

**LOCAL GOVERNMENT ACT 2002
OUR COMMUNITY PLAN –CHRISTCHURCH ŌTAUTAHI 2006/16
DRAFT LONG TERM COUNCIL COMMUNITY PLAN FOR THE TEN YEAR PERIOD
BEGINNING 1 JULY 2006**

SUBMISSION BY WIGRAM AERODROME LTD

TO: Christchurch City Council
P O Box 237
CHRISTCHURCH

NAME: Wigram Aerodrome Ltd

ADDRESS: Te Waipounamu House
158 Hereford Street
Christchurch

A. SUBMISSION BY WIGRAM AERODROME LTD

Pursuant to the Local Government Act 2002, Wigram Aerodrome Ltd (“WAL”) hereby lodges a submission on the draft Long Term Council Community plan – Our Community Plan 2006-16 (“the LTCCP”).

B. WIGRAM AERODROME LTD

This section provides a brief overview of WAL. This background important as it provides a context in which the Council can assess and understand WAL’s submission on the provisions contained within the LTCCP.

WAL is a 100% owned subsidiary company of Ngai Tahu Property Limited

WAL is the owner and developer of the former Wigram Airforce base at Main South Road, Christchurch. .

Several stages of redevelopment of the site have been completed to date. A Master Plan is being developed that will incorporate a retail precinct, schooling and recreational facilities together with a significant amount of residential and industrial subdivision.

Approvals for the wider Master Plan are currently being worked through with the Christchurch City Council. In fact, negotiations are currently underway with the Christchurch City Council, and other interested parties for the rezoning of the remaining land on the site with the vision of creating Christchurch’s newest metropolitan suburb complete with retail, office and housing.

C. WIGRAM AERODROME LTD CONCERNS WITH THE LTCCP

Overview

The WAL submission is concerned principally with the following component of the draft LTCCP:

- Volume 2 Draft Development Contribution Policy (DCP) Parts A and B
 - Part A: Christchurch City Development Contributions Policy

Volume 2 of the LTCCP provides policy and implementation methods for assessing and taking development contributions. This is largely described in Sections 4 and 5 (pages 18 – 23) of the draft policy and in related Appendices 1 (page 32) and 5 (pages 55 – 57), and it is these sections of the document that are the subject of this particular aspect of the WAL submission.

WAL is generally supportive of the principles embodied in the DCP but has residual concerns regarding the formulation, content and eventual implementation of the policy. In particular, WAL's position is that the draft DCP in its current form fails to establish a transparent, consistent and equitable basis for requiring development contributions in order that the council's policy objectives are achieved.

In addition, WAL is concerned about the absence of any capital works provisions in the LTCCP documents in relation to the provision of network infrastructure works for the Wigram locality in south west Christchurch.

Basis for Opposition to the DCP

Notwithstanding the support in principle outlined above, WAL believes there is a fundamental flaw in both the LTCCP and the DCP Policy. That flaw revolves around an attempt by the CCC to keep the levels of rates at an artificially suppressed low level and make up the shortfall through Development Contributions. WAL acknowledges that this is the prerogative of the CCC but is of the view that the flaw in the approach is that the DCP policy is based primarily on growth and the ability to levy revenue from development growth. If the level of growth does not eventuate – either due to economic conditions or because of the negative effect of the DCP itself - then the revenue shortfall for the CCC to provide for infrastructure will be even greater than anticipated.

The above aside, the particular areas of concern by WAL are set out below:

Methodology

WAL disputes that the methodology used in the DCP will provide a fair, transparent, certain and consistent assessment of charges for the following reasons:

- Detailed information about the methodology for deriving and implementing the DCP does not form part of either volumes 1 or 2 of the LTCCP. This makes it difficult to ascertain the basis for formulating and applying the policy.
- The DCP acknowledges that methods of calculation will need to be further developed and refined so as to reflect NZ wide best practice. WAL is concerned

with this given that the policy is to be implemented as at 1 July 2006 and because there does not appear to be ability for developers to be involved in this detailed policy formulation process.

- The methodology for determining DC charges is uncertain given the lack of detail in the following key components of the Policy:
 - Level of service statements
 - Growth model and household unit equivalents
 - Cost allocation methodology.
 - Funding model

Content of the DCP

WAL strongly opposes the absence of any provision (other than historical credits) in the Draft DCP for remissions or waivers. This represents a substantial departure from previous CCC Development Contribution policies. In WAL's experience the ability for Councils to grant remissions and waivers in the past has fostered creative design and generous open public space provision particularly in residential subdivisions that have enhanced the city living areas. The absence of such discretion in the draft DCP will result in a minimalist approach to subdivision design and public reserves provision and will be contrary to many policies objectives and expressed environmental outcomes expressed in the City Plan.

