, which account for over 21,000 of the nearly 25,000 properties in the district.

Residential ratepayers between them contribute 83% of our rates income, the commercial sector 7% and the rural sector 9%.




To find out more about how your current rates bill is worked out see the attached brochure 'About your rates bill', also available on our website at

http://www.kapiticoast.govt.nz/globalassets/services/a---z-council-services-and-facilities/rates/final-rating-education-brochure-30-jan-2018.pdf

# Reviewing the rating system

**The purpose of this rating system review is to make sure we've got the right balance in terms of fairness and appropriateness for sharing our rates across the community, while considering the ability of ratepayers to pay their contribution.**

The Kāpiti Coast District Council is undertaking the review alongside the 2018-38 long term plan and is asking the community to consider whether to make a change to the rating system, or continue with the current system.

The Council wants to make sure the rating system is:

- equitable and affordable to all ratepayers across our district;
- sustainable to all ratepayers (now and in the future);
- aligned with the Council's strategic direction (see pages 6-9 of 'Building a stronger Kāpiti together' and the 'Strategic Approach' and 'Plan on a Page' documents, all available at kapiticoast.govt.nz/kapiti2038); and
- simple to understand and easy to administer.

Other important factors we considered in our rating review are:

- affordability issues in our district, especially since we have a high proportion of retirement age residents, with many of them on fixed incomes;
- a threshold for Uniform Annual General Charges (UAGCs) of no more than 30% of the total rates revenue, as set by the Local Government Rating Act 2002. Although the fixed charges in our rating system are not UAGCs (because they are targeted rates rather than applying to all properties in the district), the 30% threshold was taken as a fixed charge benchmark for the review; and
- the need to balance the use of fixed charges – the 2007 'Shand report' on funding local government observed that rating systems in general became more regressive in relation to incomes when there were more fixed charges.

In the context of the review's four principles, the current rating system is considered to be too 'regressive' as 51% of the rates revenue is derived from fixed charges. This means that people who own properties of lower value will likely pay a greater percentage of their property's value in rates than people with higher value properties.

Research in the 'Shand report' indicated that there is a strong link between property values and household incomes1. Given this relationship and the regressive nature of our current rating system, we based our review on the assumption that it is likely that people on lower incomes are currently paying a greater proportion of their income on rates than people on higher incomes. This inequity is the main source of our affordability concerns and is what we are trying to reduce through this rating system review.

Taking the 30% fixed charge threshold as a guide, a fairer rating system could be as shown in the pie chart below. In this scenario the percentage of rates that are fixed charges or based on property land value decreases and the percentage of rates charged relative to capital value increases.

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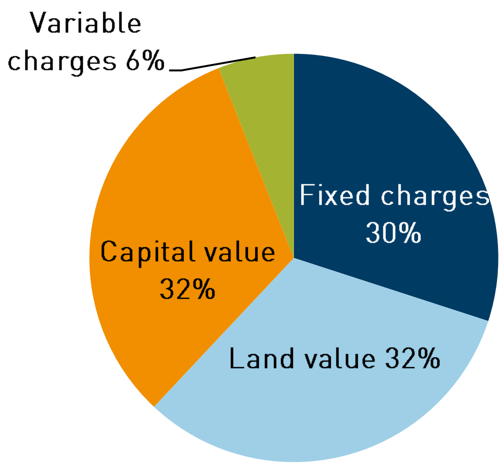
[1] ndhadeliver.natlib.govt.nz/ArcAggregator/arcView/frameView/IE12126512/http://www.dia.govt.nz/Agency-Independent-Inquiry-into-Local-Government-Rates-Index
See sections 9.37 to 9.58. The relationship with incomes is stronger for capital values than it is for land values.

Our target rating system mix by type of charge




## Concerns about affordability

**The 'Shand report' suggested that rates should be no more than 5% of household income and we have used this as a benchmark in the review.**

As part of our research to help us understand affordability issues across the district, we:

- compared rates bills with median household income, to get a clearer view of the challenge of affording rates across different areas in the district; and
- looked at our economic prosperity indices, which show the combined impact of skills/labour force, connectedness, demography, economic quality, and household prosperity.

Summary sheets for each of the 17 area units in Kāpiti are available for both 'Rates as a proportion of income' and 'Economic prosperity' – see kapiticoast.govt.nz/kapiti2038.

The research we undertook showed that in some areas of the district, in particular in Ōtaki, Waikanae West and Paraparaumu Central, rates are likely to be more than 5% of household incomes. This means that median rates represent a higher proportion of median household income in these areas. This is usually because of lower income levels in these areas rather than higher rates.

Based on the analysis undertaken (see Appendix II, Affordability), around 2,700-3,600 households across the district are likely to have rates affordability concerns. However, this is before rates rebates and remissions are considered.

# Rebates and remissions

**Both the government and the Council offer support for lower-income ratepayers on a case-by-case basis. See Appendix IV, Rates rebate scheme and rates remission policy, for details.**

We currently provide the government rates rebate to 2,200 Kāpiti households (up to $620 per household) and our own rates remission to more than 600 households (usually on top of the government rebate).

When this assistance is taken into account, rates are generally much closer to, or even below, 5% of household income. See Appendix III, Affordability after rebates and remissions, for further details.

While we were reviewing the rates rebate and remission schemes available, and their uptake by low-income ratepayers, we looked at opportunities to provide further support.

