
MINUTES

**WEDNESDAY 24 MAY 2006
(RECONVENED MONDAY 29 MAY 2006)**

1.00PM

**Committee Room One,
Ground Floor, Council Offices
101 Wakefield Street
Wellington**

PRESENT:

Mayor Prendergast
Councillor Foster (Chair)
Councillor Armstrong
Councillor McKinnon
Councillor Ruben
Councillor Shaw

006/06DC **APOLOGIES**
(1215/52/05/IM)

RESOLVED:

THAT the Development Contributions Subcommittee:

- 1. Receive apologies for absence from Mayor Prendergast.*

007/06DC **CONFLICT OF INTEREST DECLARATIONS**
(1215/52/05/IM)

NOTED:

There were no conflicts of interest declared.

008/06DC **MINUTES FOR CONFIRMATION**
(1215/52/05/IM)

RESOLVED:

THAT the Development Contributions Subcommittee:

1. *Approve the minutes of the meetings held on Monday 20 February 2006 having been circulated, be taken as an accurate record of those meetings.*

009/06DC **PUBLIC PARTICIPATION**
(1215/52/05/IM)

NOTED:

There was no public participation.

010/06DC **ORAL SUBMISSIONS TO THE LONG TERM COUNCIL
COMMUNITY PLAN 2006/07 – 2015/16 – DEVELOPMENT
CONTRIBUTIONS**
(1215/52/05/IM) (REPORT 1)

NOTED:

1. Grant Corleison representing Robert Fisher Associates Ltd addressed the meeting in support of their submission (submission 99E) to the Development Contributions Policy. The summary of the submission is as follows:
Submitter has several comments about developments, many of which fall outside the scope of the Development Contributions policy:
 - Non construction costs are extensive and largely unproductive. Developers have paid the Council fees to obtain building consent for existing buildings. Recently, resource consent fees have been increasing to significant levels.
 - The “not so bright” idea to increase Development Contributions fee last year now imposes a “severe penalty” on developments. It is a “wealth tax - against a soft, non practical, target.” The Council knows that developers don’t have public support. Even if construction brings benefits to the community like employment, amenity and rates.
 - While accepting that rate payers cover costs for basic services there is no justification to charge punitive costs of the developers. For example, HSBC building didn’t require any upgrade of service but pays rates of \$900,000 pa. The reserve and building consent fees paid for the development were largely

- profit for the Council.
 - There is no recognition of the benefits such projects provide. Development Contribution is paid by a small sector but benefits the wider community.
 - For non-residential contribution keeps increasing when the gfa increases. Need to look into another way of measuring commercial demand.
2. Rhys Phillips representing Get Big Ltd addressed the meeting in support of their submission (submission 355E) to the Development Contributions Policy. The summary of the submission is as follows: The submitter is of the view that the Development Contributions catchment zone for 'I' as pertaining to 272 Ohariu Valley Road is an error.
- 272 Ohariu Valley Road is a 40ha farm property that adjoins Churton Park with its only access currently from Ohariu Valley Road. Both the site and Churton Park have a Development Contributions catchment of 'I – Churton-Stebbing's'.
 - Best's Ridge runs through the property bisecting it to the west and east of the ridge. The proposed houses are on the west side of the ridge and do not receive sewage, stormwater or water connections. The development would have to supply its own water supply and waste water disposal.
 - The surrounding properties to the north and west currently have a Development Contributions catchment of 'L - Northern' and 'O – Rural' respectively. The classification of the site is inconsistent with the surrounding properties.
 - The site is zoned in the District Plan as 'Rural' and the majority is within the 'Ridgeline and Hilltops Overlay'. This makes residential development to the level in Churton Park unlikely/impossible.
 - The Northern Growth Management Framework does not indicate this site as being suitable for residential development.
 - The Development Contributions policy seeks to target specific catchments where increased demand on infrastructure is created by developments. This development will have to provide its own stormwater disposal, waste water system, water supply and will gain access from Ohariu Valley Road.
3. Noreen Barton presenting Catholic Schools Board Ltd addressed the meeting in support of their submission (submission 466E) to the Development Contributions Policy. The summary of the submission is as follows:
The submitter is responsible for 16 state integrated schools within the City.
- These schools provide an import part of the community fabric.
 - These schools are funded by the Crown; the Crown is not bound by the Local Government Act 2002 and does not pay

Development Contributions. Therefore the question is why should the Catholic integrated schools pay Development Contributions?

