

TOKOROA AIRPORT STRATEGIC PLAN

2008/09 TO 2014/15



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EXECUTIVE SUMMARY

- Tokoroa Airport is a key aviation and recreational asset for Tokoroa and the surrounding District. The facility complies with CAA airport rules for Category 7 aircraft.
- Additional demand for aviation and commercial activities, plus a desire by the Council for greater use of the facility has prompted the development of this Strategic Plan to enable future development.
- The seven-year time period of this Strategic Plan seeks to bring the airport's planning cycle into alignment with Council's overall strategic planning cycle. The Airport Strategic Plan will be reviewed and refreshed in 2014/15, prior to SWDC's Long-Term Council Community Plan (LTCCP) 2015-2025.
- This Strategic Plan signals a shift toward greater recognition of aviation and commercial uses of the airport property, while maintaining existing recreational and other non-aviation uses.
- The proposed Vision for Tokoroa Airport is a safe, well-serviced and financially viable community facility that fulfils the needs of aviation-related user groups, provides a venue for motor sports and recreation, and mitigates and manages any adverse effects on the natural environment and neighbouring properties. Development principles for the airport are specified in this Strategic Plan.
- The property will continue to be funded through a mix of user fees and general rates. The operational costs will be no more than \$45,000 per annum in today's dollars unless resolved otherwise.
- As existing leases come up for renewal they will be replaced with long-term leases (eg, 5x5x5) to create increased certainty for planning and investment by lessees.
- A more equitable basis is proposed to be introduced for existing and new lease rentals for private hangars, based on building footprints (sqm). In addition, rentals will be increased to reflect an increased level of service and to recover the long-term costs associated with water supply, sewerage and other services. Indicative lease rentals for current and new sites will average \$1,000 per annum each, based on a rate per square metre of hangar space to be determined by Council on an annual basis. The aim is to ensure a fair contribution toward costs associated with the overall property including runway maintenance and renewal.
- Lease rentals for recreational user groups will also be altered to reflect an increased level of service, taking into account the public benefits of recreational activities to the District. It is proposed that the annual lease rental for most clubrooms and facilities will be \$1,000 per annum. For some groups this will be partly offset by in-kind contributions such as mowing and maintenance. Council will also look into the prospect of increasing the lease rental for land on the eastern side of the runway which is used for grazing. Alternatively this part of the airport property could be sold/swapped for more accessible development areas on the western side.





- Tokoroa Airport will be developed through a staged approach. In the medium-term (1-7 years) this will comprise:
 - Planting of trees for noise mitigation.
 - Realigning the existing access road.
 - Allocating sites and undertaking earthworks for new hangars and taxiways.
 - Installation of a fuel dispenser.
 - New parking area.
 - Installation of a concrete 'launch pad' for drag racers in order to reduce wear on the runway (at Club expense).
 - Return road for Street Rodders, provided there is no cost to ratepayers.
 - Upgraded water supply, sewerage, stormwater and power.
 - Review of drainage requirements.
 - Re-surfacing of the runway.
 - New security gate.
 - Investigation of possible purchase of adjacent land to the northwest of the runway for additional parking and development.
 - Provision of one or more helipads if required
- Note that a public toilet facility is not included above because the additional expense is not considered affordable by ratepayers and user groups.
- Actions undertaken during the period of this Strategic Plan will leave scope for longer term development (more than 7 years). Possibilities under investigation include the prospect of access around the runway and possible development of the eastern side (currently grazed) for commercial and aviation purposes. This option is considered unaffordable at this stage but external funding sources will be investigated by Council.
- An updated District Plan could become operative within the next three to five years. This will take into account the ongoing and increased use of Tokoroa Airport for aviation, commercial and motor sports purposes, with provisions in place to ensure compatibility with surrounding property uses.
- In addition to proposed changes in lease rentals, the rights and obligations of leaseholders will be clarified through a review of the clauses and provisions in individual lease contracts, and clarification of lease areas.
- Ongoing development and maintenance of the property (including annual scheduling of aviation and non-aviation events) is proposed to be guided by an Airport Advisory Group of representatives from Council, aviation users, recreation users and adjacent households. This group will meet 1-2 times per year to discuss emerging strategic issues and make occasional recommendations to Council.
- Financial and non-financial performance of the airport property will continue to be monitored and reported by Council on an annual basis. The airport's 'levels of service' and performance indicators are currently under review.

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1.0 INTRODUCTION

1.1 Tokoroa Airport – Overview

Tokoroa Airport (Civil Aviation Authority flight code: TKZ) is a key aviation asset for Tokoroa and the surrounding South Waikato District. The property is owned by South Waikato District Council (SWDC) on behalf of ratepayers and is located at Amisfield, just south of Tokoroa. It comprises a grass runway 1,120m long by 60m wide including a sealed landing strip 850m long by 18m wide plus adjacent open space and buildings. Total land area is 34.9ha. The property has been retained as a legacy asset for aerial topdressing and other aviation activities. Aircraft up to 5,700kg are permitted to use the runway, though smaller aircraft often use the grass runway to reduce tyre wear. The civil aviation status is “non-certified”. Several private hangars are leased on-site. The property also accommodates various community groups and events, primarily relating to motorsports activities.

In addition to aviation uses, the airport property also accommodates the Tokoroa Street Rodders Club, South Waikato Motocross Club and Tokoroa Kart Club and is used for a variety of other recreational activities and events. The site is illustrated in Figure 1. South Waikato Supercross/Motocross arena is shown to the north of the runway. This is currently accessed through an easement over private farmland. West of the runway are the Tokoroa and Districts Aero Club clubhouse, Tokoroa Street Rodders clubhouse, existing private hangars, and Tokoroa Kart Club clubhouse and track. The grass strip along the east side of the runway is leased to the South Waikato Racing Club for grazing and is not readily accessible from the western side.

Figure 1: Tokoroa Airport site – aerial photograph and boundaries



Source: Adapted from an image provided by SWDC GIS Department

1.2 Strategic Plan – Aims

Current levels of unmet demand for aviation and commercial activities have prompted the development of this Strategic Plan to enable future development and servicing. Council is keen to see the facility better utilised, with corresponding benefits for the financial viability of the site (ie, spreading the cost of services amongst an increased number of users).

SWDC previously signalled through its Long-Term Council Community Plan 2006-2016 that the primary reason for ongoing Council provision of Tokoroa Airport was community recreational benefits. This Airport Strategic Plan represents a shift toward greater recognition of aviation and related commercial purposes of the airport property, while maintaining existing recreational uses.

This Strategic Plan supplements the Tokoroa Airport Management Plan by providing a high-level direction for the airport property over the coming seven-year period and beyond. The Strategic Plan and Management Plan are being developed through consultation and feedback from a range of stakeholder groups. Each document seeks to balance the aspirations of:

- South Waikato ratepayers – as the collective owners of the property.
- South Waikato District Council – property manager and environmental regulator.
- Aviation users including current and prospective leaseholders.
- Recreation users including leaseholders and event organisers.
- Neighbouring householders.

The seven-year time period of this Strategic Plan takes into consideration:

- The immediate issue of applications for new aviation-related leases.
- Longer-term issues of site development, servicing and capital budgeting.
- Alignment with Council's three-yearly strategic planning cycle.

A summary of this Strategic Plan will be included in SWDC's Long-Term Council Community Plan 2009-2019 including updated capex and opex projections. The Tokoroa Airport Strategic Plan will be reviewed and refreshed in 2014/15 prior to adoption of SWDC's Long-Term Council Community Plan 2015-2025.

1.3 Planning and consultation process

Face-to-face discussions were undertaken with SWDC staff, Elected Members and airport users over the period March-May 2008. Stakeholders with an interest in the site include (in no particular order):

- Recreational flyers, especially Tokoroa Aero Club and private hangar owners.
- Commercial flyers (primarily topdressers and spray contractors).
- Helicopter landings.
- Model aircraft flying.
- Tokoroa Street Rodders Club and Tokoroa Car Club.
- Motocross.
- Go-karts.
- Advanced driving school (skid control and defensive driving techniques).
- Other recreational groups including community event organisers.
- Stock grazing concessionaire (South Waikato Racing Club).
- Householders in neighbouring properties.
- South Waikato general public.
- Civil Aviation Authority.
- Police, Fire Service, Ambulance.

Through a series of workshops (refer Table 1), common aspirations and issues were identified and subsequently incorporated into this Draft document. The consultation process aimed to draw out the full range of views about the future of the Airport and work toward a balanced approach for future development. Additional investigations (eg, updated capex projections and possible District Plan changes) are being discussed by SWDC staff as they arise.

