

CHRISTCHURCH CITY COUNCIL

OUR COMMUNITY PLAN – CHRISTCHURCH O-TAUTAHI 2006/16

**REPORT ON SUBMISSIONS ON VOLUME 2 – DRAFT
DEVELOPMENT CONTRIBUTIONS POLICY**

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PART A. PRELIMINARY

This part comprises an introduction to and brief summary of the contents of this report and backgrounds the concept of Development Contributions, together with information on the process of consultation and on going dialogue with key stakeholders.

1. INTRODUCTION

1.1 This report has been prepared in response to the submissions received to Volume 2 of the 2006-16 LTCCP - Development Contributions Policy (DCP 06) The draft policy as published has raised considerable interest and concern, with more than 130 submissions having been received, the vast majority from developers, investors, property owners, surveyors and others involved in property development - loosely described as “the development community”.

1.2 Both the development of the policy and the preparation of this report has been a collaborative effort by staff from across the Council and external advisers, in particular Mr Chris Jenkins of SPM Ltd. Key staff have included Mike Theelen, Roy Baker, Ian Hay (Executive Team), Carolyn Ingles, Dave Hinman, Janine Sowerby, David Price (Strategy and Policy Group), Peter Langbein (Corporate Services), Chris Gilbert, Judith Cheyne, Ian Thomson (Legal Services), together with managers and staff from the Asset units.

1.3 The large number of submissions received on DCP06 have had to be processed, studied and commented upon within a very short time frame in order to have the report pre-circulated the week before the submissions are scheduled to be formally heard by the Council. Many of the submissions raise a range of issues some of which are very complex and it has not been practicable in most cases to respond to each submitter and every issue individually. Instead, the report consolidates all those LTCCP submissions which relate to the DCP06 and endeavours to identify, in a general way, both the issues and concerns of the submitters and the remedies which they seek.

1.4 In addition to the formal submissions received and described herein, representatives of a large grouping of submitters, as a follow-up to some consultation meetings held after publication of the LTCCP in late March, have had on-going dialogue with the Council. This has been an endeavour, without prejudice, to develop a common understanding on a way forward which would both acknowledge the concerns of submitters and enable to the Council to proceed towards approving its LTCCP within statutory time frames (i.e. effective by 1 July 2006).

1.5 This report is in four Parts. Part A comprises this introduction followed by general background and scene setting for the Development Contributions Policy and also describes the consultation and dialogue which has been occurring over recent weeks.

1.6 Part B is about the issues which have been raised and these are identified and summarised and responded to in general terms. It indicates (by number) the submitters who have raised each of these issues.

1.7 Part C identifies for each submitter the decisions they seek from the Council. These have been arranged in a similar order to the issues of Part 2. As there is not always a direct correlation between the issues raised and the decisions sought, it has not been practical to include these in the same Part.

1.8 Part D comprises staff conclusions and recommendations. Given the need to both address the range of issues identified (many of which in fact are closely related) and at the same time respond to the on-going dialogue with development community representatives, the recommendations to the Council are in two parts. The first part is at this stage a broad recommendation suggesting a possible way forward and for which detailed wording and changes to the policy have yet to be determined. Should the approach suggested be favoured by the Council, following the hearing of the submissions, the detailed changes needed would then be developed.

The second part comprises some specific wording changes many of which are matters of updating, correction and fine tuning, and which it is believed will meet some of the more detailed concerns of submitters.

2. BACKGROUND

2.1 The Christchurch City Council has historically required those whose developments place new demands on the City's reserves and infrastructure services to make a fair contribution toward the expansion of those services. This has been done within the provisions of legislation - the Local Government Act 1974 and more recently the Resource Management Act 1991.

2.2 The more recently enacted Local Government Act 2002 (LGA 2002) increased the scope of contributions which could be collected to assist to pay for growth, now covering three broad areas:

- Reserves (for open space and recreation)
- Network Infrastructure
- Community Infrastructure.

The Council in its 2004-14 LTCCP established policy for the receipt of contributions in all three areas, although it did not at that time identify a wide range of infrastructure projects for which contributions would be sought.

