
REPORT 3
(1215/52/05/IM)

DEVELOPMENT CONTRIBUTION REMISSION REPORT FOR 97 CUBA STREET, TE ARO

1. Purpose of Report

The purpose of this report is to evaluate the development contribution fee remission application received from George Bouras c/- P & J Bouras Family Trust of Wellington for the proposed additions and alterations to the existing building at 97 Cuba Street, changing level one of the building from two residential units to commercial activity.

2. Executive Summary

The Development Contributions Policy (The Policy) allows for Council to remit development contributions in exceptional circumstances upon receipt of a remission application. P & J Bouras Family Trust has made an application for remission in respect of the development contributions assessment of \$11,662.84 for the proposed development at 97 Cuba Street. Council officers consider that there are grounds to consider the application under the remission provisions in the Policy. It is recommended that the reserves, roading and stormwater contributions are to be remitted and development contribution be levied for water supply and waste water.

3. Recommendations

Officers recommend that the Subcommittee:

- 1. Receive the information*
- 2. Agree to remit the development contribution on 97 Cuba Street to \$6,640.73 (excl GST).*
- 3. Note that the Policy's remission provision provides that any decision of the Council will not create a precedent or expectations.*

4. Background

4.1 The Policy

The Council adopted the Development Contributions Policy on 28 June 2005. The Policy provided that any proposal associated with an application for building consent, resource consent or service connection lodged on or after 1 July 2005, will be required to pay a contribution under the Policy (see clause 1.4.2 of the Policy).

In terms of the Policy non-residential development is assessed on the basis of new gross floor area created by any development. Residential development is assessed on the basis of the number of equivalent household units created by any development.

4.2 Proposal

District Plan Zoning: Central Area.

Applicant: P &J Bouras Family Trust.

Proposal: Additions and alterations to the existing building at 97 Cuba Street, changing level one of the building from two residential units to a commercial activity.

Date application lodged: A building consent application was lodged with the Council on 31 December 2007 for this work. The development contribution fees for this proposal were calculated under the 2007 Policy. I understand that the proposed works are nearing completion if not already completed. The building consent is presently suspended pending the matter of the development contribution, so that the Code Compliance Certificate (CCC) can be issued.

5. Discussion

5.1 Provisions of the Policy

The relevant provisions of the Policy relating to remissions are as follows:

2.6 Remission and postponement

2.6.1 The Council may remit or postpone payment of a development contribution at its complete discretion. The Council will only consider exercising its discretion in exceptional circumstances. Applications made under this part will be considered on their own merits and any previous decisions of the Council will not be regarded as creating precedent or expectations.

2.6.2 Remissions will only be granted by resolution of the Council (or a Committee or Subcommittee acting under delegated authority).

2.6.3 An application for remission must be applied for before a development contribution payment is made to the Council. The Council will not allow remissions retrospectively.

2.6.4 An application must be made in writing, and set out the reasons for the request.

5.2 Reasons for remission application

The applicant is seeking a remission from the requirement to pay all the development contribution fees due. The reasons are attached and summarised below:

Reasons Officer's Comments

Objection Reasons	Officers' Comments
<p>Stormwater – there are no changes proposed to the roofline or gutters so there is no change to the amount of stormwater created.</p>	<p>The Council's officers have assessed this aspect of the proposal and agree with this reasoning. There will not be any increase in hard-surfacing around the subject site as well. It is recommended that the development contribution for stormwater be remitted in full.</p>
<p>Water supply and wastewater – The applicant has argued that the water usage by the occupants of the commercial activity is expected to be considerably less than present usage of the residential activity. The applicant has supplied examples of actual data and documentation comparison between these two types of usage, ie with the metered usage of the building next door at 91 Cuba Street.</p> <p>The applicant has also supplied data and information pertaining to the water usage in relation to fire fighting requirements.</p> <p>The wastewater created will be in line with the water usage.</p>	<p>The Council agrees that wastewater is related to water usage.</p> <p>Council's infrastructure officer(s) have assessed this aspect of the proposal. The relevant officer agrees with the information and data supplied by the applicant, but does not agree for it to be used for the assessment of possible future uses of different forms of commercial activities. For example the water supply usage from an office building will be much less to that of a hair salon / restaurants etc.</p> <p>Likewise, the water usage for fire fighting requirements should be catered for a 'worse case scenario' situation for a commercial activity, not just by the present proposed office usage of the floor space. The applicant also argues that as part of the office fitout, the previously</p>