Table 1: Planning and consultation process

DATE	DESCRIPTION
Feb/Mar 2008	Desktop review of Airport Management Plan, Asset Management Plan and other relevant information.
14 Mar 2008	SWDC staff workshop.
3 Apr 2008	Elected Members site visit. Elected Members workshop.
29 Apr 2008	Airport Users Workshop.
May 2008	Amisfield households notified of the consultation process and when and how they will have opportunity for input.
29 May 2008	SWDC staff workshop to review initial Draft.
Jul 2008	Council signs off initial Draft. Initial Draft distributed for feedback from airport users. Initial Draft distributed for Amisfield residents workshop.
Aug 2008	Draft document revised prior to adoption and public submissions stage. Council signs off revised Draft and Summary Statement of Proposal for public feedback.
Aug/Sept 2008	Public consultation on Draft Strategic Plan.
Nov 2008	Final Strategic Plan adopted by Council.

2.0 NEED ASSESSMENT/STAKEHOLDER PROFILE

2.1 Aviation users

There are approximately two commercial flight movements per week plus some weekend use. Council has not identified any demand for upgrading the runway's load-bearing capacity. Specific current users include:

- Privately owned hangars and related small aircraft (seven existing hangars plus an additional site allocated and more sites planned).
- Tokoroa and Districts Aero Club (runway and clubhouse).
- Commercial operators (runway only).
- New Zealand Air Force – pilot training destination and emergency landing strip (runway).
- Gliders (occasional use of runway).
- Microlights (occasional use of runway).

The Aero Club undertakes grass mowing, minor maintenance and operates the entry security gate. These tasks reduce the cost to ratepayers and are reflected in affordable lease arrangements. Under this Strategic Plan, these types of in-kind contributions will continue to be reflected through discounted leases.

Applications have been received from at least six prospective new aviation-related leaseholders seeking hangars, some of which would bring the possibility of commercial activities such as manufacturing, pilot training and skydiving/parachuting. Requests for additional hangar space have been deferred until this Strategic Plan is finalised and adopted. Interest has also been signaled for additional pilot training activities on the site, including microlight training.

In addition, the Aero Club submitted an application to the South Waikato Development Fund (SWDF) for substantial funding toward the following, to develop the airport into an even better community-based asset for recreational and commercial purposes. Decisions around the use of remaining SWDF funds are yet to be made by Council. Some of the points in the submission were further elaborated through follow-up correspondence:

- Levelling the area for current proposed hangar sites – for development reasons the proposed hangar sites need to be the same level as each other to allow for future joining with a sealed area.
- Levelling the north eastern side of the runway (currently leased to the Racing Club) to provide more hangar sites – with parking areas in front and a road for access.
- Providing a specialised tar sealed area for model aeroplane activities.
- Installation of a helicopter pad – a safe defined area for landing by any helicopter.
- Developing the topdresser loading area with an environmentally-approved loading site.
- Developing a fuel site. This should be relocated from the previously proposed area to the area currently used for loading top dressing aircraft (to free up runway access and improve safety).
- Moving a former NZFP building away from the operational area.
- Installing amenities such as sewerage and toilet facilities, water supply and three-phase power to support new hangars and businesses.

A subsequent submission as part of the Airport Users Workshop (29 April 2008) identified additional requests as follows:

- Yard requirements – Hangar spacing less than 3 metres to allow for more hangars (refer Tauranga and Hamilton airfields for comparison) – possibly a firewall between hangars.
- Long term leases of hangar sites (currently three years with no right of renewal).
- Living space above hangars – Ensure this is permitted, to make Tokoroa a more attractive proposition for out of town aircraft owners.

2.2 Non-aviation activities and events

Recreational and other non-aviation use is primarily on weekends. Weekday and weekend use is limited by private aircraft movements, chartered flights, top dressing and occasional Air Force planes. Non-aviation user groups include:

- Model aircraft flying (frequent weekend use of taxiways and part of runway).
- Tokoroa Street Rodders Club (runway and clubhouse – a small number of major events per year).
- Tokoroa Car Club (as above – more members than Street Rodders).
- Tokoroa Kart Club (race circuit and clubhouse).
- South Waikato Motorcycle Club/Motocross Club (super-cross/motocross track).
- Performance, classic and vintage car clubs (infrequent events).
- Ford Advanced Driving Course (several times per year).
- South Waikato Racing Club (grazing concession/horse training track – refer next sub-section).



Applications to the SWDF, plus other Council correspondence, indicate the following unmet demand:

- South Waikato Model Aero Club:
 - May eventually wish to build clubrooms at the airport.

- Tokoroa Street Rodders Club:
 - Since 2004 have requested Council support for (a) a sealed return road on the eastern side of the runway and (b) a concrete launch and staging pad at the immediate north end of the runway. The Club noted that this would reduce surface wear to the runway and markings and would also promote participant safety.
- Tokoroa Kart Club:
 - Request for SWDF funding toward sealing of the recently extended track. Note that land use consent for this track extension was granted in June 2007.
 - Separate request for permission to use the control tower on a regular basis.
- South Waikato Motorcycle Club/Motocross Club:
 - Water supply for irrigation of the motocross track.
 - Electricity connection.
 - Improved lighting.
 - Upgraded VIP stand.
 - Request for Council to purchase an additional six hectares of adjacent land for increased area of track or to relocate the club to a more suitable location should the land be required for future runway extensions. Note that (a) the request related to expressions of interest for the South Waikato Development Fund; (b) the Motorcycle Club has approached the land owner and confirmed they are open to offers.

Existing recreational user groups have signaled a desire to be consulted before any decisions are made to allow use by new recreational user groups. At this stage, little interest has been identified by Council from prospective new non-aviation user groups.

2.3 Grazing

South Waikato Racing Club has a concession for grazing and a horse training track for the strip of grassed land to the east of the runway. This area forms part of a recently developed horse training track. The Racing Club has applied for funding support to install water supply (including power to a pump), roading suitable for large trucks and horse floats, and erection of saddling stalls and wash-down pads.

2.4 District growth and demand

General projections are for:

- Increased interest in small private aircraft. Note that Tokoroa airport is a “3rd tier” airfield (ie, a feeder to 2nd tier airports such as Taupo and Rotorua).
- Moderate rate of economic growth and tourism demand.
- Possible turnaround of economic fortunes for the District through strategic investment and promotion (including potential developments stemming from this Airport Strategic Plan).
- Slowly declining District population, from 23,200 residents in 2006 to 20,900 in the year 2021 (Statistics New Zealand official medium projections from 2006 Census base).
- Ageing population profile.

2.5 Desired levels of service

The airport’s ‘levels of service’ and performance indicators are currently under review. Through stakeholder consultation, Council will more clearly identify the aspects of the airport property that are important to user groups and the desired level of provision of each of these aspects. The ‘levels of service’ review is scheduled for completion in mid 2008 and will be referenced in Council’s 2009-19 LTCCP. It is not anticipated there will be any major discrepancies between the results of the ‘levels of service’ review and the developments signalled in this Strategic Plan.

2.6 Amisfield householder preferences

In July 2008 a workshop of Amisfield residents was hosted at the local school. Key concerns at this meeting included:

- Effective noise mitigation through selected tree and/or shrub planting.
- Full review of stormwater drainage.
- Monitoring and addressing possible increased volumes of traffic to the Airport, especially at peak times (school pick-up times and/or funerals).
- Addressing issues with traffic speed immediately following motorsports events.

Council has incorporated this feedback into the Draft Strategy.

3.0 VISION

The proposed Vision for Tokoroa Airport is:

- A safe, well-serviced and financially viable community facility that:
 - Fulfils the needs of aviation-related user groups;
 - Provides a venue for motor sports and recreation; and
 - Mitigates and manages any adverse effects on the natural environment and neighbouring properties.

4.0 DEVELOPMENT PRINCIPLES

The following high-level Development Principles are proposed:

- Tokoroa Airport is primarily an airport:
 - Aviation safety is a central factor.
 - The needs of aviation users take precedence over recreation users.
 - The airport is a significant community asset for the South Waikato District and will be developed and maintained accordingly.
 - As existing hangar leases come up for renewal they will be replaced with long-term leases to create increased certainty for planning and investment.
- Community benefits from existing recreation users will be recognised:
 - Recreation user groups will be included in long-term planning and decision-making for the Airport facility.
 - Lease rentals, fees and charges will take into consideration the economic, social and cultural benefits of existing recreational activities.
 - As existing clubhouse leases come up for renewal they will be replaced with long-term leases to create increased certainty for planning and investment.
- Adverse effects on neighbouring properties will be mitigated and managed:
 - Householders will have opportunities to influence environmental rules and performance standards associated with the Airport.
 - Representatives of neighbouring properties will be involved in ongoing decision-making through an Airport Advisory Group.