We propose making changes to our rates remission policy so more people will be eligible for our rates remissions and will be encouraged to apply. We'll establish an income threshold so remissions are available to people who don't qualify for a rebate but still have rates greater than 5% of income, and we'll change the name of the 'rates remissions – financial hardship' policy to the 'rates assistance' policy. See Appendix V, Rates remission policy review, for details.

While rebates and remissions offer support on a case-by-case basis, the rating system review was looking for a wider solution to affordability challenges. This is addressed in our proposed option for change to the rating system.

# Updated property valuations

**The Council is required to keep a rating information database and to keep it up to date by having properties in the district revalued at least every three years.**

Last year updated valuations were completed across the district, reflecting values as at 1 August 2017. These new valuations will be used in calculating rates from the 2018/19 rating year, beginning on 1 July 2018.

Changing property values in the district don't affect the total amount of rates we collect, but where the values of some property types or some areas increase more than others, as happened in Kāpiti in the recent revaluation, they can change the way rates contributions are shared.

Under the current rating system, the strong increase in residential property prices would see residential ratepayers shouldering an additional $1m of rates between them and non-residential properties between them $1m less.

For more about the impact of the 2017 property revaluations on rates see Appendix VI.

# Our proposed option for change to the rating system

**Early in the rating review we identified the 'regressiveness' of our high proportion of fixed charges, and proposed a target mix of rating types. We would like to shift closer to that target. We also saw that the current economic development activities of the Council, which are funded from across the whole ratepayer base, deliver the most benefits to the commercial sector (for more information about our economic development activity see Appendix VII). We would like to see the funding source for this activity reflect this benefit.**

And so the Council is proposing an option for change that is made up of two elements.

- $7.6m of the districtwide roading contributions would change from being a fixed charge to a charge based on a property's capital value; and
- $0.5m of economic development funding would be transferred from the districtwide general rate to a new $0.5m commercial targeted rate. Only commercial properties would contribute, in relation to their capital values.

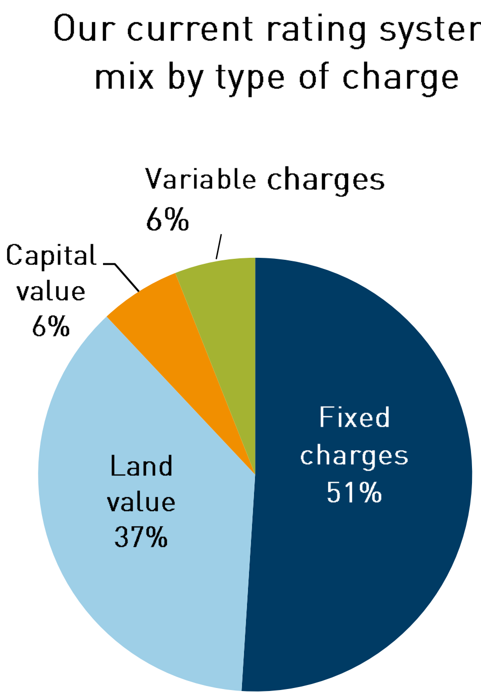
This is the 'Option B' described on pages 14-17 of the 'Building a stronger Kāpiti together' booklet, and is the Council's preferred option.

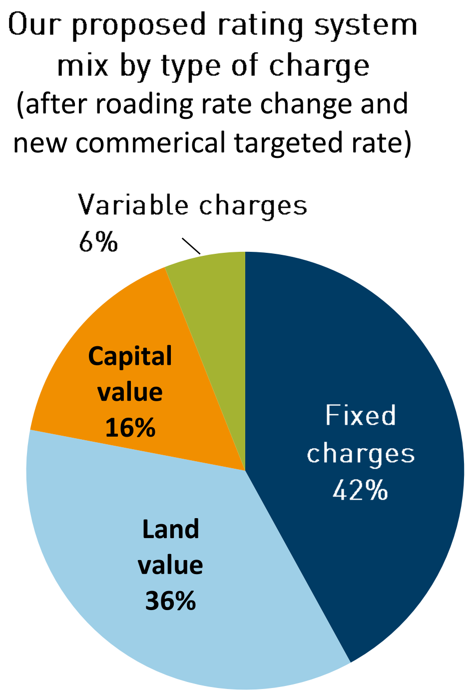
In this consultation we are asking the community to provide their feedback and their preferences between our preferred option and that of retaining the current rating system (Option A).

# Comparing the options

**Adopting the proposed option would reduce the percentage of fixed charges that the Council's rating system carries and shift it closer to the target rating system mix. The proportion of rates from fixed charges would reduce from 51% to 42%, and the proportion of capital value charges would increase from 6% to 16%.**

(During the review we considered moving more of the fixed charge rates to capital value-based. For example, we looked at shifting the $17.5m community facilities fixed charge instead of the districtwide roading rate. This would have transitioned approximately an additional $10m, or 13%, of rates to capital value, however we felt that the change for some ratepayers would have been too much all at once.)




The proposed change would also influence the way the rates requirement is shared across residential, commercial and rural property types.

The table below shows that the change would reduce the number of residential properties affected by a rates increase from 78% to 57%, and would balance this by increasing the number of commercial and rural properties that receive a rates increase. Although the change would have a greater effect on the number of non-residential properties, the proportion of commercial and rural properties with increased rates following the proposed change (43% and 23% respectively) would be less than that for residential properties (57%).