	<p>redundant sprinkler system was re-commissioned. The applicant believes that this has brought the building up to the current code for fire protection. It is recognised that the Code provides for the minimum requirements and the Council infrastructure has to provide for its peak demand. The Council's infrastructure officer has assessed this point and has acknowledged that fire sprinkler system requirements on a building varies on a case by case basis under the Building Code, and at any time the fire sprinkler protection system could be disabled under a building consent, therefore the Council infrastructure should cater for conventional fire fighting supply.</p> <p>For the above reasons, it is recommended that the water supply and the wastewater components part of the development be levied in full.</p>
<p>Traffic and Roothing – The applicant has supplied various data and figures demonstrating that the usage of the proposed commercial units will have negligible effect on the traffic and roading network compared to the present vehicular usage of the two residential units.</p>	<p>The present two residential units are comprised of eleven bedrooms in total. The proposed commercial activity will have nine office rooms and an open office plan for research / administration, a seminar room and a meeting room. The open office floor space has an area of approximately 53m². This aspect of the proposal has been assessed by the relevant Council officers who have come to the conclusion that the traffic and roading usage from the proposed commercial activity is no different from the usage of the eleven-bedroom residential units. Accordingly, it is recommended that the development contribution for the aspect of traffic and roading be remitted in full.</p>
<p>Reserves – For the same reasons as above, the applicant has argued that the</p>	<p>For the same reasons as above, the relevant Council officers agree with</p>

impact on the access and usage of the reserves is no different from the current situation.	this and recommend that the development contribution for the reserve to be remitted in full as well.
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6. Conclusion

The Policy requires that remissions are only granted in exceptional circumstances. There is no definition of what might comprise such circumstances.

If the sub-committee views the circumstances for this application as exceptional, then it may agree to remit the application in full or in part.

It is recommended that the development contributions payable are remitted in the following way:

Development Contributions based on 2007/2009 policy	Original Fee (GST excl.)	Adjustment (GST excl.)	Revised Fee (GST excl.)
Zone reserves	0	0	0
Zone roading	0	0	0
Zone stormwater	0	0	0
Zone waste water	4,372.67	0	4,372.67
Zone water supply	0	0	0
Citywide reserves	1,645.74	(1,645.74)	0
Citywide roading	2,649.42	(2,649.42)	0
Citywide storm water	726.95	(726.95)	0
Citywide waste water	988.92	0	988.92
Citywide water supply	1,279.14	0	1,279.14
Community infrastructure	0	0	0
TOTAL	11,662.84	(5,022.11)	6,640.73

Contact Officer: *Jeffrey Loo - Planning Manager: Customer Service, Urban Development and Transport.*

Attachments enclosed:

Consent Holder remission application and correspondence.

Plans.

Supporting Information

1) Strategic Fit / Strategic Outcome

The Development Contributions Policy supports Council's infrastructure-related activities, by ensuring those responsible for increased demand through growth contribute to the cost of services.

2) LTCCP/Annual Plan reference and long term financial impact

The sub-committee decision has implications for the LTCCP and financial impacts where the cost of the growth related portion of infrastructure development is paid for by those generating the additional demand.

3) Treaty of Waitangi considerations

This report has no implications for the Treaty of Waitangi.

4) Decision-Making

This is not a significant decision.

5) Consultation

a) General Consultation

This was undertaken as part of the remission process developed for Development Contributions. The applicant has been provided with a copy of this report for their information.

b) Consultation with Maori

This report has no direct impact on iwi so consultation was not conducted.

6) Legal Implications

There are no legal implications for this report.

7) Consistency with existing policy

There are no inconsistencies with other existing Council policies. The advice given in this report is consistent with Council's Development Contribution Policy 2007.