

2007/08 DRAFT ANNUAL PLAN AND 2007 AMENDMENTS TO THE LTCCP 2006-16 SUBMISSION

Submissions close on 11 May 2007

I wish to talk to the main points in my written submission at the hearings to be held between Monday 28 May 2007 and Tuesday 5 June 2007.

Are you completing this submission:

For yourself

If you are representing, how many people do you represent?

Name: Richard Peebles

Organisation:

Contact Address: 4 Westveiw Place, Christchurch

Daytime Phone: 3791000 or 021 331 346

Evening Phone:

Email: richard@ferryoak.co.nz

Date: 10/5/2007

Your Submission:

I believe the entire policy and document is poorly considered, overly complicated, difficult to understand and difficult to calculate Development Contributions and will severely discourage development and create distortions in the property market.

It would appear that the authors have not fully considered the impacts of the proposed policy on specific developments. The policy includes arbitrary figures which would seem to have no correlation to reality. For example, Page 37 refers to the rating to assess Hues for shopping centres for transport at .0149 for centres larger than 10000m² and at .0273m² for centres smaller than 10000m². This would mean a 10000m² retail development would have a DC for transport of \$252869.39 whereas a retail development of close to 50% of that size at 5500m² would have a DC for transport of \$254,804. So a retail development 1/2ha larger would have the same DC. A similar size retail centre of 9500m² would have a DC for transport of \$440145, almost \$200000 more even though it was slightly smaller. There are literally hundreds of instances in this policy where unfair distortions are created.

Another example, A commercial carwash which would use approx 20000litres of water per day. A lot of water. But, these car washes use somewhere between 10 to 25% of the water used by the public cleaning their car at home so overall the City will be saving water and controlling the runoff of detergents, oil and grease, less water collection and treatment. Basically this is a business which should be encouraged for environmental reasons. Based on the average usage given in the document (page 36) of 645litres for water supply per hue and 572litres per day for collection the DC for these two things alone, not including transport etc would be \$310,512. This is a huge massive figure for a business that would probably result in saving of water citywide. What chance of any new carwash operators opening in Christchurch?

Another example, two identical 4000m² industrial sites, both created pre 2004, one undeveloped since title created, one also undeveloped but still retaining an old dwelling built in the 1930s but not demolished at time of industrial subdivision pre 2004. Under these circumstances the vacant site will have full development credits whilst the one with the house will get a credit for one hue. The value of the site with the old house will fall by approx \$120000 being the estimated DC for the site with the old house. Now imagine its your mother or Grandmother who owns that old house in the industrial area or maybe in the central city, or maybe in Sydenham. Do you think she is aware that the City has just taxed her retirement fund \$120000?

<p>Your Submission (Cont'd):</p>	<p>The development contribution for a 2000m2 warehouse in Heathcote/Woolston will be approx \$117000, which based on my experience would equate to 10% of the construction price. That is a massive amount to charge as a development contribution for a warehouse. Wastewater treatment alone is approx \$50,000...for a warehouse? It is not unusual for a storage warehouse of this size to have only 2 to 3 employees and to have minimal wastewater. What chance a large firm locating in Christchurch to put up a 10000m2 warehouse when you want to charge \$477000 in development contributions (based on 50% site cover, in Heathcote area). This policy is a disincentive to companies to locate to Christchurch and will hinder growth dramatically. Initially there will be a surge due to everyone undertaking work and putting in consents now but once the full extent of the Huge increase in DC is realized development will slow down dramatically. Has anyone actually worked out typical DC levies for typical commercial/industrial developments?</p> <p>The Policy is a disincentive for new developments, a disincentive to new businesses and operators in Christchurch and is poorly thought out and created. The transport figures are just a joke, a new retail centre in a site in Sydenham does not increase overall traffic. Generally it is a redistribution of existing traffic and it can help to encourage traffic away from other problem retail areas. The policy included a high charge for drive through restaurants, how much new traffic do they create? Surely they just draw from the existing traffic flows. Do they create additional trips or do they actually reduce trips and trip lengths. A new Supermarket does not immediately result in an extra spend of millions of dollars, it results in a redistribution of existing spending, it may actually result in shorter drives for many people and may result in a saving for our transport system.</p> <p>The policy is a mess, overly complicated, poorly constructed, and will create massive distortions and disincentives. It should not be adopted. A simple solution to the DC issue would be to Charge a fixed % on all work undertaken charged at time of building consent. Reserve contributions should be charged based on the need and usage. To charge massive reserve contributions in industrial areas where reserves are not needed, wanted or used when they are created would seem to be inequitable.</p> <p>Inner city and intensive residential development will be severely hindered by this policy which would appear to be contrary to the Councils wish to restrict urban sprawl and encourage infill housing. The inner city needs as much new development as we can get. We should be considering paying incentives to the few brave souls who are investing in the inner city, not further penalizing them. Why is the reserve contribution so high in the inner city when we already have Hagley Park? Surely it should be the cheapest area given we have this massive park!!!!</p> <p>Please do not adopt this policy, Please get some other people to actually calculate the effect on all types of businesses, buildings etc so we now what the actual amounts will be.</p> <p>Please just adopt a very simple, even handed, reasonable percentage of construction cost for all work undertaken in the city to recover upgrade and growth associated costs.</p> <p>Please reconsider the projects and costing of projects. Do not kill off our growth! Do not penalize the companies and the individuals we want to come to our city. Our closest neighbors (Selwyn and Waimakariri) are the only ones that will benefit from this policy and they will do so at the cost of Christchurch City</p>
<p>Which principles and/or provisions of the Draft Amended Development Contributions Policy (DCP) do you support and why?</p>	
<p>Which principles and/or provisions of the Draft Amended DCP do you oppose and why?</p>	

What exactly do you want the Council to do about the Draft Amended DCP?	
Any other remarks/comments:	