**Estimated number of properties with rates increases or decreases under each option**

| | **Status quo option** (2017 revaluations with existing rating system, before annual rates increases are added) | | | **Proposed change option** (2017 revaluations and proposed rating system change, before annual rates increases are added) | | |
|---|---|---|---|---|---|---|
| | **Residential** | **Commercial** | **Rural** | **Residential** | **Commercial** | **Rural** |
| **Increase** | 16,516 (78%) | 68 (7%) | 129 (5%) | 12,023 (57%) | 417 (43%) | 580 (23%) |
| **No change** | 69 (0%) | 15 (2%) | 3 (0%) | 69 (0%) | 14 (2%) | 3 (0%) |
| **Decrease** | 4,628 (22%) | 880 (91%) | 2,409 (95%) | 9,121 (43%) | 531 (55%) | 1,958 (77%) |

Detailed graphs showing the percentage and dollar impact for each of residential, commercial and rural ratepayer groups can be seen in Appendix I, Comparison of the rating change options.

The 'Building a stronger Kāpiti together' booklet has examples on pages 24-25 showing the impact of the preferred option on a range of residential, commercial and rural properties.

# What does it mean for your rates?

**The impact of the proposed change will vary for different properties. To make sure all ratepayers know about this, we're sending letters to everyone outlining the rates impact for their property of the revaluation and the proposed rating system change, as well as their total proposed rates for 2018/19.**

We're also putting the information online. You can check the proposed 2018/19 rates for your property at kapiticoast.govt.nz/proposed rates

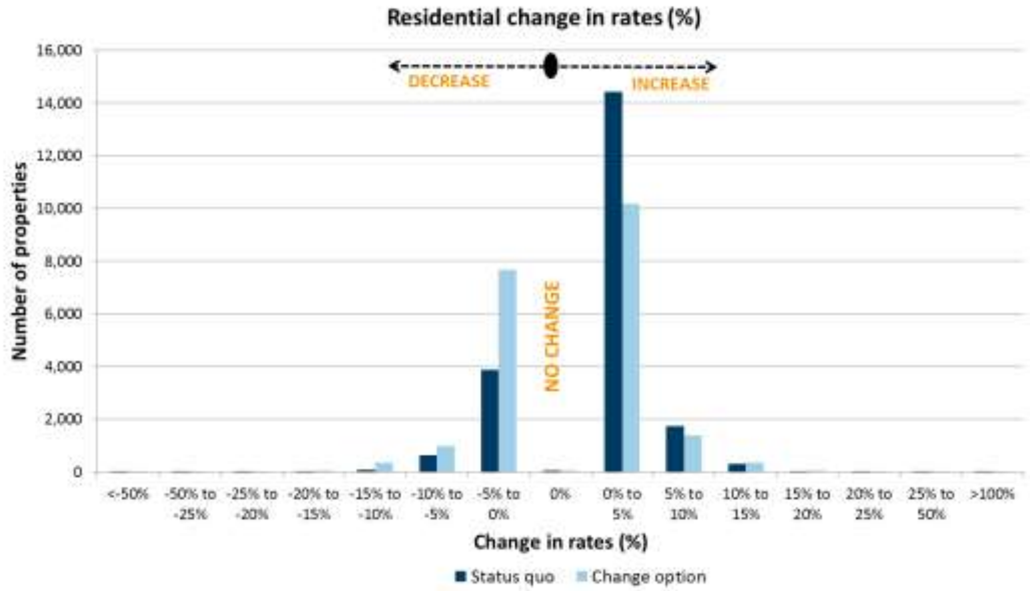
Note that in addition to proposed changes to your Kāpiti Coast District Council rates, there will also be proposed changes in the GWRC rates.  Find out more about the GWRC rates proposals at whatmatters.co.nz

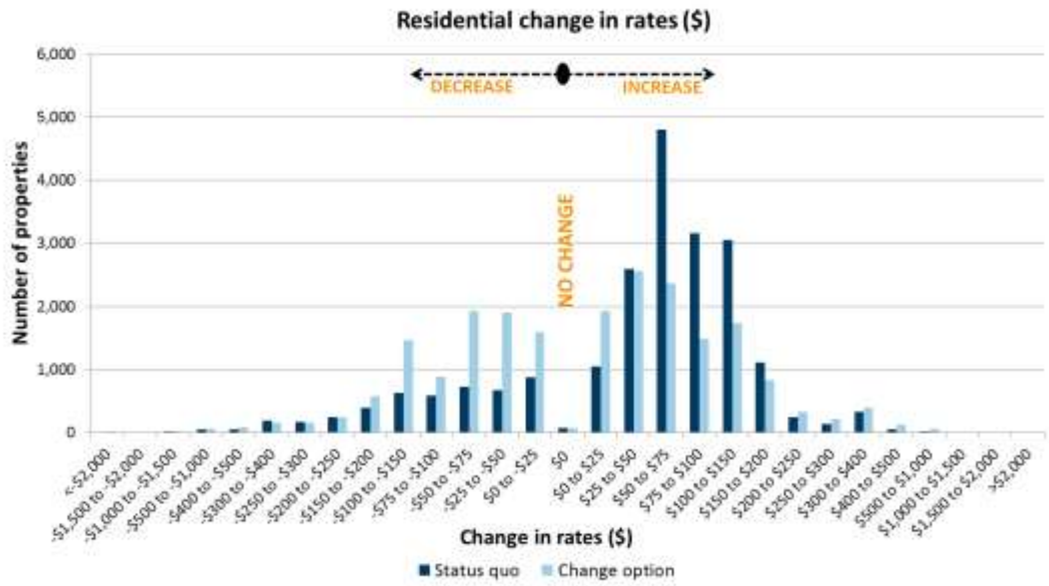
# Appendix I  Comparison of the rating change options

To help assess the impact of the two possible scenarios, the graphs on the following pages illustrate the rates increases/decreases that each property type (residential, commercial and rural) would experience in both percentage and dollar terms.