- The buffer strip of trees between Amisfield and the airport will be established and maintained by Council.
- Allocation of current and future costs will be equitable and transparent:
 - The property will continue to be funded through a mix of user fees and general rates. The ratepayer contribution will be no more than \$45,000 per annum in today's dollars.
 - Capital expenditure will be funded through reserves and borrowing unless otherwise provided (eg, through the South Waikato Development Fund).
 - Current and new users will make an equitable contribution to maintenance and capital expenditure for network services, based partly on land area occupied and taking into consideration the private and public benefits.
 - Lease rentals for hangar sites will be benchmarked against other similar sized provincial airports.
 - Rights and obligations will be clearly defined for all lease arrangements.
- The airport will comply with aviation and environmental regulations:
 - CAA regulations will be met at all times.
 - An Airport Protection Zone will be maintained to ensure that aviation activities and safety are not adversely affected by other activities.
 - Rules and performance standards associated with the Airport Protection Zone will control adverse environmental effects from noise, dust and other pressures.

5.0 CONTRIBUTION TO COMMUNITY OUTCOMES

This Strategic Plan seeks to contribute to Council's vision for

- A diverse, sustainable economy that provides full employment; and
- A growing and vibrant community where cultural diversity is celebrated.

(Refer 2006-16 Long Term Plan, page 15).

Community Outcomes to which the airport property primarily contributes are shown in the left-hand column of Table 2. These Community Outcome statements were identified by Council through extensive public consultation.

Table 2: Contribution to South Waikato's Community Outcomes

Community outcome	Contribution
Transport services are safe and efficient.	Aviation activities are managed in a way that is safe for all site users.
South Waikato has a positive image to anchor community pride and new investment.	Properly developed, managed and promoted the airport has potential to create new employment opportunities and also be a more significant drawcard for community events and a greater source of pride for South Waikato communities.
Facilities, services and community events are affordable and accessible.	The property provides for a wide range of community activities and events. Fees and charges are reviewed regularly with the aim of balancing the community's ability to pay and commercial realities of maintaining the property.

Reasons for Council ownership and management of the facility include:

- Civil Defence – Tokoroa Airport has the only sealed, registered runway in the South Waikato District and is therefore an important strategic link and staging post during an emergency. The airport is also used by the New Zealand Air Force for occasional training flights.
- Economic development – The airport is important for economic development including charter flights by visiting executives; tourism charters; availability for topdressers; and prospective other commercial aviation uses such as on-site manufacturing, flight training and parachuting/skydiving.
- Community recreation – The property provides a suitable venue for motorsports and other community activities when not in use for aviation purposes.

For the reasons above, Council considers Tokoroa Airport to be a significant community asset (though not a 'strategic asset' in the sense of the Local Government Act 2002). Council is seeking through this Strategic Plan to promote greater use of the property and hence ensure its financial viability and ongoing operation.

6.0 STRATEGIC ACTION PLAN

Key strategic issues for Tokoroa Airport include:

- Unmet demand for aviation-related activities, including commercial activities.
- Long-term management of environmental effects including noise levels.
- Lack of services on-site, including limited internal roading and parking areas and inadequate water supply, wastewater services and power.
- Current lease arrangements are *ad hoc* and not necessarily equitable, financially sustainable or conducive to long-term planning and investment.
- There is only a limited amount of funding available to support capital developments.

The following action plans are based on a series of inter-related initiatives to address these issues:

1. An Airport Development Plan for future expansion and servicing. This would supplement the Strategic Plan and provide a detailed proposal for the future layout and servicing of the property.
2. Review of all lease arrangements to create increased certainty of tenure for lessees, and to ensure fees and charges reflect an equitable allocation of costs and benefits.
3. Review of District Plan provisions.
4. Establishment of an Airport Advisory Group to assist with long-term planning of the airport property and its use.

Figure 2: Aviation, recreational and other events occur at the site



Source: Tokoroa Airport Management Plan

6.1 Airport Development Plan

6.1.1 Medium-Term (1-7 years)

Figure 3 indicates a possible short-term development plan that would be refined by the Airport Advisory Group and through negotiation with adjoining land owners. Features include:

- Realigning the existing access road.
- Allocating sites and undertaking minor works for prospective new 15mx30m and 20mx30m hangars, with an existing fence relocated to the property boundary to accommodate.
- Proposed new shared taxi-ways and aircraft picketing sites.
- Proposed changes to fences and gates.
- Proposed new parking areas.
- Review of noise barriers (trees/shrubs) on western side of property.

Refinements to the development plan could include:

- Site allocated for a possible fuel dispenser. Notes: (a) An earlier Mobil-owned facility was removed due to its age and lack of custom. (b) Installation of the proposed fuel dispenser should ensure adequate provision for containment of fuel spills in terms of soil or water pollution.
- Allocating a site for a proposed future helicopter area.
- Investigation of the potential for security lighting on site.

Costs for capital works associated with the above are being incorporated into existing budgets under the Tokoroa Airport Management Plan.

In order to future-proof the site and promote potential benefits for the District, the following additional facilities are either proposed or considered unviable in the short-term (refer text for details):

(a) Concrete pad for drag racers.

The Tokoroa Street Rodders Club has previously requested support for a concrete launch and staging pad at the north end of the runway. Council signals through this Strategic Plan that it will allow the installation of such a facility for shared use by the Street Rodders and other groups. The purpose of permitting a concrete pad is primarily to mitigate damage to the runway from drag cars warming up their tyres. The concrete pad will be funded by the Street Rodders due to lack of support from other users. Maintenance costs for the concrete pad will be recovered through a system of fees and charges which will also allow for accelerated wear and tear of the runway pavement.

(b) Return road for drag racers.

The Street Rodders Club has also requested the ability to install an event return road immediately adjacent to the runway on a 5m strip of land. The return road is desired in order to maintain event continuity and a superior spectator event. The Club has undertaken initial costings and commenced fund raising in 2004, however this has been on hold while the long term direction of the overall airport property was being considered by Council.

Council signals through this Strategic Plan that it is open to the prospect of installing a return road for the Street Rodders Club, provided there is no cost to ratepayers. All capital expenses would need to be covered by the Street Rodders, and any reduction of income to Council (eg, due to reduced area for grazing) would need to be recovered through the Street Rodders lease rental and user charges.

(c) Upgraded water supply for fire fighting and availability for existing and new users of the property.

Increased water servicing is needed, not only to cater to increased user numbers but also for firefighting purposes. The South Waikato Motorcycle Club has specifically requested water supply for irrigating the motocross track to reduce dust emissions. Using treated water supply for this purpose is likely to attract a premium rate for supply in future and a stormwater reservoir for irrigation pumping could be an alternative solution.

(d) Installation of sewerage network.

There is currently no sewage connection from the airport to a formal treatment system. Septic tanks can operate only marginally with the underlying rock. Any further development would require a pump station and rising main to Council's system near the school on Moffat Road. This would also require an adequate water supply. Council staff members and user groups have signaled that sewage servicing is desirable for the site and Council will consider its funding through the Long Term Plan 2009-19.

(e) Installation and maintenance of a public toilet facility.

User groups, both aviation and non-aviation, have identified that a public toilet facility is desirable for the site. This would be particularly used during community events. If this were to proceed then maintenance of the facility would be an ongoing expense needing to be factored into lease rentals and user charges, with a small proportion subsidised by ratepayers.

Indicative budget forecasts later in this report reveal that the additional \$150,000 development cost and \$10,000 per annum maintenance cost of a new public toilet could not viably be supported in addition to other desired works. This feature is therefore excluded from consideration at this time.

(f) Electricity connections for current tenants as required, with availability for connection by future tenants.

A public electricity connection would be required in the first instance to power sewage pumps. Electricity supply would also enable taxi-way lighting, emergency lighting and public security lighting. Individual tenants would be metered and billed proportionately when connected to the supply.

(g) Telephone connections for current tenants as required, with availability for connection by future tenants.

There is some demand from user groups for the availability of telephone connections. Details have yet to be investigated and costed up. Cell phone coverage may be sufficient.

(h) Review of stormwater requirements.

The stormwater open drain and discharge situation would be affected by the creation of further impervious areas. It is proposed that engineering staff undertake a review of stormwater adequacy as the need arises and no later than 2014/15.

(i) Re-surfacing of the runway prior to 2014/15.