2.3 It also took steps to remove most of the old provision for financial contributions from the City Plan, under the Resource Management Act (Variation 91).

2.4 For the new (2006-16) LTCCP the Council has (for the old Christchurch City area) reviewed and further developed the Development Contributions Policy, including a more sophisticated and robust methodology for calculating contributions and extended the areas of collection to include transport and

leisure facilities. At this stage the DC Policy for the former Banks Peninsula District remains unchanged; the intention being to integrate it with the “City” policy over the next 12 months.

2.5 The reviewed policy has been worked up in the light of Council’s proposed 10 year Capital Programme for infrastructure and services that the LTCCP process required Council to develop.

2.6 Fundamentally the policy is based on the principles enshrined into LGA2002, which allows Council to recover the costs associated with supporting the city’s growth from developments which places a demand for the provision of new infrastructure and services. This can include both greenfield and brownfield development, and in the latter particularly where it leads to an intensification of demand above agreed Levels of Service. The DCP is based on the Council’s projected Capital Expenditure (CAPEX) programme over the life of the LTCCP.

2.7 The CAPEX programme reflects the anticipated investment required by council to meet agreed Levels of Service, based on projected demand or growth in the city. The cost of the policy is therefore simply based on the apportionment of these costs across the demand anticipated to be generated. It is, and has always been anticipated that with each LTCCP the Council CAPEX programme would be reviewed and updated to reflect known growth trends and both the CAPEX and DC charges adjusted accordingly.

2.8 The Council also determined that the policy was to be both transparent and clean. The policy is a mechanism to recover costs, and to do so from different sectors of the market. The role of the policy was not to direct or steer development, but to treat the costs of development equitably. Council in adopting the draft policy instructed staff to consider an Incentive Package to promote development, that would parallel or complement the policy, but not compromise the policy itself per se.

3. CONSULTATION

3.1 As part of undertaking the review staff consulted with stakeholders on a number of occasions. This began with a stakeholder list of 340 potentially interested parties including developers, planners, architects, surveyors and builders. An initial consultation round was conducted in early February 2006. Once the DCP06 was launched as part of the LTCCP, two further public meetings were specifically held on the Proposed DCP, on 3 and 4 April. A presentation was made to the local branch of the Property Council in late April.

3.2 Over the weeks of consultation there has been growing awareness by the development community at large of the scale of the changes proposed to the DCP in terms of both the dollars to be collected, the range of projects to be funded (at least in part) by the DCP and the impact of these on development in the city. A significant number of submissions have been received from a range of submitters on the Policy (130+). These have variously sought the establishment of transitional provisions, to ease the policy into existence, the

opportunity for Council and the development Community to collectively readdress the policy to establish a more equitable and sustainable regime, or the return to the established 2004 policy. Submitters have also queried the scope of the projects covered by DCPs, the growth allocation component of the Council's 10 year programme, the mechanics of the model calculation, and the apportionment of most of the costs of growth to the development community.

3.3 Developers have also met with staff, and expressed concerns at the financial cost of the policy particularly on the economic affordability of the charges which are generated from the projects planned, or committed to. The financial cost of the policy is significant, and there are genuine concerns that it could impact significantly on the local development market.

3.4 The matters raised by the development community are valid, but they are also complex, and difficult to resolve within the shortened timeframe required for the LTCCP hearings and decision-making.

3.5 Approaches were made through the Mayor to consider a pause in the introduction of the new policy to give time for more meaningful consultation and to allow time for the market to adjust to increased charges. The matter was brought before the Council on 18 and 25 May to give a signal to both the Council and the Community that this was a matter requiring serious consideration and that there was a need to think beyond the formal hearing process and the introduction date of July 1.

3.6 At the 18 May meeting the Council heard a deputation led by Simon Mortlock (solicitor) on behalf of many members of the development community. This was not to advocate in advance of the hearings any of the detailed matters to be considered at that time but to speak to the options being proposed by the General Manager Strategy and Planning to work towards a longer term solution.