## Residential sector impact

The first two graphs show percentage and dollar impacts on the residential sector of the change option, compared with the status quo (revaluation plus current rating system). The change option shows that fewer properties would experience an increase in their rates; and more properties would experience a decrease in their rates. (Note that these graphs show rates at 2017/18 levels, distributed according to the 2017 revaluations – they do not allow for overall 2018/19 rates increases.)

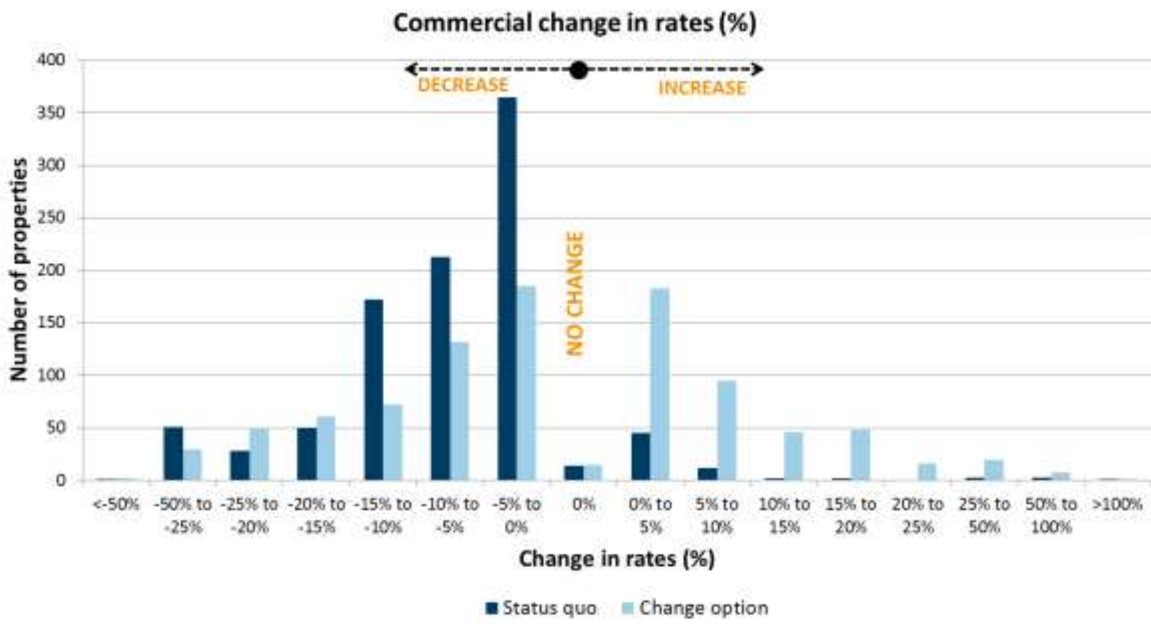


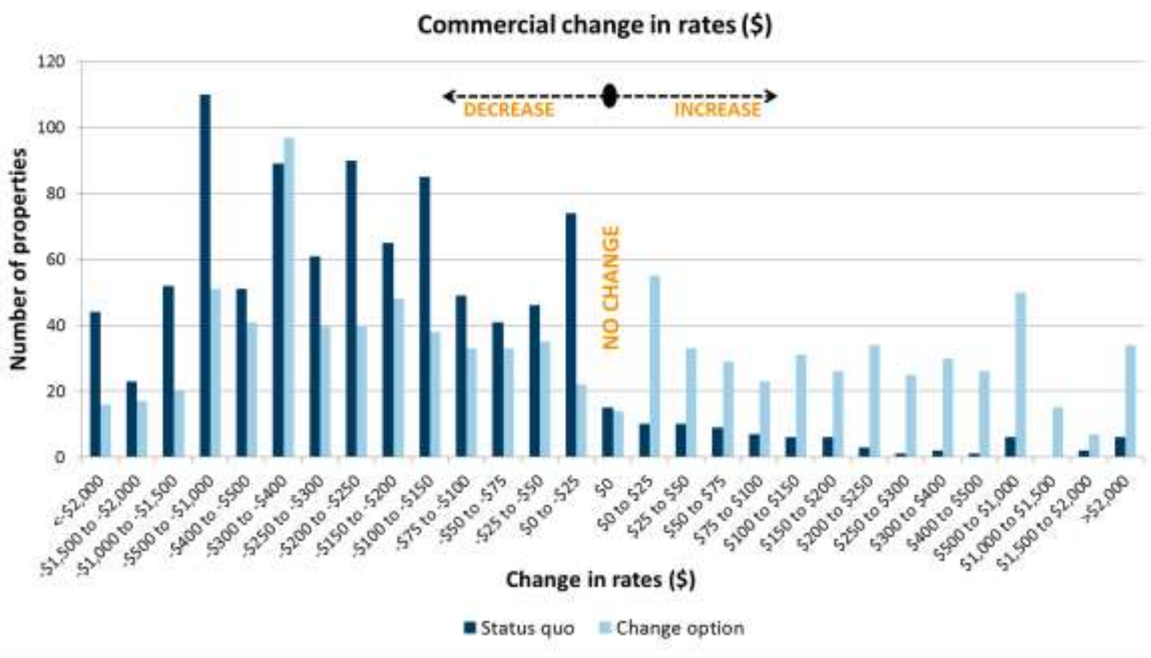



## Commercial sector impact

The following two graphs show the percentage and dollar impacts on the commercial sector of the change option (compared against the status quo option).