- This creates in equitability between state and integrated schools. This is not intended by the Private Schools Conditional Integration Act 1975.
- Under the Development Contributions policy integrated schools are not treated the same as state schools. Exemption is required as the land is owned by the proprietor.
- The Development Contributions policy limits community infrastructure to that provided by the Council. This is inappropriate and inequitable as schools provide infrastructure to the wider community outside schools hours.
- School rolls are not expect to increase over the next 10 years. However, schools have to make investments to meet curriculum requirements including specialist facilities as opposed to meeting growth in the roll.
- There are 2 administration developments that will conduct a self assessment. These will cost the proprietor and the Council to process, which is not efficient.
- Other Territorial Local Authorities don't take Development Contributions from integrated schools.

011/06DC **ADJOURNMENT OF MEETING**
(1215/52/05/IM)

RESOLVED:

THAT the Development Contributions Subcommittee:

1. *Adjourn until 11.00am on Monday 29 May 2006.*

The meeting adjourned at 2.04pm on Wednesday 24 May 2006.

The meeting reconvened at 11.00am on Monday 29 May 2006.

PRESENT:

Councillor Foster
Councillor McKinnon
Councillor Shaw

APOLOGIES:

Mayor Prendergast
Councillor Armstrong
Councillor Ruben

012/06DC **ORAL SUBMISSIONS TO THE LONG TERM COUNCIL
COMMUNITY PLAN 2006/07 – 2015/16 – DEVELOPMENT
CONTRIBUTIONS - CONTINUED**

(1215/52/05/IM)

(REPORT 1)

NOTED:

1. Conal Townsend representing The Property Council of New Zealand addressed the meeting in support of their submission (submission 1320E) to the Development Contributions Policy. The summary of the submission is as follows:
The Property Council submission is based around process and costing allocation being equitable:
 - Consultation period of 1 month makes it difficult to give an informed submission for a non –profit organization that represents New Zealand’s commercial, industrial, retail, property funds, and multi unit residential property owners. He acknowledged the time constraints presented by legislation.
 - Praised the work that Council has put into the long term plan for the city. However, is concerned about the aspect of the policy that relates to development and housing affordability.
 - Concern about not being provided with rigorous and adequate information relating to capital cost or costs related to growth and particularly business growth.
 - The submitter outlined the information required to ensure the Development Contributions policy is based on a ‘causal nexus’. He noted that a few Councils have been deficient in this. A judicial review of North Shore City Council policy should be analysed. However he praised Wellington City Council for its process.
 - The Council should resist the move away from borrowing to fund intergenerational assets.
 - The cost allocation method results in a disproportionately high share of costs being put onto developers. This is contrary to the Act “...promote the current and future interests of the community.”
 - The Development Contributions policy does not provide sufficient particulars about activities as required under section 106(2)(d): Clearly identify the activity or group of activities that a contribution is required.
 - The causation method for attributing units of demand is not consistent with the Act. The Council methodology excludes improvement in the level of service to existing ratepayers.
 - Incoming residents become ratepayer so pay a disproportional cost. This is not acknowledged in the Development Contributions policy.

- The review process in the policy should enable ‘natural justice’ so developers can attend a hearing. This is particularly the case as Council judging its own decisions.
- Overall he praised Council for its Development Contributions work, and offered to assist in further development of the policy notably relating to community infrastructure.

The meeting concluded at 11.30am on Monday 29 May 2006.

Confirmed: _____
Chair
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