3.7 The report to the meeting suggested three options:

- (a) Adopt (subject to any amendment through the submissions hearing process) the DCP06 but introduce both a transitional regime (which limits payments over the next 12 months to levels as close as practicable to the 2004 Development Contributions Policy), and set up a working party with the development community to continue to work through the policy and make any suggested improvements, in time for the policy to be reviewed as part of an amended LTCCP in 2007.
- (b) Do Nothing: allow the submissions to proceed and adopt (subject to any amendment) the DCP06.
- (c) Abandon the DCP06 and revert back to the 2004 Policy, and review from scratch the Proposed 2006 policy.

3.8 The Council resolved "that officers be requested to report back to the 25 May Council Meeting on the submissions and associated implications in respect of Council Long Term Council Community Plan (LTCCP)."

3.9 At the May 25 meeting Councillors were updated the on-going discussions which had occurred during the previous week. The meeting was reminded that this was a briefing only and that the Council was not being asked to make any decisions. These could only occur following the formal consideration of submissions which may include a variety of viewpoints.

3.10 The staff/industry discussions had confirmed:

- Significant market concern at the sudden shift in cost – making development unaffordable (at least in the short term).
- Agreement that Council should strongly consider some form of transitional arrangement for 2006/07 (and longer if required).
- Agreement that a transitional arrangement should be based on the 2006 policy because DCP recoveries must relate to the LTCCP Projections for Capital Growth - this would not occur if the 2004 policy were retained. Audit NZ had passed the Draft LTCCP with the 2006 DCP as part of it and a return to the 2004 policy would call into question the fiscal sustainability of the LTCCP.
- Officers continue to favour a transitional arrangement based on discounting individual activities in the policy to approximately 2004 contribution levels
- There is on-going investigation and discussion on the preferred method of achieving these levels. Specific recommendations will be brought to the hearings.

3.11 Following discussion the Council resolved:

“That Council receives the staff recommendations made below and forwards these to its Deliberation Hearings on the Proposed Christchurch City Long Term Council Community Plan 2006-16 where it will further consider them.

(a) That transitional provisions be included within the Proposed Development Contributions Policy 2006 to provide for a transitional remission that reduces the charges for Development Contributions to levels close to those which would have been recovered under the Development Contributions Policy 2004.

(b) That staff be instructed to establish a joint Christchurch City Council and industry Working Party to review the basis, structure and application of the Development Contribution Policy and to recommend a revised policy for Council to consider as part of an amended LTCCP in 2007.

(c) That the Incentive Package requested by Council be referred to the Joint Working Party for consideration and be included in the final report of that Working Party to Council.”

PART B. IDENTIFICATION OF AND RESPONSE TO ISSUES

This Part of the report has analysed the submissions received and identified a range of issues which have been raised. Many submissions are concerned about more than one issue, and many of the issues are inter-related. This Part endeavours to give in summary form an indication of the nature of the concerns raised, and where appropriate, a staff response to those concerns. Responses were sought from various Council staff and advisers and because of the short space of time that was available to collate responses there is necessarily some variety in the style and detail presented. Related recommendations in Part D are cross referenced.

1. CONSULTATION/INFORMATION ISSUES

The concerns raised were that there had been insufficient consultation and that detailed information about the new policy and its methodology was not readily available. Each is discussed separately below.

1.1 Insufficient Consultation

submitters: 4943, 5051 (19 parties), 5053, 5059, 5060, 5061, 5099, 5102, 5145, 5146, 5160, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5230, 5315, 5316, 5352, 5465, 5553, 5556, 5558, 5559, 5609, 5650, 5759, 5847, 5849, 5860

Officer Comment:

The issue here is basically two-fold : a) what is seen as the lack of meaningful consultation with, in particular, the development community in the period leading up to the publication of the draft 2006-16 LTCCP, and b) what is seen as a very short period of time to obtain a good understanding of the new policy within the statutory period for lodging submissions. The submitters are concerned that a lack of industry input into the policy during its formative stages has meant that the Council does not have a good understanding of the development process and accordingly the policy as published is unworkable. The details of this will emerge as the other issues are identified and explained.