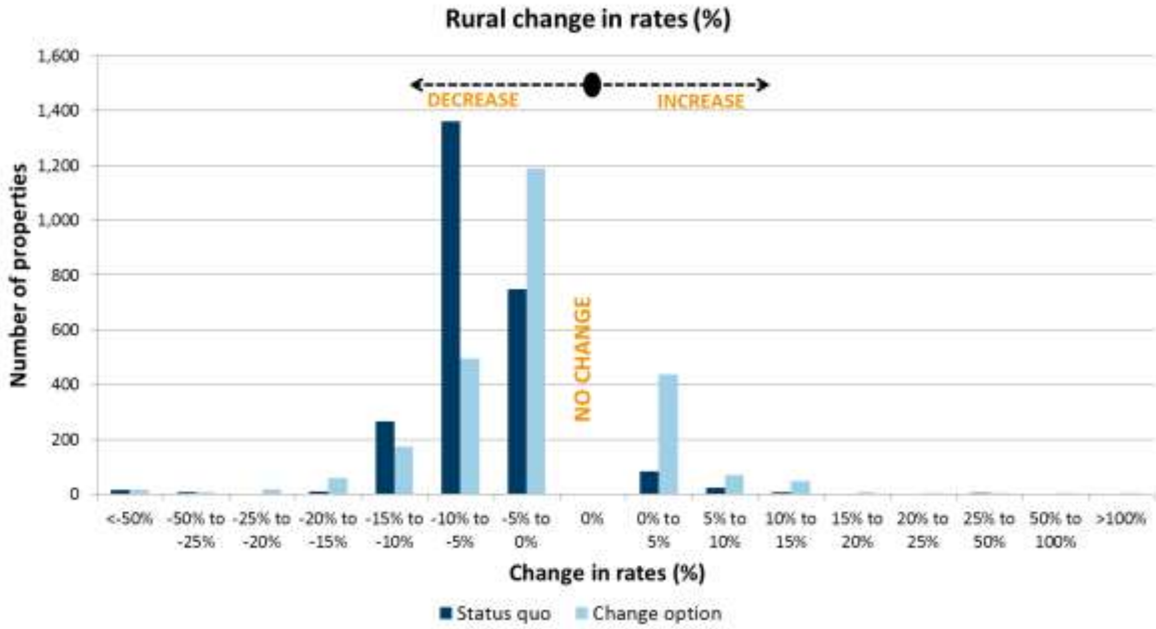
The change option provides mainly upward pressure on commercial sector rates, with an increase in rates increases, and a decrease in rates reductions.

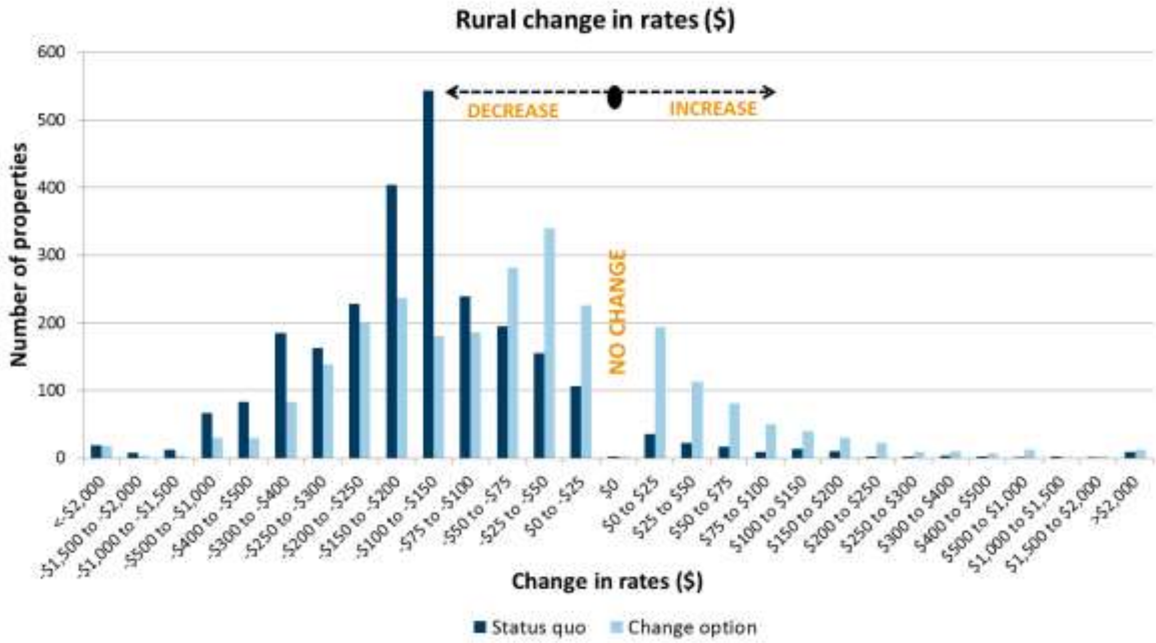


### Rural sector impact

The following two graphs show percentage and dollar impacts on the rural sector of the change option (against the status quo option). Downward pressure is exerted on rural sector rates, with an increase to rate reductions subject to capital value limits.