It has been identified that the need for re-surfacing or re-sealing will be needed in the near future to ensure aircraft safety. In addition to aircraft taxiing, take-offs and landings, recreational activity also creates some wear on the runway surface.

(j) Control tower upgrade.

An observation tower was donated in 2001 when the airport was used as a movie set. There is no support for maintaining this facility but it should remain so long as it is safe to use and not interfering with other development.

(k) New security gate.

The existing security gate has been identified by staff as needing replacement in the near future.

(l) Investigate options for purchasing adjacent land.

Purchasing part of an adjacent property to the northwest of the runway would help future-proof the site for additional parking areas and/or possible expansion of aviation activities (ie, for additional private hangars and related commercial activities) and/or expansion or relocation of the motocross track. According to correspondence from the South Waikato Motorcycle Club/Motocross Club and in discussions with Council staff, the owner has confirmed that he is open to offers. The total area of land available is 18 ha, currently used also by the Pony Club and Drag Club with permission of the owner. The Motorcycle Club has requested Council to purchase six hectares to expand its track or to relocate should the land be required for future runway extensions.

Alternatively, or in addition, there could be value in discussing with the Racing Club the possibility of a land-swap between part or all of the current leased area for grazing on the east of the runway and a block to south west of the hangar and Kart Club area.

Indicative budget forecasts later in this report reveal that the additional costs of land purchase and development could not viably be supported from existing funding. This feature is therefore excluded from immediate consideration. However Council will investigate possible external funding sources for a land purchase and expansion of parking. Council would not be averse to procuring more land if the need is proven and funds are available. For instance, funding may be accessible for this purpose through the Lottery Significant Projects Fund or other sources.

(m) Provision of an access road around either the north or south end of the runway, plus network services, to enable development of all or part of the strip of land east of the runway.

This area is currently leased for grazing and could potentially be put to more profitable use for the benefit of ratepayers and prospective airport users. A previous lessee developed the land into a tidy weed-free and useful area. It was then occupied by the South Waikato Racing Club and is part of a recently developed horse training track. Potential has been identified for aviation-related industrial uses of this site.

Indicative budget forecasts later in this report reveal that the additional costs of development associated with this option could not viably be supported from existing funding. This feature is therefore excluded from immediate consideration.

The decision to proceed with either or both of the latter two options (l) and (m) should be considered by Council as part of its process for preparing the Long-Term Council Community Plan 2009-2019. The costs of these options have not been calculated at this time. The option of purchasing adjacent land would be subject to availability for sale at an agreed fair price.

(n) Longer terms for leases.

As existing leases come up for renewal they will be replaced with long-term leases to create increased certainty for planning and investment.

6.1.2 Long-Term (more than 7 years)

The existing airfield is an important resource and likely to be the only airport in the South Waikato District for the foreseeable future. Actions undertaken during the term of this Strategic Plan will leave scope for longer term development. The most evident example is the possibility of a future runway extension, which would have implications for the current motocross site. Purchasing part of a property to the northwest of the runway and leaving adequate open space for potential relocation of the motocross track and associated facilities would help future-proof the airport, however a runway extension is considered to be unlikely in the medium term (20 years).

A ten-yearly review of the District Plan is commencing in 2008 and will involve extensive consultation and opportunities for public submissions. An updated District Plan is expected to become operative within the next two to five years. This will take into account the ongoing and increased use of Tokoroa Airport for aviation and commercial purposes, with provisions in place to ensure compatibility with surrounding property uses. A relaxation of the existing District Plan controls would allow wider scope of use and encourage the development of aviation maintenance and related manufacturing industries.

It is anticipated that the Airport development will result in increased levels of activity on the property and hence increased street traffic volumes. This could create potential issues for neighbourhood safety, especially if it clashes with school traffic times. Council will therefore monitor the level of traffic over the medium to long term and consider engineering or other solutions if problems arise. Council will also work with the Police to address any speed-related traffic issues following motor sports events.

6.1.3 Summary and costings

Indicative costings below will be the basis for more detailed plans and budgets by Southtech and SWDC Asset Group over the coming 1-2 years.

Table 3: Estimated capital and operating costs of development

Service	Capital costs*	Maintenance and renewals (pa)
(a) Concrete pad for drag racers	Yet to be estimated (assume \$30,000)	Minimal, to be recovered through lease and user charges
(b) Return road for drag	\$20,000 (approx – no cost to	Minimal, to be recovered through lease and user charges

Service	Capital costs*	Maintenance and renewals (pa)
racers	ratepayers)	
(c) Water supply	\$55,000	Minimal, to be recovered through leases and user charges
(d) Sewerage (including pump station)	\$150,000	Minimal, to be recovered through leases and user charges
(e) Public toilet (not considered viable)	Would be approximately \$150,000 if viable	Would be \$10,000 per annum if viable (to be recovered partly through rates and partly through leases and user charges)
(f) Public power connection	To be confirmed	To be confirmed
(g) Telephone connection	To be confirmed	To be confirmed
(h) Review of stormwater	To be confirmed	Minimal
(i) Re-seal of runway**	\$100,000 (approx – to be confirmed)	Existing depreciation reserve
(j) Control tower upgrade		Nil
(k) New security gate	To be confirmed	Minimal
(l) Land purchase – northwest of runway	Would be substantial	To be confirmed
(m) Access and services – east of runway	Would be substantial and therefore not considered viable at this time	To be confirmed
(n) Longer terms for leases	N/A	Lease holder's cost

Notes:

* Capital expenditure will be funded through reserves and borrowing, unless otherwise provided (eg, through the South Waikato Development Fund). Any required borrowing will be recovered through leases and user charges over the long term.

** The proposed runway re-seal would be for maintenance purposes only and would not constitute a complete re-build of the airstrip. A full rebuild including basecourse could be \$500,000 or more and will need to be undertaken at some point in the longer term.

Figure 3



South
Waikato
District
Council
15/11/08



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6.2 Review of lease arrangements and allocation of costs

6.2.1 Current rates cost per annum

From 2006/07, depreciation of the runway was increased from \$12,000 to \$25,000 per annum to more accurately reflect the actual cost of repairs and renewals. The overall operational cost of the airport to ratepayers is approximately \$40,000 per annum on average, including administration, repairs and maintenance but excluding any proposed new capital works such as water supply and sewerage. With an estimated 9,800 rateable properties in the South Waikato District as at 30 June 2007, this equates to approximately \$4.10 per household per annum. Comparative average costs for other community assets and facilities per household are shown in Table 5. Note that for rates funding purposes, the airport property is treated differently from other recreation and leisure facilities due to private benefits derived by aviation users.

Table 4: Budgeted total cost of service (as per the 2006-16 LTCCP)

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Opex	\$40,000	\$30,000	\$34,000	\$31,000	\$31,000	\$35,000	\$32,000	\$32,000	\$32,000
Capex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Note: The above figures are subject to re-projection for the period 2009-19, including inflation adjustments and greater allowance for depreciation. Variances from budget may differ from year to year.

*Table 5: Approximate cost per household per year for a range of assets and facilities**

Facility	Approximate annual cost per household
District Road Network	\$560.00
Landfills	\$130.00
District Library Service	\$128.00
Public Swimming Pools	\$107.00
Visitor Information Centres	\$ 21.40
The Plaza (Putaruru)	\$ 12.25
Tokoroa Airport**	\$ 4.10
Tokoroa Talking Poles	\$ 2.25

Source: Calculations from figures in South Waikato District Council Annual Plan 2008/09

Notes:

** Excludes rates funding toward capital expenditure.*

*** For rates funding purposes, the airport property is treated differently from other recreation and leisure facilities in the District due to private benefits derived by aviation users.*

6.2.2 Current user fees and charges per annum

Current lease arrangements and associated fees and charges developed in an *ad hoc* manner. Hangar leases were recently standardised in order to partly address inconsistencies. Current leases, fees and charges are shown in Table 6. The total per annum is estimated to be approximately \$10,000 per annum toward administration, repairs and maintenance. In addition, the Aero Club and other user groups provide in-kind services such as grass mowing and minor repairs.

