

**MINUTES**

**MONDAY 13 JUNE 2005**

**9.22 AM**

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

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**PRESENT:**

Councillor Foster (Chair)  
Councillor Armstrong  
Councillor Ruben  
Councillor Shaw

**APOLOGIES:**

Mayor Prendergast  
Councillor Goulden

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

**RESOLVED:**

*THAT the Development Contributions Subcommittee:*

- 1. Accept apologies for absence from Mayor Prendergast.*
- 2. Acknowledge that Councillor Goulden has indicated that he will take no further part in the Subcommittee, and seek clarification from the Chief Executive as to whether a formal resignation has been received. If so then the Subcommittee wishes to see the vacancy filled as soon as possible.*

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

**NOTED:**

1. The Subcommittee acknowledged that Mayor Prendergast had decided to stand aside from the Subcommittee because of her husband's submissions to the draft Development Contributions Policy, based on advice in the Auditor-General's Conflict of Interest Guidelines. The Subcommittee received legal advice that while the Mayor's presence at the Oral Hearings of submissions on the draft Policy will not have impugned the process thus far, it was confirmed that Mayor Prendergast should take no further part in the Subcommittee.

008/05DC **DEVELOPMENT CONTRIBUTIONS POLICY: AMENDMENT TO THE 2003/04 LONG TERM COUNCIL COMMUNITY PLAN - ADOPTION**

Report of Sally Dossor (Phillips Fox), Ross Chesney (Stimpson & Co), Lorraine Gittings (City Development) and Andrew Cudby and Andy Matthews (Finance).

(1215/52/05/IM)

(REPORT 1)

**NOTED:**

1. Sally Dossor, Partner, Phillips Fox, addressed the Subcommittee on the Report and the feedback from the Oral hearings process.
2. The Chair moved to suspend Standing Orders to enable full debate on the matters at hand, with the agreement of all Members of the Subcommittee.

(The meeting adjourned for morning tea at 10.31am and re-convened at 10.52am.)

Standing Orders resumed and voting on the recommendations was taken.

**RESOLVED AND RECOMMENDED TO THE STRATEGY AND POLICY COMMITTEE (21 JUNE 2005):**

*THAT the Development Contributions Subcommittee:*

1. *Receive the information.*
2. *Receive the submissions.*
3. *Recommend to the Strategy and Policy Committee that it confirms the key principle that development contributions fund 100% of growth*

related expenditure, but that Council retains the option of departing from this principle for particular infrastructure if the Council were to be of the view, following the consideration of section 101(3) factors, that there is a demonstrable case supporting a variation.

4. Agree that the issues raised in submissions and raised by officers (as summarised in this report) are dealt with as follows:
  - a. Bottom up vs. top down approach to assessing the impact of growth on infrastructure – no change to the policy
  - b. Growth assumptions - no change made to the policy
  - c. Definition of growth vs. development – amend policy as recommended in paragraph 6.2.2
  - d. Renewal projects – no change to the policy
  - e. Equivalent household units;
    - i) insert new definitions of 'residential' and 'non-residential' (**excluding rest homes and hostel accommodation with shared facilities from the definition of residential**);
    - ~~ii) exclude rest homes and hostel accommodation with shared facilities from the definition of 'residential';~~
    - ~~iii) treat 'minor household units' as 'non-residential' only to the extent that it can be conclusively proven that the development places restrictions on the number of resident persons to a maximum of 1 person;~~
    - iv) amend the policy to include the 'assessment' regime proposed for dealing with non-residential development set out in paragraph 6.3.3;
  - f. Agreements with developers – **amend policy so that it provides; “Any departure from the policy that new developments should pay less than 100% of growth related CAPEX will be dealt with as a remission under this policy”.**
  - g. Specific projects and capital expenditure;
    - i) Northern Growth application of citywide fees for water - reduce as recommended in paragraph 6.5.2;
    - ii) Northern Growth existing reservoirs – refine the catchment area boundaries as recommended in paragraph 6.5.2;
    - iii) Northern Growth roads - make no changes to the policy and negotiate with the landowner on the specific concerns raised about land purchase;
    - iv) City parks – **allocate Waitangi Park development as 2/3 citywide and 1/3 inner city catchments;**
  - h. Mechanics and accounting and workability of the policy– note the significant amount of work done on implementation and deal with each of the specific issues as follows:
    - i) Refunds – amend policy as recommended **to provide as follows:**