As noted earlier, (Part A, para 3.1) there were meetings organised with the development community in February and in April to discuss and explain the proposed DCP06, but it is acknowledged that ideally it would have been preferable to have had earlier dialogue during the formative stages of developing the Policy, so that there might have been a better mutual understanding of both the Council's and the developers' needs. Statutory time limitations have precluded this, but the idea subsequently floated by the development community and suggested to the Council, for an industry/ Council working party to review and revise the new policy over the next few months has merit. This will be followed up in the recommendations Part of this report.

Recommendation reference : Part D 2.2 (b) p66

1.2 Lack of Ready Availability of Information

submitters: 4943, 5047, 5048, 5049, 5051 (19 parties), 5053, 5059, 5060, 5061, 5066, 5067, 5068, 5071, 5072, 5073, 5974, 5076, 5100, 5101, 5102, 5103, 5145, 5146, 5147, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5230, 5352, 5736, 5759, 5847, 5849, 5650, 5860

Officer Comment:

Allied to the concern about lack of time to adequately consider the new Policy, given the statutory requirement to have the LTCCP in place by 1 July 2006, is the view that there has been a lack of information available to fully understand the new Policy and the methodology used therein. There is a concern that much of the detail has not been included in the Policy Document, as well as concerns that information was either not available, or very hard to find/interpret. A particular concern relates to the methodology used for determining the development contribution charges, the details of which are contained in a document marked confidential and made available for viewing only, at the ground floor of Civic offices and no other locations. This was due to issues of intellectual property rights of the owner of the methodology (SPM Consultants Ltd.) When improved access was sought by some parties to the document it was released on the signing of a solicitor's undertaking/confidentiality agreement, but this was still seen by many as unsatisfactory.

The Council's legal advice on the matter is that "Section 106(3) of the Local Government Act 2002 requires the Council to *"keep available for public inspection the full methodology that demonstrates how the calculations for those contributions were made"*. The Local Government Official Information and Meetings Act 1987 provides that where information requested by any person is comprised in a document, the information may be made available in one or more ways, including by giving the person a reasonable opportunity to inspect the document (Section 15). The Council does not have to give the information to the person in the way they would prefer if to do so would prejudice interests identified in Section 7 (which includes protecting information subject to an obligation of confidence) and there is no countervailing public interest.

The fact the confidential document was available (even though it was not available in terms of having a copy of the document) is all that is required of the Council under both the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987.

There is also no requirement to have all of the information included within the policy (which is the purpose of Section 106(3)), but of course it must be available. The issue of difficulty of interpretation is a subjective issue."

The SPM document confidentiality issue has recently been resolved with agreement being reached to change its status from "Confidential" to "Copyright". Access to view the document is now readily available and it has been placed on the internet at <http://www.ccc.govt.nz/LTCCP/Draft/DevelopmentContributionsPolicy/SupportingInformation.asp>

Recommendation reference : Part D 3. No. 16 pp 73-74

2. POLICY JUSTIFICATION ISSUES

This group of issues is about what is seen as the lack of appropriate justification for some or all elements of the new policy. The concerns raised from general assertions that the Policy is contrary to the provisions of the Local Government Act to more specific issues, which collectively again would suggest non-compliance with the Act.

2.1 LGA 2002 Compliance Issues (General)

submitters: 5051 (19 parties), 5052, 5054, 5065, 5075, 5079, 5080, 5098, 5100, 5102, 5104, 5105, 5230, 5553, 5736, 5755, 5759, 5867

Officer Comment:

Before the draft Policy went to Council for adoption as part of the draft LTCCP it had to be approved, as part of the LTCCP, by Audit New Zealand. Two things the auditor must consider are “the extent to which the local authority has complied with the requirements of this Act in respect of the plan” and “the quality of the information and assumptions underlying the forecast information provided in the plan” (Section 94(1) LGA2002). The auditor is satisfied as to these factors, otherwise the draft LTCCP (including the DCP) would not have been approved.

In addition, the Council obtained a legal opinion on the legal compliance of the draft DCP. This also confirms compliance with the LGA requirements. However, following from that advice, staff have suggested that further explanatory information should be included in the DCP to enhance compliance with section 106(2)(c) (which requires that the Council explain, in terms of the matters required to be considered under Section [101\(3\)](#), why the local authority has determined to use these funding sources to meet the expected capital expenditure).