Table 6: Current leases and user charges (excluding rates)

Source	Area (ha)	Type of use	Fees and charges	Use of runway/taxi-ways?
Hangars (currently 8 sites)	0.02 each	Private hangars	\$585.00 pa each (x 8)	✓
Aero Club	0.06	Clubroom	\$585.00 pa	✓
Commercial use for topdressing	Nil	Occasional landings	\$3 per tonne royalty on material spread	✓
Other commercial use	Nil	Varies	\$200 per event if	Varies

Source	Area (ha)	Type of use	Fees and charges	Use of runway/taxi-ways?
of airport grounds			runway not closed	
Model aircraft flying	Nil	Assorted	Nil	Some
Motocross Club	9.31	Race circuit and clubroom	\$562.50 pa	Nil
Kart Club	5.1*	Circuit and clubroom	\$112.50 pa	Nil
Street Rodders	0.02	Clubroom and runway	\$250.00 pa for lease** \$200-\$300 per day event, depending on weekday vs weekend/holiday	Only on application
Closure of runway for other events (eg, advanced driving school)	Nil	Varies	\$100-\$300 per day, varying according to aviation vs non-aviation events, weekdays vs weekends	Varies
South Waikato Racing Club (concessionaire)	8.32	Grazing	\$1,687.50 pa	Nil

Source: Adapted from Tokoroa Airport Management Plan and SWDC Long Term Plan 2006-2016

* The original area occupied by the Kart Club was 2.2ha, to which 2.9ha was added in 2000 (total 5.1ha).

** The figure of \$250.00 pa for Street Rodders is from Clause 2.0 of the previous lease (signed March 2000). This is likely out of date and is currently under review by SWDC.

6.2.3 Strategic issue – South Waikato Development Fund

Council is open to the possibility of investing up to \$300,000 from the balance of the South Waikato Development Fund (SWDF) into an increased level of service for Tokoroa Airport – provided the community signals this is an appropriate and desired use for the fund. A key purpose of the SWDF is to “develop facilities and amenities of strategic value to the District that would otherwise require financing through rate funding”. If the SWDF were not used for this purpose then:

- (i) The \$300,000 balance of the SWDF would be available for other community facilities and amenities in the South Waikato District.
- (ii) The upgrade of Tokoroa Airport would need to be fully funded (over the long-term) through increased leases and user charges.
- (iii) Some of the proposed capital developments in this Strategic Plan might need to be postponed or discarded due to insufficient funding.

6.2.4 Principles for lease renewals, lease applications and cost sharing

It is proposed that the following principles be applied for forthcoming lease renewals and any applications for new leases (both aviation and non-aviation):

- As existing leases come up for renewal they will be replaced with long-term leases (eg, 5x5x5) for both aviation and non-aviation lease holders.
- For administration purposes, the majority of leases will fall due on the same day.
- Existing recreation-related leases will continue to roll over, subject to negotiation during lease renewal periods.
- Lease costs will be automatically adjusted for inflation and any new benefits received each year.
- A limited number of new leases will be permitted for aviation purposes.

- Lease rentals for hangar sites will be benchmarked against other similar-sized provincial airports.
- New capital works will be funded through reserves and borrowing, in recognition of inter-generational benefits. (Note: Decisions around possible use of the South Waikato Development Fund for some works are yet to be made by Council). While Council could theoretically impose a financial or development contribution on prospective new lessees toward additional infrastructure such as wastewater and stormwater, it is proposed that Council should provide this up-front to promote increased use of the site and reduce compliance costs for new aviation-related applicants.
- Ratepayer contribution will be held to no more than \$45,000 per annum (in today's dollars) unless resolved otherwise. An increasing proportion of facility costs will be paid through leases and user charges as levels of use (eg, numbers of leaseholders) increase over time.
- Current and new users will make an equitable contribution to capital expenditure and maintenance costs for network services, based partly on land area occupied and taking into consideration private and public benefits and specific costs (eg, runway damage).
- When determining the basis for lease costs, Council will take into consideration the opportunity cost of alternative commercial and recreational uses of the site.
- Land use rights and conditions of use will be clearly defined in respective lease arrangements. Lease areas will be well defined and may extend beyond the buildings concerned.

6.2.5 Benchmarking of hangar leases

The existing level of unsatisfied demand for leased areas (ie, private hangars and access to the runway) is partly driven by cheap rentals. Hangar sites at Tokoroa Airport currently cost approximately \$11.25 per week plus rates, or between \$2.44 and \$4.88 per square metre of hangar space per annum (depending on the size of the hangar). Under the present arrangements, hangar sites could hypothetically be sub-leased at a profit – for example to provide storage space for household or commercial purposes. Some applicants may be willing to pay the current low rental for a vacant site just to keep their options open. Several enquires have come from out of the District as it is cheaper to keep an aircraft at Tokoroa and commute. There are six identified applicants for new hangars, plus other prospective applicants. Some of the current applicants are seeking to also undertake commercial activities such as manufacturing, aircraft painting and flight training.

Taupo Airport recently tidied up its lease arrangements and developed a system whereby different lease rentals are applied to different sites depending on their access to the sealed apron and runway. The rates are shown in Table 7 below. Based on this comparison and assuming the benefits of a site lease are similar in Tokoroa and Taupo with the exception of services such as power, water supply and sewerage, the existing Tokoroa Airport lease rentals could be considered 70% below the 'market rate'.

Table 7: Lease rentals for hangar sites at Taupo Airport

Location	Cost per sq metre	Indicative cost per week (based on 180 sqm hangar space)
Direct access to apron and runway	\$6.75	\$23.40
Partial access to seal	\$5.75	\$19.90
Grass cross runway	\$5.50	\$19.00
Helicopter area (no access to seal or grass runways)	\$4.50	\$15.60

Source: Taupo Airport Authority

Note: All Taupo Airport leases fall due on the same day and are for 27 years (9x9x9) with inflation increases every three years and valuation every nine years. The lessees receive certain benefits that are not available at the Tokoroa Airport.

6.2.6 Runway users

Impacts on the runway are one driver of cost allocations. These are summarised in Table 8.

Table 8: Summary of current runway user groups (as at February 2008)

User	Comment
Aero Club	Normally 2-4 seat training aircraft only. The Club has been very helpful with runway maintenance and use their Clubrooms as a terminal for large events.
Owners of private hangars	Currently 7 hangars with light private aircraft. Applications pending for additional hangars.
Charter aircraft	Landings on demand for commercial passengers. May use Aero Club rooms as a base.
Other commercial aviation users	Topdressing, aerial photography and forest spraying.
Non-commercial aviation users	New Zealand Air Force – pilot training destination and emergency landing strip. Private aircraft operators who land by arrangement – several every week.
Model Aircraft Club	Use the runway and grass for agreed events. The Club has been very helpful with runway maintenance and safety.
Ford Driving School	The runway is “closed” approx once every eight weeks to allow Driver Training by arrangement.
Tokoroa Street Rodders	Hold about two events annually, and attract many visitors to the district. The runway is closed during events.
Tokoroa Performance Car Club	Hold infrequent events (Motokana events).

Source: Adapted from Tokoroa Airport Management Plan

Note: User groups listed in no particular order.

6.2.7 Budget forecasting

The following assumptions are used as the basis for proposed indicative changes to rates, user fees and charges:

- (a) That a minimum of seven (7) additional hangar sites will be leased in the foreseeable future, each making a contribution toward the costs of maintenance and development of the property.
- (b) That an additional \$5,000 per annum on average will be available from ratepayer funding, taking the total contribution to approximately \$45,000 per annum.
- (c) That funding from the South Waikato Development Fund may or may not be used toward development costs (this decision is yet to be made by Council, having consideration for public submissions on the matter).
- (d) That the interest rate on any borrowings for capital development will be approximately 10% per annum, over a period of 30 years.

Based on these assumptions, the additional capex and opex needed from ratepayers and user charges for development of the property are shown in Table 9 for a range of scenarios. Capex will be funded through reserves and borrowing, unless otherwise provided (eg, through the South Waikato Development Fund). Any required borrowing will be recovered through leases and user charges over the long term.

The bottom line of Table 9 shows that the budget forecasts for development range from an extra \$16,000 per annum (assuming no public toilets and full use of SWDF funding) up to \$115,000 per annum for full-scale development (assuming no availability of SWDF funding). Note that the latter scenario could potentially be supported in the long-term through additional lease income from hangar sites and other activities to the east of the runway if this area was developed (including access). However this is considered to be outside the scope of the seven-year vision of the current strategic plan.

