

Submissions of Aidanfield Holdings Limited on LTCCP plan,
Christchurch City – Development Contributions Policy

I am the Project Director of Aidanfield Holdings Limited responsible for the subdivision and development of the Aidanfield land holdings in Christchurch, and I wish to make submissions on behalf of the property owning company, in relation to the implementation of the LTCCP (Christchurch City).

The underlying principle, regarding the adoption and implementation of the LTCCP requires:

- The need for absolute transparency.
- The apportionment of cost sharing should and must be undisputably fair and reasonable and on a basis which ensures there is an equitable burden carried by all directly affected parties.

It is submitted, that all development levies as imposed in terms of the Development Contribution Policy should be consistent with the requirements of the Local Government Act of 2002 which requires a clear intent and direction that the components making up any development contributions are clearly specified and further that the distribution of such benefits and the effects of contributions are clearly identifiable and justified.

In this regard I refer to the requirements of the Local Government Act 2002 which require:

- *“The funding needs of a local authority must be met from those sources that are appropriate, considering amongst other matters, the distribution of benefits between the community as a whole, and any identifiable part of the community and individuals.”*
- *“Each source of funding including development contributions, must be assessed in terms of the distribution of benefits.”*

- *“There must be an explanation of and justification for the way each development contribution required is calculated.”*
- *“There must be a clear statement of the assumptions underlying the schedule of contributions including an estimate of potential effects.”*
- All development contributions must be used for the capital expenditure of the reserve network or community infrastructure for which the contribution is sought and imposed.

At this particular time, Aidanfield Holdings Limited have neither the resources nor has there been time available to undertake any in-depth investigation into the validity of the projected development costs proposed by Council over the ensuing ten years. Further, we are unable to identify and determine the level of maintenance contribution which is to be undertaken as well as the basis of the proposed cost share which will impact on the financial contributions. The source material and input data as adopted by Council in its draft plan, has not been clearly identified and these should in the normal course of events be the subject of either consultation with the affected parties and possibly subject to independent review or audit.

Such information and inputs as provided by Council’s internal or external consultants or experts, need to be fully disclosed, made available for verification and possibly discussion and consultation with the affected parties.

For the public and community at large to have confidence in the proposals of the draft LTCCP, it is essential that the document and all material so included is fully transparent and the basis of levies is clearly understood and accepted by the community at large. Without access to this relevant information it is difficult to make pertinent comments on the level of contributions as currently proposed and whether they are indeed equitable and have been appropriately determined and verified.

It is noted that there are several wastewater and surface water management projects in Appendix 3 and 4 that appear relevant to the Aidanfield development. No detail is provided for these projects even in the Developer Contributions files obtained through the Council’s website. We cannot be sure then exactly what these projects are. However, we presume that the reference in Appendix 4 to WI Stage 1 Aidanfield Cost

Share Buyout refers to the sewage main, pump station and associated infrastructure which serves the block lying between Halswell Road, Dunbars and Wigram Road. These works were installed and paid for by Aidanfield and part of a cost sharing arrangement. The contributions policy appears to make any future stage of Aidanfield potentially liable to contribute to this project, yet it has already paid for the works. The Policy therefore requires amendment to specifically provide recognise the cost share agreements that have been developed and to ensure those who have paid their share or undertaken works should not be required to pay again. A similar issue arises with the surface water management projects for Aidanfield and the purchase of Henderson's Basin where there is no acknowledgement of existing agreements in relation to these matters. Developers could therefore be required to pay twice for the same works. We are also confused as to what exact works/purchases fall within each of these projects and how these projects have been costed

It is therefore the submission of Aidanfield Holdings Limited, that the draft LTCCP and the developments contribution policy (DCP) be amended to include:

- (i) a clear statement and schedule of identifiable capital expenditure which is disclosed for each specific activity (e.g. water supply, waste water collection, stormwater management, reserves etc);
- (ii) these specific items should be clearly identified for each area of demand so that property owners, applicants and affected parties can be confident that: the contributions have been correctly formulated and assessed;
- (iii) that the contributions being sought and imposed as a consequence of any Resource Consent application are being funded either solely by the Applicant or through a third party;
- (iv) what refunds or credits will be available to levied parties in the event that Council does not apply the contributions within the indicated ten year time horizon;
- (v) whether the proposed capital works are directly related to the development against which the contributions have been levied.

There should be provision for remissions from development contributions not only in terms of reserve contributions, but in other levies, where following agreement with

Council, property owners and developers may undertake additional work (e.g. landscaping and provision of amenities/facilities in reserves) which should be treated as a contra or credit to development contributions.

The draft DCP states, that in relation to any review of development contributions Council does not consider it appropriate to provide for any formal review process. It is our submission, that Council should provide all property owners, developers and other levied parties with the opportunity to have such contributions reviewed where appropriate.

It is contrary to the current and long established policy of most territorial authorities that where levies are imposed i.e. with a Resource Consent approval, these may be challenged, discussed and agreed by parties or failing agreement, referred to an independent arbitrator or commissioner.

We wish to talk to our submission at the hearings to be held between Thursday 25 May and Wednesday 7 June 2006



**For P J Mahoney – Project Director
Aidanfield Holdings Limited**

4 May 2006