

**SUBMISSION ON THE 2006-2016 CHRISTCHURCH CITY COUNCIL  
LONG TERM COUNCIL COMMUNITY PLAN**

**Submitters Name:** Carter Group

**Contact Name:** Tim Carter

**Contact Address:** P O Box 2726  
Christchurch

**Phone No (day):** 03 379 1650

**Phone No (evening):** 021 836 156

**Email:** tim@cartergroup.co.nz

On behalf of the Carter Group I accept the principle for a Local Authority to obtain development contributions linked to increasing growth in the requirement for services brought about by growth that is directly attributable to development activity.

I have been a member of the working party and would like to commend the Council for setting up the working party initiative. Throughout the process, I have gained a deep appreciation of the complexity of the policy and the amount of work that has been done by the Council Officers and their Advisors. The current version of the Development Contribution policy has been vastly improved on the document published a year ago. This is largely due to the working party initiative and the hard work done by Mike Theelen and his team. There are still improvements that need to be made to the Development Contribution policy and hence please see my suggestions below.

**SUBMISSIONS**

**A     **The SPM cost allocation methodology for determining the development contributions charges which is the basis of the development contribution policy is flawed and needs to be reworked.****

The cost allocation methodology allocates capital project costs into three primary components of renewal, backlog and growth. The definition of growth is “*the portion of a planned (or completed) capital project providing capacity in excess of the existing community demand at the current agreed levels of service.*” Development contributions are to fund 100% of the growth component. Under this model many increases in community demand not caused by developments are included in the growth category and will be funded by development contributions. This is unfair and I believe it opens up the whole policy to legal challenge due to the lack of causal connection

between demand for additional infrastructure and new developments. This was the case in the recent North Shore Judicial Review.

Examples of costs not caused by developments that fall into the SPM definition of growth are:

1. Trips generated from areas outside Christchurch (the working party was informed that the transportation model currently estimates this to be 10% of all new trips 2006-2016).
2. Additional trips generated from existing residents and business (the working party was informed by Streets and Transportation in a presentation by Paul Roberts that “43% of additional trips 2006-2016 estimated by the model derive from increased trip making by existing residential (and associated businesses) activities”).
3. Increased demand due to local and central government policies such as the Council’s initiatives to encourage bus patronage.

**B There is insufficient information on each of the capital projects on how the cost has been allocated between the various components, renewal, backlog and growth of the cost allocation model.**

During the course of the working party meetings many of the capital project allocations were found to be incorrect. There needs to be more information provided so that the development community can ensure that an appropriate amount has been allocated to the growth component.

**C Non-residential credits for undeveloped lots. The sentence on Page 39 “Was not contained within a residential zone in 2004” should be deleted.**

Firstly the term “residential zone” is neither defined in the City Plan nor in this policy. The City Plan allows residential living in some business and all living zones.

It would be unjust if non-residential developments such as hotels and travellers accommodation, which the City Plan allows on Living 4 and Living 5 zoned sites, do not receive credits if they are constructed on undeveloped sites.

This sentence creates ambiguity, serves no real purpose and may unfairly treat developments on some undeveloped sites and thus should be removed.

**D There should be a provision for refund or partial refund if development contributions have been paid for a development that is discontinued or reduced in size.**

Often developments are reduced in size and scale from their original Resource Consent and or Building Consents. When this occurs and development contributions have been collected on the original Resource Consent or Building Consent then the excess development contributions paid should be refunded.