Table 9: Estimated costs of development (to be shared amongst users)*

	Scenario 1: Minimal development	Scenario 2: Full development	Scenario 3: SWDF assistance (partial development)	Scenario 4: Partial SWDF assistance (full development)	Scenario 5: Full SWDF assistance (full development)
Capex:					
(a) Concrete pad and return road for drag racers	To be provided by Street Rodders	To be provided by Street Rodders	To be provided by Street Rodders	To be provided by Street Rodders	To be provided by Street Rodders
(b) Water supply	\$55,000	\$55,000	\$0	\$55,000	\$55,000
(c) Sewerage (including pump station)	\$150,000	\$150,000	\$0	\$0	\$0
(d) Public toilet	No public toilet	\$150,000	No public toilet	\$150,000	\$0
(e) Public power connection	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)
(f) Telephone connection	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)
(g) Review of stormwater	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)	To be confirmed (assume \$10,000)
(h) Re-seal of runway**	\$100,000 (approx – to be confirmed)	\$100,000 (approx – to be confirmed)	\$100,000 (approx – to be confirmed)	\$100,000 (approx – to be confirmed)	\$100,000 (approx – to be confirmed)
(i) New security gate	To be confirmed (assume \$2,000)	To be confirmed (assume \$2,000)	To be confirmed (assume \$2,000)	To be confirmed (assume \$2,000)	To be confirmed (assume \$2,000)
(j) Land purchase – northwest of runway	No land purchase	To be confirmed (assume \$240,000)	No land purchase	To be confirmed (assume \$240,000)	To be confirmed (assume \$240,000)
(k) Access and services – east of runway	No development east of runway	To be confirmed (significant initial cost)	No development east of runway	To be confirmed (significant initial cost)	To be confirmed (significant initial cost)
TOTAL SHARED COST	\$337,000	\$987,000 (approx)	\$132,000	\$837,000 (approx)	\$687,000 (approx)
TOTAL SHARED COST PER ANNUM (BASED ON BORROWING OVER 30 YEARS)	\$35,000	\$103,000	\$14,000	\$87,000	\$70,000
Opex:					
(a) Concrete pad for drag racers	Minimal	Minimal	Minimal	Minimal	Minimal
(b) Return road for drag racers	Minimal	Minimal	Minimal	Minimal	Minimal
(c) Water supply incl depreciation	\$2,000	\$2,000		\$2,000	\$2,000
(d) Sewerage (including pump station) incl depreciation	\$5,000	\$5,000	Minimal	Minimal	Minimal
(e) Public toilet	No public toilet	\$10,000	No public toilet	\$10,000	\$10,000
(f) Public power connection	Minimal	Minimal	Minimal	Minimal	Minimal
(g) Telephone connection	Minimal	Minimal	Minimal	Minimal	Minimal
(h) Review of stormwater	Minimal	Minimal	Minimal	Minimal	Minimal
(i) Re-seal of runway**	Minimal	Minimal	Minimal	Minimal	Minimal
(j) New security gate	Minimal	Minimal	Minimal	Minimal	Minimal
(k) Land purchase – northwest of runway	Nil	To be confirmed	Nil	To be confirmed	To be confirmed
(l) Access and services – east of runway	Nil	To be confirmed	Nil	To be confirmed	To be confirmed
TOTAL SHARED COST	\$7,000	\$17,000 (approx)	Minimal	\$12,000 (approx)	\$12,000 (approx)
GRAND TOTAL PER ANNUM	\$49,000	\$127,000	\$14,000	\$101,000	\$84,000

Notes:

* Scenario 1 includes water supply and sewerage but excludes the installation of a public toilet, future land purchase or the development of access and services to the east of the runway. Scenario 2 is a full development, fully funded through increases in rates and user charges. Scenario 3 is similar to scenario 1 (ie, partial development) but with \$200,000 funding assistance provided up-front through the South Waikato Development Fund toward water supply and sewerage. Scenarios 4 and 5 represent a full development, with contributions of either \$150,000 or \$300,000 from the SWDF. Capital expenditure will be funded through reserves and borrowing, unless otherwise provided (eg, through the South Waikato Development Fund). Any required borrowing will be recovered through leases and user charges over the long term.

** The proposed runway re-seal would be funded primarily through depreciation reserves and aviation user contributions (plus a contribution from the Street Rodders).

Based on existing and assumed lease rentals, fees and charges, the total annual cost of operating the airport property is shown in the left-hand columns of each of the following tables. For comparison, the right-hand columns show the estimated cost of development under each scenario. The majority of development costs are assumed to fall on existing and new hangar lessees. Consideration of the indicative figures shows that only Scenario 3 is realistically affordable (ie, partial development, no public toilets, with \$300,000 support from the SWDF). The

next closest is Scenario 1 (partial development, no public toilets, no support from SWDF) but this would result in significant extra expense to private hangar owners in particular.

	Current situation	Current situation (%)	Scenario 1	Scenario 1 (%)
Rates	\$40,000.00	75%	\$45,000.00	44%
Private hangars (assuming 15 total)	\$8,775.00	17%	\$47,000.00	46%
Aero Club Clubroom	\$585.00	1%	\$2,000.00	2%
Motocross	\$562.00	1%	\$1,000.00	1%
Kart Club	\$112.50	0%	\$1,000.00	1%
Street Rodders Clubroom	\$250.00	0%	\$1,000.00	1%
Street Rodders events	\$600.00	1%	\$1,000.00	1%
Other events	\$600.00	1%	\$1,000.00	1%
Racing Club (grazing)	\$1,687.50	3%	\$3,000.00	3%
Total	\$53,172.00	100%	\$102,000.00	100%

	Current situation	Current situation (%)	Scenario 2	Scenario 2 (%)
Rates	\$40,000.00	75%	\$45,000.00	23%
Private hangars (assuming 15 total)	\$8,775.00	17%	\$128,000.00	71%
Aero Club Clubroom	\$585.00	1%	\$2,000.00	1%
Motocross	\$562.00	1%	\$1,000.00	1%
Kart Club	\$112.50	0%	\$1,000.00	1%
Street Rodders Clubroom	\$250.00	0%	\$1,000.00	1%
Street Rodders events	\$600.00	1%	\$1,000.00	1%
Other events	\$600.00	1%	\$1,000.00	1%
Racing Club (grazing)	\$1,687.50	3%	\$0.00	0%
Total	\$53,172.00	100%	\$180,000.00	100%

	Current situation	Current situation (%)	Scenario 3	Scenario 3 (%)
Rates	\$40,000.00	75%	\$45,000.00	64%
Private hangars (assuming 15 total)	\$8,775.00	17%	\$15,000.00	21%
Aero Club Clubroom	\$585.00	1%	\$2,000.00	3%
Motocross	\$562.00	1%	\$1,000.00	1%
Kart Club	\$112.50	0%	\$1,000.00	1%
Street Rodders Clubroom	\$250.00	0%	\$1,000.00	1%
Street Rodders events	\$600.00	1%	\$1,000.00	1%
Other events	\$600.00	1%	\$1,000.00	1%
Racing Club (grazing)	\$1,687.50	3%	\$3,000.00	4%
Total	\$53,172.00	100%	\$70,000.00	100%

	Current situation	Current situation (%)	Scenario 4	Scenario 4 (%)
Rates	\$40,000.00	75%	\$45,000.00	30%
Private hangars (assuming 15 total)	\$8,775.00	17%	\$98,000.00	65%
Aero Club Clubroom	\$585.00	1%	\$2,000.00	1%
Motocross	\$562.00	1%	\$1,000.00	1%
Kart Club	\$112.50	0%	\$1,000.00	1%
Street Rodders Clubroom	\$250.00	0%	\$1,000.00	1%
Street Rodders events	\$600.00	1%	\$1,000.00	1%
Other events	\$600.00	1%	\$1,000.00	1%
Racing Club (grazing)	\$1,687.50	3%	\$0.00	0%
Total	\$53,172.00	100%	\$150,000.00	100%

	Current situation	Current situation (%)	Scenario 5	Scenario 5 (%)
Rates	\$40,000.00	75%	\$45,000.00	32%
Private hangars (assuming 15 total)	\$8,775.00	17%	\$85,000.00	61%
Aero Club Clubroom	\$585.00	1%	\$2,000.00	1%
Motocross	\$562.00	1%	\$1,000.00	1%
Kart Club	\$112.50	0%	\$1,000.00	1%
Street Rodders Clubroom	\$250.00	0%	\$1,000.00	1%
Street Rodders events	\$600.00	1%	\$1,000.00	1%
Other events	\$600.00	1%	\$1,000.00	1%
Racing Club (grazing)	\$1,687.50	3%	\$3,000.00	2%
Total	\$53,172.00	100%	\$140,000.00	100%

6.2.8 Adjustments for land area and equity considerations

In addition to information about existing leases and charges and the required increase required for development, a Council review of lease rentals over the coming years will take into account:

- (a) The land area occupied.
- (b) Use of the runway if applicable.
- (c) In-kind contributions (for example from Aero Club members).
- (d) Equitable ratepayer contributions for community recreational uses.