# Appendix II Affordability

Based on the affordability research undertaken at an area unit and meshblock[2] level, the Council sought an understanding of affordability challenges in different areas of the district. In this we used the Shand report 5% suggested threshold for rates as a percentage of household income[3] as a guide.

Note that while this rates review considers only Kāpiti Coast District Council rates, to ensure a complete picture for the affordability research we included Greater Wellington Regional Council (GWRC) rates.

At an overall level, Kāpiti rates (including GWRC rates) are relatively high as a proportion of median household income (5.2%). This is largely because household incomes are lower in Kāpiti. The median household income in Kāpiti in 2013 was $53,400 compared with $74,300 in the Wellington Region and $63,800 in New Zealand.[4]

To see how rates as a percentage of household income vary across the district, the information in Appendix III has been combined into a map. This shows 2013 median income levels compared with median rates data from 2016/17.

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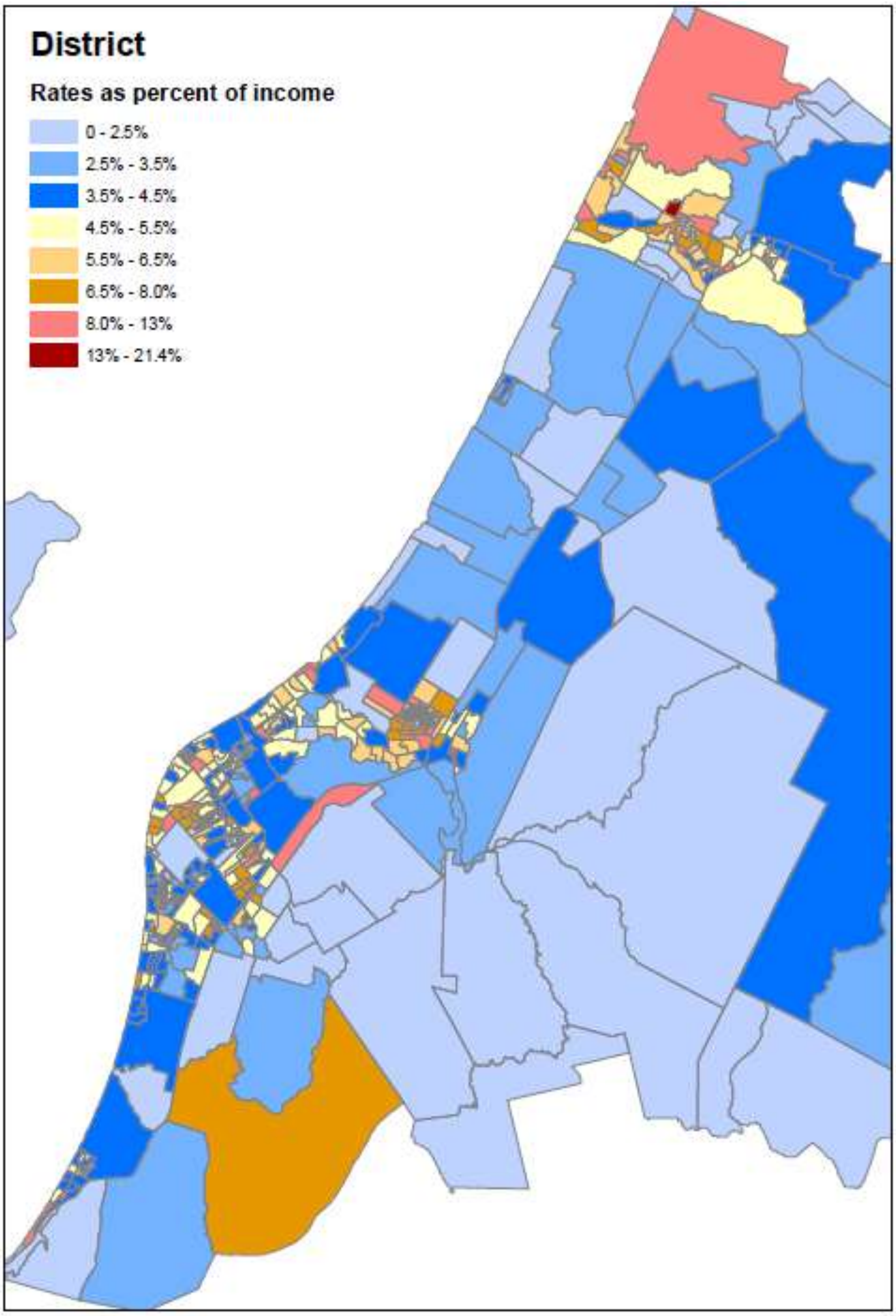
[2] A meshblock is a defined geographic area, varying in size from part of a city block to large areas of rural land.

[3] (Shand report 2007, page 183) "The Panel believes that a very approximate threshold of rates affordability is where rates exceed 5% of gross household income".

[4] atlas.idnz.co.nz/kapiti/maps

**Rates as a % of household income across the district**



### *Affordability for renters*

We also considered how rates increases affect renters. There is no national data available on the extent to which landlords increase rents in response to rates increases. However anecdotal evidence suggests that this occurs, and it seems likely that there is an affordability issue for renters in the same areas as identified above.