There are clearly differences in legal opinion/interpretation of the LGA requirements between the Council and submitters but as these issues are as yet untested by the Courts, the Council needs to have confidence in its external advice and the fact that the LTCCP/DCP has passed the audit.

Recommendation reference : Part D 3. No. 17. pp 74-75

2.2 Lack of Causal Link

submitters: 4943, 5047, 4048, 4049, 5051 (19 parties), 5052, 5054, 5059, 5060, 5061, 5065, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5075, 5079, 5080, 5081, 5098, 5099, 5100, 5101, 5102, 5103, 5104, 5105, 5145, 5146, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5230, 5315, 5352, 5553, 5556, 5558, 5609, 5736, 5755, 5759, 5867

Officer Comment:

This is about the need to demonstrate that there is a direct link between developments and the contribution that has been assessed for the “growth component” of that development; i.e. that the effect of the development has been to require new or

additional assets or assets of increased capacity, requiring the Council to incur capital expenditure (Section 199 LGA2002). The submitters are concerned that this “causal nexus” has not been established. It is the officers’ view that adequate work was done to ensure that only the growth component of developments has been identified, but that improvements can be made to explain this in the documentation. Suitable wording will need to be determined.

Recommendation reference : to be developed

2.3 DCP Unfair/Unreasonable

submitters: 4432, 4942, 5047, 5048, 5049, 5050, 5054, 5055, 5061, 5065, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5079, 5080, 5081, 5099, 5100, 5101, 5103, 5145, 5146, 5147, 5160, 5556, 5558, 5609

Officer Comment:

These submissions are concerned about the perceived lack of fairness in the balance that has been struck in the Policy between apportioning the cost of development between the development community and the wider (rate-paying) community. The submitters believe that too much of that cost is now expected to be borne by them. More detailed submissions discussed later question the methodology used to determine the contribution charges and also the Council policy to take the maximum permitted under the Act (i.e. reserves) or all of the growth portion of the capital cost of projects. A point to be noted is that LGA2002 does permit the Council to take contributions for network and community infrastructure and some of these charges are being applied for the first time. Some have yet to be included, such as libraries and facilities on reserves.

2.4 Lack of Assessment of Economic Effects

submitters: 4432, 4942, 5047, 5048, 5049, 5051 (19 parties), 5059, 5060, 5061, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5075, 5076, 5078, 5098, 5101, 5104, 5105, 5127, 5145, 5146, 5147, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5342, 5352, 5553, 5759

Officer Comment:

This is about what the submitters consider will be a significant economic impact on the development industry should the new policy proceed in its present form; i.e. they are of the view that it is unaffordable to the industry. There is concern that the Council has not complied with Section 201(1)(b) LGA2002 which requires the Policy to include, in summary form “the significant assumptions underlying the calculation of the schedule of development contributions, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects”.

Section 8.0 of the Policy (pp 28-29) is about significant assumptions, but does not include under Key Risks/Effects the issue of economic effects as raised by the submitters. At the time of preparing the draft Policy the Council did not consider that such effects were significant. Acknowledging the concerns raised, an appropriate

reference to economic effects should now be considered, as part of the justification for transitional arrangements for the operation of the policy from July 1 2006. The subsequent review of the Policy should include studying potential economic impacts.

Recommendation reference : to be developed

2.5 Explanation of or Concern About Methodology

submitters: : 4943, 5038, 5047, 5048, 5049, 5051 (19 parties), 5053, 5055, 5059, 5065, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5100, 5101, 5103, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5230, 5312, 5313, 5314, 5759, 5847, 5849, 5650, 5860

Officer Comment:

There is concern that there has been insufficient explanation of the application of the methodology; i.e. while supporting documents give the calculation results, how the calculations are made is not revealed. Section 201(1)(a) LGA2002 requires the Policy to include, in summary form “an explanation of, and justification for, the way each development contribution in the schedule required by subsection (2) is calculated”.