6.2.9 Indicative future leases and user charges

New lease rentals, fees and charges will be introduced over time as the developments and costs associated with this Strategic Plan become more certain. For the purpose of promoting discussion around levels of desire for increased services at Tokoroa Airport, indicative future fees and charges are shown below. All future fees and charges will be subject to annual inflation adjustments. When the Airport is fully serviced, lease rates will be further reviewed.

Table 10: Current and proposed leases and user charges (assuming Scenario 3)

Source	Current	Proposed
Hangars	\$585.00 pa each (equivalent to approximately \$11.25 per week or between \$2.44 and \$4.88 per square metre of hangar space pa depending on the size of the site)	Average \$1,000.00 pa each (approximately \$5.50 per sqm)
Aero Club	\$585.00 pa	\$2,000.00 pa for clubroom and use of runway
Motocross Club	\$562.50 pa	\$1,000.00 pa for motocross track
Kart Club	\$112.50 pa	\$1,000.00 for clubroom and kart track
Street Rodders	\$250.00 pa for clubroom lease (refer notes to Table 6) \$200-\$300 per day event, depending on weekday vs weekend/holiday	\$1,000.00 pa for clubroom lease \$200-\$300 per day event, depending on weekday vs weekend/holiday
Grazing concession	\$1,687.50	\$3,000.00 pa

Note: These figures are indicative only. No decisions have yet been made by Council regarding specific lease rentals and user charges. Proposed lease rates may be offset by in-kind contributions.

6.3 Rights and obligations of airport user groups

In parallel with the forthcoming review of lease arrangements, clear rules will be set in place for both aviation and recreation activities on the property. Existing priorities for use are as follows.

- Aviation and safety are top priority at all times. CAA regulations apply to all users.
- Runway closure will only be considered on application and must justify why aviation should be cancelled for that time; that likely aviation users expected at that time have been considered; and known involved parties have been consulted.

- Environmental effects such as noise must be detailed for any non-aviation event, whether on the runway or not, to ensure surrounding properties are not unreasonably affected. Note that aircraft noise is treated the same as road traffic, ie, it is only an issue if excessive.
- Non-aviation runway events will also be assessed for bitumen surface wear and tear. Every wheel driven event reduces bitumen life and charges are in place to help fund future maintenance.
- Council reserves the right to refuse any non-aviation event at any time, or special aviation event, if it considers damage will occur or nuisance or safety issues will arise.

Additional issues to be clarified include:

- All recreational user groups should furnish Council with a schedule of publicly accessible events in order to justify the provision of permanent "dedicated" areas of land for clubrooms. If any such area of land is not used within a prescribed period since allocation, it should be available for reallocation to others.
- Council needs to make a decision whether or not lease agreements will permit (a) sub-lease and/or (b) direct sale or trade of lease agreements.

6.4 Review of District Plan provisions

Current District Plan rules, policies and objectives for the Airport Protection Zone are contained in Appendix 1. The District Plan also limits the height of structures and other obstacles in the nearby Rural zone to protect the airfield's flight paths.

A ten-yearly review of the District Plan is commencing in 2008 and will involve extensive consultation and opportunities for public submissions. An updated District Plan could become operative within the next three to five years.

6.4.1 Noise regulation

The main environmental effect associated with the airport property is noise. The noise standards for aviation and motorsport activities at the airfield are the same as any other activity in the Rural zone. Following forthcoming investigations and consultation, it may be identified that more liberal standards would be more appropriate to ensure the facility's future.

While some noise complaints have resulted from early morning use of the runway for aircraft spraying on pine forests or due to sporting events, forest owners now undertake most spraying from forest-based airstrips and maximum limits on event numbers have minimised sporting event complaints. Motorcycle NZ is introducing its own compulsory noise management from 1 July 2008, requiring the South Waikato Motorcycle Club to have its own noise testing facilities. Council has received only a small number of noise complaints over the past five-year period. User groups such as Street Rodders have surveyed adjacent householders in the past and identified only minimal noise issues. The main noise-related issue appears to be sudden changes of tone associated with model airplanes, which can occasionally be heard by nearby horses, cows and other animals as well as adjacent households. However this is not considered to be a major issue.

As part of the forthcoming District Plan Review, Council will consider reviewing the frequency and duration of motor sports and recreation events at the Airport and consulting with affected parties to identify any issues.

Aircraft noise heard by households is mitigated by planes approaching the runway from over farmland rather than urban areas. The amount of noise heard by adjacent properties depends

somewhat on wind direction. Council also owns a strip of land and trees between the airport property and Amisfield to “soften” the noise effects from airport activities on residents. Local residents have indicated that improvements could be made to the existing planting, including more effective selection of shrubs and/or trees. Earth mounding/bunding has been suggested as a more effective mitigation measure.

As Tokoroa Airport becomes busier in the future, resulting in a noise increase, Council might have to look at implementing the principles of the NZ Standard for Airport Noise (NZS 6805:1992). This would mean introducing District Plan provisions that set a maximum noise limit within which the airport has to operate; define an area within which dwellings and other noise sensitive uses are prohibited; and define other areas less affected by noise where dwellings and other noise sensitive uses need to be insulated to a specific standard. Council would also investigate the possibility of limiting the hours of flight operations (for example, 6am-8pm daily and no flights on Sundays mornings).

6.4.2 Commercial and aviation development

The AP zone allows activities “ancillary to the use of the airfield” such as hangars, re-fuelling and servicing operations necessary for aircraft take-offs and landings and the storage of planes on-site. The existing District Plan doesn't specifically allow for activities that are allied to aviation generally, where customers might fly in from elsewhere to have a service done (for example, aircraft painting). An exception is skydiving, because it is a recreational activity.

A zone change would be necessary if Council wanted to facilitate aircraft-related commercial/industrial development. The District Plan is scheduled for review over the coming years. Development principles from this Airport Strategic Plan will feed into the District Plan review process. Council is aware of a request from aviation user groups to enable as many hangars as possible to be located on-site, each with suitable access and the ability to construct accommodation above hangars.

The District Plan Review may potentially look into the issue of restricting any further residential and lifestyle development on the airfield perimeter. Allowing any additional households adjacent to the airport property would potentially make things difficult for aviation-related operations in the future.

Tokoroa Airport site – view looking south



Source: Tokoroa Airport Management Plan

6.5 Management and governance

6.5.1 Management

Management of the airport site comes within the broader strategic framework of Council as described in its Long Term Plan 2006-2016. Operational details are contained in Council's Community Facilities Asset Management Plan (AMP) and the Tokoroa Airport Management Plan. The AMP provides information on the management of built assets but does not consider aesthetic and open-space elements. Key aspects of management are as follows:

- Council provides administration for the airport including receipt of all applications for special functions and events; arranging CAA notices; checking that safety needs are met; and arranging maintenance.
- Some road maintenance is carried out to prevent accelerated damage to sealed surfaces. Other Council maintenance requirements are minimal because individual buildings are owned and maintained by other organisations and groups. Operational maintenance covered by the Airport Management Plan includes periodic topping of pine tree shelterbelts to prevent them obstructing flights paths; mowing and spraying weeds; maintenance and markings and wind indicators.
- The District Plan includes an Airport Protection Zone for regulating land use. Aviation activities at the site must also comply with relevant CAA regulations.

General maintenance and care of the airfield and internal parking areas is normally done by aviation user groups. This includes surface water drainage, management and implementation of grass cutting, windsock equipment maintenance, weed spraying and litter removal. Council contractors maintain the access ways and public parking upon instruction.

6.5.2 Governance

High-level decision making for the airport comes under the authority of Elected Members of South Waikato District Council, subject to:

- Staff guidance on technical matters.
- Consideration of community and stakeholder views at the discretion of Council.
- Compliance the Local Government Act 2002, including s.77 requirements in relation to any substantial decisions about the future of the site.
- CAA requirements.

To ensure an adequate level of user group input into high-level decisions around the future of the airport property, it is proposed that an Airport Advisory Group be established in 2008/09. The purpose of the group will be to discuss emerging strategic issues and make recommendations to Council. It will also maintain an annual events calendar to ensure co-ordinated use of the site by aviation and non-aviation users. The group will meet 1-2 times per year for the foreseeable future, with dates and venues co-ordinated through Council's Assets Group Manager. Day-to-day operation and maintenance will be undertaken by the Parks and Property Manager with support from the Personal Assistant – Services. The proposed composition of the group will be as follows:

1. SWDC officers (2).
2. Tokoroa Ward Councillor (1).
3. Representative of householders in adjacent Amisfield properties (2).
4. Aero Club (1).
5. Representative of private hangar owners (1).
6. Kart Club (1).
7. Street Rodders (1).
8. Motocross (1).
9. SW Racing Club (1)

7.0 MONITORING, EVALUATION AND REVIEW

The airport's 'levels of service' and performance indicators are currently under review and will be finalised in mid-late 2008. Indicative performance measures and targets are shown in Table 11 (subject to change). Council staff will review key performance indicators for Tokoroa Airport on an annual basis, including references to milestones and targets in this Strategic Plan and the associated Community Facilities AMP.