***“Refunds will be made in accordance with Sections 209 and 210 of the Local Government Act 2002, including any amendments made to those provisions at the time of making a refund.”***

- ii) *Exceptional circumstances – no change to the draft policy*
  - iii) ***Assessment and Payment – change draft Policy to ensure assessment and payment of development contributions maintains flexibility for Council and manages Council issues.***
  - iv) ***Mapping issues and workability of the Policy – amend Policy as noted in paragraph 6.3.3 of the officer’s report.***
5. *Agree to recommend that the Strategy and Policy Committee recommend to Council that the Development Contributions Policy is amended to reflect the decisions made above.*
  6. *Agree to delegate to the Chair of the Development Contributions Subcommittee the role of confirming that the changes agreed to in recommendations 4 and 5 are correctly and accurately recorded in the amended policy prior to referring it to the Strategy and Policy Committee.*
  7. *Agree that notwithstanding recommendation 3 above, that there are no fees for particular infrastructure (whether Citywide or catchment specific) where there is a demonstrable case supporting departure from the key funding principle that development contributions fund 100% of growth related capital expenditure.*
  8. ***Agree to recommend that the Strategy and Policy Committee recommend to Council that it adopts the Development Contributions Policy (as amended to provide for the recommendations in 4 above) as an amendment to the 2003/04 Long Term Council Community Plan (LTCCP) and to replace the current policy in the 2003/04 LTCCP, and that it takes effect from 01 July 2005.***
  9. *Recommend that the Strategy and Policy Committee recommend to Council to delegate the Chief Executive Officer the authority to make any minor editorial changes that may be required to the Development Contributions Policy prior to publishing the Development Contributions Policy.*
  10. ***Recommend that officers continue to work on the Development Contributions Policy to enable the Policy to be updated and amended at the time of the 2006/2007 LTCCP (if not before) including;***
    - *Community infrastructure*
    - *Non-residential demand for infrastructure*

- *Local purpose reserves/parks (including inner city parks) and city wide parks*

**11. Agree that officers report to the Development Contributions Subcommittee on the implementation and application of the Assessment regime every 6 months, in particular the number of assessments undertaken and the outcome.**

**NOTED:**

The resolutions differ from the recommendations in the officer's report as follows.

1. The Subcommittee added the words in **bold**, and deleted the words shown by a ~~striketrough~~.
2. The Subcommittee agreed that it wished to have the opportunity to peruse the amended recommendations in full.

The meeting was accordingly adjourned at 12.30pm on Monday 13<sup>th</sup> June 2005 and re-convened at 11.05am on Wednesday 15<sup>th</sup> June 2005.

**PRESENT:**

Councillor Foster (Chair)  
Councillor Armstrong  
Councillor Ruben  
Councillor Shaw

**APOLOGIES:**

Mayor Prendergast  
Councillor Goulden

009/05DC **APOLOGIES**  
(1215/52/05/IM)

**RESOLVED:**

*THAT the Development Contributions Subcommittee:*

1. *Accept apologies for absence from Mayor Prendergast and Councillor Goulden.*

010/05DC **ORDER OF BUSINESS**  
(1215/52/05/IM)

**NOTED:**

1. The Subcommittee received the resolution with amendments incorporated.

The meeting concluded at 11.10am on Wednesday 15<sup>th</sup> June 2005.

Confirmed: \_\_\_\_\_

Chair  
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