This matter is covered in the Policy as published in Section 3.3 (Cost Allocation Methodology) and Section 3.4 (Funding Model). Further information on projects and the detailed methodology statement have been available to submitters on request. And as noted in 1.2 above, the previous confidentiality limitations have now been removed. While it is the Council’s legal advice that not all supporting information necessarily has to be contained within the Policy itself, (see 1.2 p 9 above) cross referencing to the location of supporting information would be an improvement.

Recommendation reference : to be developed – also see Part D 3. No. 16 73-74

2.6 Relationship to Past Low Increase in General Rates

submitters: 4943, 5061, 5081, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172

Officer Comment:

This is about a perception by submitters that the Council in the past has under-invested in infrastructure in order to keep rating charges at an (artificially) low level. Whether or not such a statement has any validity has limited relevance to the DCP, as Development Contributions can only be used for growth and not backlog or renewals.

Recommendation reference : No changes recommended at this time.

3. IMPACTS OF THE POLICY

This group of submissions is about what the submitters perceive the impacts of the policy will be if it is adopted as published.

3.1 Does Not Support Growth/ Discourages Development/Charges Too High

submitters: 4432, 4942, 4943, 5047, 5048, 5049, 5050, 5051 (19 parties), 5053, 5059, 5060, 5064, 5065, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5077, 5078, 5081, 5100, 5101, 5102, 5103, 5127, 5145, 5146, 5147, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5216, 5230, 5315, 5316, 5342, 5352, 5434, 5465, 5518, 5545, 5551, 5610, 5620, 5647, 5736, 5755, 5759, 5777, 5851, 5864

Officer Comment:

As with many of the submissions on other and related issues, these are about the quantum of the proposed charges and again are concerned that the new Policy as published will result in costs to the development industry which are unaffordable. Some focus on the overall amount which they consider is excessive, while others point to the amount of increase which they consider to be too high.

Some submitters are concerned that the Policy if implemented as published will severely impact upon the financial viability of development proposals to the extent that growth will be slowed or will not happen. They have calculated the difference in charges from the present regime which range from doubling (best case) to a twenty or more fold increase (worst case) of the current contribution charges.

Officers have assisted developers in their calculations and confirm the range of quantum changes. The extent to which this will in fact inhibit growth/ stop development may be arguable, given advice from North Island Councils where significant increases have been introduced. The need to review both the quantum payable and to consider some transitional arrangements is however acknowledged and, particularly in the areas of extreme change, the methodology is also being checked. More information on this should be available at the time of the hearing.

Recommendation reference : to be developed - also see Part D 2.2 (b) p66

3.2 Central City Impact

submitters: 4432, 4942, 5040, 5077, 5154, 5227, 5347, 5350, 5465, 5620, 5756, 5851

Officer Comment:

The submitters' concern relates to the likely disincentive to central city revitalisation of the new DC Policy, because of the significant increase in charges proposed. They believe it will be counter-productive to the Council's policy of encouraging new growth, including a substantial increase in residential population in the Central City. It is already difficult to encourage central city investment and there is a real concern that those developers/investors who are currently active in the central city will transfer their energies to elsewhere. The central city theme appears again under other issues

below including inconsistency of Council policies, questioning of the policy of always requiring the maximum permitted and the removal of a remissions policy.

When the present (2004) DC Policy was adopted it was recognised that there were some disadvantages to the Central City and it had been proposed to reconsider this for 2006. While this does not so far appear to have been achieved, the methodology adopted for DCP06 has the flexibility to recognise the Central City as a special case and this should be the subject of on-going study.

Recommendation reference : to be developed

4. RELATIONSHIP TO OTHER PLANS/POLICIES

This group of submissions relates to what is seen to be the “disconnect” between the new DC Policy and other policies of the Council, both within the LTCCP and also other areas such as the City Plan, Heritage Retention Policies, Central City Revitalisation Policy etc. There are also concerns about the lack of consistency with DC policies of adjoining TLA’s

4.1 Inconsistency with Other Parts of LTCCP and/or Other Council Policies, Including City Plan Issues

submitters: 4943, 5050, 5051 (19 parties), 5059, 5061, 5065, 5077, 5081, 5100, 5103, 5230