Central government provides an Accommodation Supplement to offset rental costs for low-income tenants and this helps to mitigate affordability concerns. Council's current remissions policy allows tenants and landlords to apply for rates relief. There are limited options for changing the rating system to help mitigate the affordability impacts for renters.

For information about more wide-ranging affordability issues across the district see the strategic context document, available at kapiticoast.govt.nz/kapiti2038

# Appendix III  Affordability after rebates and remissions

Our research shows that in some areas of the district, rates are likely to be more than 5% of household incomes, usually because of lower income levels in these areas.

With both the government and the Council offering support for lower-income ratepayers, the actual rates level may be reduced, and may compare more favourably with household income.

The following table shows the effect that rebates and remissions have on rates as a percentage of median income. The data in this table is for the 2017/18 year.[5]

| Area | Median income | Median rates | Rates as % of income | Government rebate | Council remission | Rates after rebate/ remission | New rates as % of income |
|---|---|---|---|---|---|---|---|
| Ōtaki | $36,600 | $2,290 | 6.3% | $620 | $175 | $1,495 | 4.0% |
| Waikanae West | $42,200 | $2,919 | 6.9% | $620 | $250 | $2,049 | 4.8% |
| Paraparaumu Central | $46,500 | $2,609 | 5.6% | $620 | $175 | $1,814 | 3.9% |

Once rates rebates and remissions are taken into account, rates are generally much closer to, or even below, 5% of household income.

[5] Median incomes are Census 2013 incomes adjusted to 2017/18 levels at an inflation rate of 3.1% per annum; rates are median rates for 2017/18, with deductions for rebates and remissions according to income level.

# Appendix IV Rates rebate scheme and rates remission policy

## Rates rebate scheme

The rates rebate scheme was established in 1973 by central government and gives low-income homeowners an annual subsidy of up to $620 on the cost of their rates. The scheme is administered by councils but paid for by central government. If an application for a rebate is approved, payment is made through a deduction on the rates bill, or a refund if the rates bill has already been paid. An application is assessed against the amount of the rates bill, the income of the ratepayer and the number of dependants. Potential eligibility for this rebate can be tested using the calculator provided at:

dia.govt.nz/web/submitforms.nsf/RatesRebateCalc?OpenForm

## Our current rates remission policy

The Council's current rates remission policy provides for rates relief across a range of categories:

- rates remission or postponement on Māori freehold land;
- rates postponement;
- rates remission for Council community properties, focusing on sporting, recreation and other community organisations including a category where the community organisation leases private property for a year or longer;
- rates remission for the late payment penalty;
- rates remission for land protected for natural cultural or conservation purposes;
- rates relief for residential rating units containing two separately habitable units;
- rates remission for financial hardship (including for tenants) including for hardship due to the repair of water leaks, a serious health issue or essential housing maintenance; and
- rates remission for high water use for larger low-income families.

A copy of the full policy is available at kapiticoast.govt.nz.

A review of the policy has been carried out alongside this rating review – see Appendix VI, Ratesremission policy review, for details.

# Appendix V Rates remission policy review

The policy was last reviewed as part of the 2015–35 long term plan and is being reviewed now at the same time as the current rating system review. A copy of the full remissions policy is available at kapiticoast.govt.nz/kapiti2038. The proposed changes are:

- Remove the category for *rates postponement due to extreme financial hardship policy*, as no applications have been received for this category in the last six years.

- Simplify the category *optional rates postponement* by continuing to offer it to people over the age of 65 and highlighting additional eligibility for those under 65 experiencing extreme financial hardship.

- Make it easier for people to qualify for rates remissions, by widening the eligibility criteria. Currently, applicants who aren't eligible for the central government rebate aren't eligible for remissions under the current criteria, as the policy income threshold is 'income is at or below the central government benefit or equivalent'. This means that if their income is too high for a rebate then it is too high for a remission. We propose to change this criterion so that, to be eligible for the remission, applicants must have applied for the rebate first and have a rates bill that is greater than 5% of their household income after taking into account any rebate they may have received from the government.

- Establish an income threshold so remissions are available to people who don't qualify for a rebate but still have rates greater than 5% of income, where their total before tax income is less than $34,000 a year.
- Rename the 'rates remissions – financial hardship' policy to the 'rates assistance' policy to make it clear that the Council wants to help people pay their rates when circumstances make it difficult. The words 'financial hardship' in the policy name may be a deterrent for some potential applicants.
- Simplify the policy's language to make it easier to understand and follow.

We're seeking community feedback on our draft rates remission policy as part of our long term plan consultation.

# Appendix VI Impact of property revaluations on rates

Last year Quotable Value (QV) carried out a new round of revaluations to reflect property values from 1 August 2017 and these will be used to calculate rates for the 2018/19 rating year (commencing from 1 July 2018).

Property owners received this information from QV in October 2017 and had the opportunity to object to their valuations. Final valuation figures will be provided to the Council for use in the 2018/19 rates.

Because of factors like the heated residential property market, and the impact of the expressway, there were significant increases in both capital and land values across the district. This makes no difference to the total amount of rates collected by the Council. However, where the values of some property types or some areas increase more than others, as happened here, they can change the way rates contributions are shared.

Many people assume that if their property valuation increases, their rates will also, but this is not necessarily true. Where a property's revaluation increase exceeds the average increase, the property will usually have a slightly higher rates increase than the average. Conversely, a property that has a revaluation increase below the average will typically have a slightly lower rates increase than the average.

