

**SUBMISSION ON PUBLICLY NOTIFIED CHRISTCHURCH CITY
COUNCIL – OUR COMMUNITY PLAN –CHRISTCHURCH O-TAUTAHI
2006/16 VOLUME 2 OF 2 DRAFT DEVELOPMENT
CONTRIBUTIONS POLICY**

To: Our Community Plan
Christchurch City Council
PO Box 237
Christchurch

Name of Submitter: Devondale Nurseries Limited ("DNL").

1. This is a submission on the following draft Policy:

**Christchurch City Council – Draft 2007 Amendments to the
Long-Term Council Community Plan 2006-2016.
Companion document to the draft Annual Plan 2007/2008.**

2. DNL's submission is:

- 2.1. DNL opposes in part the Policy.
- 2.2. The Policy potentially convenes the Local Government Act 2002.
- 2.3. There is no clear and binding period by which the Council must provide the reserves, network infrastructure and/or community infrastructure the Development Contributions received relates too.
- 2.4. The level of development contribution charges proposed is unreasonable and unfair. It also appears disproportionately allocated against the business community.
- 2.5. There must be a certain proximity and benefit for any development from the Development Contributions assessed, paid and allocated to the Projects pursuant to the Policy. That is, there must be a clear and measured benefit to the development from the payment of a Development Contribution under this Policy. If there is not or to the extent

there is not then the Development Contribution should be refunded back to the developer. It is stated that Development Contributions will be taken from developers to “ **service these new developments**”.

In the North Shore ruling – Judgement of Judge Potter: Summary of Conclusions (289) “ *The Council has made an error in failing to ensure that its development contribution policy complies with the requirements of the Act to assess development contributions against “ development” (as defined in s 197) that generates a demand for reserves, network infrastructure and community infrastructure.* ”

An example of this is the Leisure facilities DC Hue charge of \$1,079.59 for the North. This is levied for the multi use facility in Papanui. In addition to the DC Hue charges, rate payers of Belfast already contribute 6.797% of their rates to Recreation and Leisure.

- 2.6. The timing of the obligation to pay any Development Contributions under the Policy must be aligned with the time the Developer receives its return on the development. The developer should not be required to obtain costly ‘bridging finance’ for the payment of any Development Contributions.
- 2.7. Given the real possibility of development in Belfast on the S 293 Application site (Johns Road, Belfast) within the foreseeable future and the implications of such development, DNL considers it appropriate for the Policy to incorporate a policy on network and (in particular) community infrastructure specific to this area.

In the North Shore ruling – Judgement of Judge Potter Conclusion (279) States “ *The Council is required by s 77 to assess the benefits and costs of identified reasonably*

practical options in terms of present and future social, economic, environmental and cultural well-being of the district. It is required by s 101(3) to consider community outcomes, the distribution of benefits, the inter-generational principle, the excavator pays principle and again, costs and benefits and the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community."

Belfast has been identified through the UDS for development of an additional 2500-3000 households. It is essential that the Belfast community directly benefits from any development contributions.

2.8. Remission and Reduction of Development Contributions (Clause 3.4.3)

This Policy does not provide for any remissions or reductions to be applied for or granted. It is inappropriate that the Development Contributions Policy does not make provision for reduction or remission of development contributions. While it is arguable under section 201 (1) (c) that such provisions are not required, they should be incorporated as a matter of public policy.

The removal of any possibility of a reduction or remission of development contributions will provide a disincentive to developers to incur expenditure in, for example, developing local reserves within large-scale developments over and above what is required by the Council.

In respect of potential development on the s 293 Application site, there will little (if any) incentive for the developers to contribute towards badly needed community services development that would inevitably benefit the Belfast and wider Christchurch community.

3. DNL seeks the following decision from the Council:
 - 3.1 That the Policy be amended after further consultation to address the specific areas of concern noted above.
 - 3.2 Amend the Policy to incorporate a specific policy on network and community infrastructure relating to development at the s 293 Application site.
 - 3.3 In respect to clause 3.4.3 - Either reinstate the remission and reduction of development contributions provisions in the earlier version of the Development Contributions Policy; and/or amend clause 3.4.3 to outline conditions and/or criteria where the Council may exercise its discretion for the remission or reduction of Development Contributions, to refund that part of any Development Contributions paid by a Developer when the benefit assessed by the Policy for that development does not occur within the time prescribed.
4. DNL wishes to be heard in support of the submission.
5. If others make a similar submission, it will consider presenting a joint case with them at a hearing.

For **Devondale Nurseries Limited**



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Date: 10 May 2007

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