Table 11: Indicative performance measures and targets (summary)

Key result areas	Current level	2008/09-20018/19	Data source
Operate and maintain to CAA standards	100% compliance	100% compliance	Staff and contractor reports
Availability for flying, motorsports and other users*	98% available, subject to weather	98% available, subject to weather	Staff and contractor reports
Provide an affordable venue for community activities and events**	N/A	Less than three justifiable complaints or requests per annum relating to venue fees and charges	Staff records – Customer complaints and requests for service
Annual opex and capex +/- 5% of budgeted figures	Compliance	Annual compliance	Staff records – Financial variations monitoring

Noise complaints***	To be confirmed	No complaints about any more than two events per annum	Complaints database
Air quality complaints (dust emissions and odours)***	To be confirmed	No complaints per annum	Complaints database

Notes:

* The airport is closed once or twice per year for runway marking or patching. The target '98% available' is equivalent to seven days closed per year for maintenance. Scheduled user conflicts (eg, when aviation use may be restricted due to non-aviation events and vice-versa) do not constitute 'unavailability' for the purpose of this indicator.

** SWDC will establish criteria against which complaints will be assessed as either 'justifiable complaints' or 'other complaints'.

*** A single event could theoretically be associated with a large number of complaints.

Within the coming three year period, Council will also commission an Economic Impact Assessment (EIA) of the airport property to quantify the benefits of both aviation and non-aviation activities. Results from the EIA will help inform future decision-making for development of the site.

Council will undertake a review of this Strategic Plan in 2014/15 prior to publication of its Draft Long Term Plan 2015-2025.

8.0 CONTACT DETAILS

For further information about the Tokoroa Airport property or this Strategic Plan, contact:

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APPENDIX 1: EXISTING DISTRICT PLAN PROVISIONS – AIRPORT PROTECTION ZONE

26.0 AIRPORT PROTECTION ZONE

26.1 Zone Statement

This zone is intended to protect the airfield at Tokoroa from any adverse effects from other activities on its operation, efficiency and safety while avoiding, remedying or mitigating any adverse effects on the surrounding environment. The Zone encompasses Lot 7 DP 309068 being the airfield itself, and those areas under the approach/departure slopes and transitional slopes as defined in Appendix E and shown on Planning Map No 45.

The resources of importance in the Airport Protection Zone are therefore the safety and efficiency of the airfield environment, and the amenity of the immediate and surrounding area.

Screen planting will be required between the airfield and the nearby Amisfield area to mitigate potential adverse effects on the amenity values of that area. Height will also be restricted in the approach/take-off paths to ensure that any activities do not interfere with the operational efficiency and safety of the airfield.

Otherwise the controls for the immediate area surrounding the airfield are the same as the Rural Zone, while still recognising and providing for the resource management issues of noise and safety.

In addition to the objectives and policies stated in Part B of the District Plan, all activities in the Airport Protection Zone are subject to the following provisions.

26.2 Objectives

26.2.1 A safe and efficient airfield at Tokoroa that is not adversely affected by activities in the surrounding areas.

26.2.2 Adverse effects on adjacent land uses caused by the airfield are avoided, remedied or mitigated.

26.3 Policies

26.3.1 To maintain an Airport Protection Zone to ensure that the operation and safety of the Tokoroa Airfield is not adversely affected by other activities.

26.3.2 To use rules and Performance Standards for the Airport Protection Zone to control the adverse effects of risk and noise on the surrounding environment.

26.3.3 To allow for activities related to the use of an airfield such as aircraft hangers and aircraft servicing on the airfield site.

26.4 Methods to Achieve Objectives and Policies

Activities have been classified as Permitted, Controlled, or Discretionary based on the actual or potential adverse effects on the environment that could result from each activity.

26.5 Permitted Activities

The following activities are permitted in the Airport Protection Zone provided they conform to the Performance Standards specified in Section 26.9.

- (i) On Lot 7 DP 309068, aircraft servicing and other activities ancillary to the use of the airfield.
- (ii) On lots other than Lot 7 DP 309068, same as for the Rural Zone.
- (iii) Recreation activities.

26.6 Controlled Activities

There are no Controlled Activities in the Airport Protection Zone.

26.7 Discretionary Activities

The following Activities are Discretionary in the Airport Protection Zone.

- (i) Any activity listed as a Permitted Activity in Section 26.5 that does not conform to the Performance Standards in Section 26.9 for the Airport Protection Zone.
- (ii) On Lot 7 DP 309068, Permitted Activities for the Rural Zone.
- (iii) Any new road (including private roads) or railway within 5 vertical metres of an approach, departure or transitional slope.

Resource consent applications for Discretionary Activities in the Airport Protection Zone will be assessed according to the Performance Standards in Section 26.9 and the criteria contained in Section 5 (Administration) of the District Plan.

26.8 Non-complying Activities

Activities that are not Permitted, Controlled, or Discretionary will be Non complying and assessed according to the Performance Standards in Section 26.9 and the criteria contained in Section 5 (Administration) of the District Plan.

26.9 Performance Standards for all Activities

To avoid, remedy or mitigate any actual or potential adverse effect on the environment, the following Performance Standards are required to be met for Permitted Activities, and used as a guide for assessing Discretionary and Non-complying Activities.

26.9.1 Landscape and Amenity Values

All buildings shall conform to the following bulk and location requirements to minimise any adverse effects on the landscape or visual amenity of the Airport Protection Zone and any adjacent zone.

26.9.1.1 Yard Requirements For Site Development

Minimum Yard Requirement	All Buildings
Front Yards	5 metres
Side Yards	5 metres
Rear Yards	5 metres

26.9.1.2 Coverage

5% maximum coverage for all permitted buildings provided that this figure can be increased to 10% for lots of 1 hectare or less.

26.9.1.3 Height

Maximum height - 10 metres.

No building, structure, mast, tree or other object shall penetrate any of the Approach/Departure Slopes, Transitional Side Slopes or Horizontal Surface as shown on Planning Map No 45. Where the ground rises so that it penetrates or becomes close to the Approach/Departure Slopes or Transitional Side Slopes then these slopes may be adjusted in conformity with the contours of the ground so as to provide a vertical clearance of 10m above ground level.

26.9.1.4 Deleted (by Plan Change 15 – effective 17/05/06)

26.9.2 Part B: District Wide Planning Provisions

Every activity undertaken in the Airport Protection Zone is required as a Performance Standard to comply with the rules detailed in Part B of the District Plan.

The following table provides a guide to the sections in Part B of the District Plan and reference should be made to the particular sections of Part B that are relevant to the activity.

Section	Resource Management Issue/Potential Effect
5	Administration
6	Tangata Whenua
7	Water
8	Air Quality
9	Transportation
10	Public Works and Network Utilities
11	Natural Hazards
12	Landscape and Amenity Values
13	Solid Waste Management
14	Noise
15	Heritage and Ecological Protection
16	Signs
17	Hazardous Substances
18	Subdivision and Development

26.10 Subdivision

In addition to the provisions of Section 18 (Subdivision and Development) all subdivisions in the Airport Protection Zone shall comply with the following Performance Standards.

The same provisions for subdivision as included for the Rural Zone shall apply.

See Section 19 (Rural Zone)

26.11 Principal Reasons

The Tokoroa Airfield environment has operational and safety requirements that require additional height restrictions to the Rural Zone. Where these height restrictions are complied with, there is no reason to further restrict activities on lots other than that which contains the airfield to a greater degree than within the Rural Zone.

Activities which would be permitted in the Rural Zone are Controlled Activities on the actual airfield site to ensure activities do not compromise the operational efficiency and safety of the airfield.

Screening between the airfield site and the Amisfield area will be required to maintain the amenity of that area.

Therefore, the intended outcome of the Airport Protection Zone is to promote the safe operation of the Tokoroa Airfield, and the avoidance of conflict between air traffic and adjacent land use activities.

26.12 Anticipated Environmental Results

It is anticipated that the objectives, policies and methods contained in this section will result in the following environmental outcomes:

- (i) The safety and efficiency of the Tokoroa Airfield environment will not be adversely affected by surrounding activities
- (ii) Any adverse environmental effects on areas surrounding the airfield, such as noise and visual intrusion, will be mitigated.