Interpretation

WAL submits that the content of the DCP is very difficult to interpret and that it is complex and cumbersome. In the view of WAL, this is not just because the policy is new but rather is a function of the way it has been formulated.

WAL is not convinced that the DCP will be implemented in a consistent and effective manner. WAL's experience is that there is a void between the policy writers and the implementation staff in respect to the understanding and application of the provisions of the DCP. WAL base their comments on various discussions with CCC strategic planning staff and staff at the "coal face" as well as their experience with a recent subdivision consent that is in the pipeline and which may be the first significant subdivision to be assessed under the new DC policy.

Implementation and Timing

Based on the above issues, WAL has concerns about the ability of the Council to operate the DCP assessment process within consenting/service connection process timeframes. In this respect WAL notes that the CCC acknowledges in the material accompanying the DCP that it is still in the process of developing assessment tools to assess changes and is currently updating systems to track the new charging structure. This is of significant concern to WAL given the impending adoption of the policy.

Consultation

The Local Government act sets out clearly the requirement for special consultation on the establishment of DCP. In this case the consultation has lacked transparency, has been too short, has not involved detailed analysis or explanation of the effect on developers and the development process, has been hindered by slow council response,

and has lacked simple access to key information thus falling well short of the consultation requirements of the Act.

For this to occur on a matter of such importance is a major concern for WAL as it should be for the Council.

Asset Management Plans

WAL has concerns that the Asset Management Plans are incomplete and do not provide for the true levels of expenditure required to meet the growth demands of the city and the current lack of central government commitment to fund such essential growth infrastructure as roading.

In particular, WAL is concerned about the absence of any specific Capital Works provision in the plans for infrastructure development in the Wigram locality. This is of concern for two reasons:

- (a) Firstly the south west area of Christchurch in which Wigram is situated has been identified by the CCC (in both the LTCCP and Area plan forums) as a growth area that needs to be targeted by both the provisions of the LTCCP and by the DCP itself.
- (b) Secondly, the CCC (along with Transit NZ and WAL) is a party to various Environment Court Consent orders issued under the RMA which agree to further development at Wigram being undertaken by way of a comprehensive development plan. Approvals for the wider Master Plan are currently being worked through with the Christchurch City Council. In fact, negotiations are currently underway with the Christchurch City Council, and other interested parties for the rezoning of the remaining land on the site with the vision of creating Christchurch's newest metropolitan suburb complete with retail, office and housing.

In terms of the above, and notwithstanding the progress with RMA zoning, there is no apparent provision in the LTCCP to support that zoning with capital works infrastructure that will be essential for the master plan to operate. This is a serious omission in the LTCCP suite of documents.

D. RELIEF SOUGHT BY SUBMITTER

Based on the content of Part B and C of this submission WAL seeks the following relief in support of their submission:

In terms of the current DCP document:

- That the CCC do **NOT adopt the DCP** in its current format
- That the CCC commissions an **independent review** of the DCP to include an analysis of the effect of the DCP on Developers businesses and on development growth in Christchurch. This review should have significant input from the property industry and also assess the level of contribution to infrastructure development that rates should provide. This exercise should include a review of the assumptions driving the DCP and the various funding and growth model underpinning it.


In terms of an altered/reviewed DCP,

- That should the CCC agree to review the current draft DCP then there should be **further consultation** with affected stakeholders and the opportunity for further submissions
- That the CCC **re-introduce a policy providing for remissions and waivers**
- That the CCC provides greater clarity and certainty as to the determination of **contribution levels** required for both non-residential (industrial and commercial) and residential related projects.
- That the CCC provide for **progressive implementation** of the DCP provisions over a five year period.
- That the CCC provides for a detailed Capital Works Provision in the LTCCP to provide for the future development of Wigram and to meet its obligations in respect of the various Environment Court consent orders and agreements

E. HEARING

WAL wishes to be heard in support of its submission.

SIGNED for and on behalf of
Wigram Aerodrome Ltd



.....

AW Sewell
Director
Wigram Aerodrome Ltd

Dated: 4 May 2006

**Address for service of
Person making the submission:**

Wigram Aerodrome Ltd
Level 4, Te Waipounamu House
158 Hereford Street, Christchurch
PO Box 13-0060, Armagh,
Christchurch

Attention: Ian McNabb

Telephone: (03) 377 3711
Facsimile: (03) 371 2679
Email: Ian.McNabb@ngaitahu.iwi.nz