The table below details the percent and average dollar increases for each area in the district for residential properties.

### Residential property capital value (CV) and land value (LV) changes October 2017

| | Total CV Change % | Total LV Change % | 2017 Average CV ($) | 2017 Average LV ($) |
|---|---|---|---|---|
| Ōtaki | 42.0 | 44.5 | $361,000 | $140,500 |
| Ōtaki Beach | 39.1 | 46.1 | $372,000 | $144,500 |
| Waikanae Beach | 43.6 | 55.5 | $625,500 | $340,500 |
| Waikanae Garden | 30.7 | 35.4 | $568,500 | $278,000 |
| Waikanae East/Hemi Matenga | 38.5 | 40.6 | $555,000 | $245,500 |
| Otaihanga | 35.1 | 34.1 | $573,000 | $240,500 |
| Paraparaumu Centre | 46.5 | 49.4 | $490,000 | $218,500 |
| Paraparaumu Beach | 35.6 | 42.8 | $584,500 | $280,500 |
| Raumati Beach | 36.2 | 40.3 | $621,500 | $312,000 |
| Raumati South | 33.6 | 41.8 | $575,500 | $292,500 |
| Paekākāriki | 27.3 | 29.8 | $587,000 | $337,000 |
| District | 37.4 | 42.0 | $541,000 | $261,000 |

The residential sector had the highest increases in CV and LV (37% and 42%, respectively), while commercial and rural property increases were more modest. If the new valuations were applied to the 2017/18 rates under the status quo option, an additional $1m of rates would be charged to the residential sector, with $500,000 being removed from each of the business (commercial) and rural/lifestyle sectors. The rates examples on pages 24-25 of the consultation document show the impacts of the revaluation and the proposed rating system changes for a range of properties.

# Appendix VII  Our economic development activity

One of the key decisions we're consulting on through this long term plan is our proposal to introduce a new targeted commercial rate to contribute towards our economic development activity.  This proposal recognises that while our economic development services benefit our community as a whole, we believe they offer the greatest benefits to our commercial sector. So we think it's fair that businesses fund a portion (about one fifth) of the costs of providing these services.

### How the new commercial rate will be used

The proposed change would transfer $0.5m from the districtwide general rate to a new targeted commercial rate.  The new rate would not increase the total budget, it would change only who pays for it.  The total economic development budget would remain at $2.7m..

Approximately $1m of the total budget of $2.7m is directly applied to economic development activities which are outlined below.  The remaining $1.7m covers indirect costs such as interest and depreciation for our town centre improvements.

### Our economic development activity at a glance

Since our Economic Development Strategy was agreed in 2015 we've targeted our spending towards three areas: visitor attraction; business growth and development; and sector leadership.

Our visitor attraction programme is aimed at increasing the number of visitors to Kāpiti from all markets and making sure that the economic benefits are spread as widely as possible across Kāpiti businesses.  Our business growth and development work supports existing businesses to grow and aims to attract new businesses to set up in Kāpiti.  In 2017 the total number of business units in Kāpiti grew at a greater rate than for NZ as a whole, for the first time since 2010.  Together with the Kāpiti Coast Chamber of Commerce, the Council aims to be a leader in developing the Kāpiti economy through its advocacy and relationship building.

In the past three years, our economic development activity has concentrated on the following areas:

- Each year we provide funding to major events that attract an increasing number of visitors and visitor spending.  This year we supported seven major events including Māoriland film festival, Coastella music festival, Ōtaki Kite Festival and the Kāpiti Farmers' Market.  In 2017/18 our top five events attracted over 60,000 people, with around 20% attending from outside the district.
- We operate an i-SITE visitor centre to help direct tourists and locals to destinations around the district.  Our i-SITE manages bookings for local businesses and also promotes and sells local products.

- We provide expertise to support businesses with grant applications and other funding options such as research and development grants available through Callaghan Innovation.
- In partnership with the Chamber of Commerce and the Youth Employment Strategy Group, we've set up Work Ready Kāpiti, an initiative designed to help 16-25 year olds transition into local employment.
- We sponsor and support the Electra Business Breakfast and Electra Business Awards as well as other business development events like the Startup Weekend.
- We advocate on behalf of Kāpiti and influence regional decisions through the Wellington Regional Economic Development Agency (WREDA). An example of this work is our successful bid to the Ministry of Business Innovation and Employment (MBIE) to include Ōtaki in the rollout of ultra-fast broadband.
- We commission research and publish a quarterly economic report to keep our community informed about relevant economic indicators and local news. A range of reports and quarterly updates are available on the Council's website.

In the next few years we'll continue the above work and add more activities to our programme including:

- Running a new website to promote Kāpiti widely as a visitor destination and a great place to set up a business and invest (live from April 2018).
- We will apply for central government support such as that available through the Tourism Infrastructure and Provincial Growth Fund to help us fund projects that align with government objectives.
- Investigation into the feasibility of a Kāpiti Island gateway (work will get underway late in 2018).

### Town centre improvements

Our town centres programme aims to improve the amenity and attractiveness of Paraparaumu and Waikanae as the main centres in Kāpiti, ultimately to promote commerce and attract visitors. The total investment of $32m over 19 years includes the recently completed Kāpiti Rd improvements and the upgrade to Kāpiti Lights. Upcoming projects for the next three years will involve upgrades to Rimu Rd to support it becoming the main street in Paraparaumu, and improvements to Mahara Place in Waikanae.