4.2 Lack of Remissions Policy to Assist Other Policies (eg Heritage, EPH)

submitters: 4432, 4941, 4943, 5047, 5048, 5049, 5052, 5053, 5055, 5062, 5063, 5064, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5075, 5077, 5078, 5079, 5080, 5098, 5101, 5103, 5104, 5105, 5127, 5227, 5230, 5343, 5347,5450, 5551, 5554, 5556,5558, 5559, 5609, 5649, 5736, 5740, 5759, 5867

Officer Comment:

This is about the inconsistency perceived between the new DC Policy and other policies of the Council. Such policies include for example some in Volume 1 of the LTCCP viz. “*That Christchurch is a global investment destination*” (p9) and “*The Council acts as a facilitator/catalyst of economic development*” (p 56). Others noted include various parts of the City Plan (and in particular those parts supporting Central City development), other policies such as those relating to heritage retention (both inside and outside the City Plan), and encouragement of Elderly Persons’ Housing. Key matters of concern that give rise to this issue are the greatly increased charges which will result from the new Policy including the removal of a remissions policy, all of which the submitters argue mitigate against economic development.

It should be noted that the *analysis* for the DCP is based entirely on the planned capital works expenditure identified in the draft LTCCP, and does not directly concern itself with other Council policies described in the LTCCP and elsewhere. In addition, the cost allocation methodology relies on the statements of Level of Service included in the draft LTCCP.

The issue raised is about two potentially opposing yet valid philosophies – the one which suggests that all Council policies should be aligned and inconsistencies avoided, and the other which advocates a “transparent” model which avoids cross-subsidising among Council activities. For example a policy which allows for remissions to assist heritage building conservation by reducing the DC charge is in effect subsidising that endeavour through the use of money needed for meeting the costs of growth. This matter is addressed further under the no remission policy issue. As noted in Part 1 of this report (para 2.8, p5) it was a conscious Council decision to adopt the “transparent” model for DCP06. It is open for the Council to reconsider this stance if it so chooses, but at this stage the preference is to keep the DCP “pure” and investigate a parallel incentives policy.

Recommendation reference : No changes recommended at this time.

4.3 Inconsistency with Other Local Authority DCPs and Plans

submitters: 5065, 5100, 5160, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5553, 5759

Officer Comment:

These submitters are concerned that the charges for Christchurch City will be much higher than those of adjoining local authorities and that this will encourage excessive development in those areas, in preference to further investment in Christchurch City. One submitter identifies discrepancies with the plans of Environment Canterbury.

While there is no legal requirement that this Council’s policy be aligned with those of adjoining Councils, there is an issue that should these submitters be correct, any significant trend towards growth in the adjoining Council areas (i.e. Selwyn and Waimakariri) to the exclusion of Christchurch City could potentially be harmful to the policies under development for the metropolitan region (i.e. the Urban Development Strategy). It is noted however that the Banks Peninsula DCP, while remaining unchanged for this year, is scheduled to be aligned with the City’s DCP over the next 12 months.

5. TRANSITIONAL ISSUES

A large number of submitters are concerned about the “suddenness” of the introduction of significantly new and greater charges as proposed in the DC Policy as published. This would see the new charges applied to all developments from 1 July 2006. There are the related issues of the market needing more time to adjust to the new charges, the question of projects “in the pipeline” though perhaps not yet formally lodged, and those which are being processed but which may not be approved prior to July 1 2006.

5.1 Lack of Transitional Provisions

submitters: 4432, 4941, 5047, 5048, 5049, 5050, 5051 (19 parties), 5052, 5053, 5054, 5055, 5059, 5060, 5061, 5063, 5064, 5065, 5066, 5067, 5068, 5071, 5072,

5073, 5074, 5075, 5078, 5079, 5080, 5081, 5098, 5101, 5104, 5105, 5127, 5147, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5216, 5230, 5315, 5317, 5318, 5342, 5352, 5434, 5518, 5545, 5551, 5556, 5558, 5609, 5610, 5650, 5736, 5749, 5755, 5759, 5847, 5849, 5860, 5874, 5875, 5880, 5882, 5888, 5911

Officer Comment:

Submitters have requested a phased transition to the introduction of the new and increased charges, citing in particular situations where funding is already in place, sections pre-sold and with no ability to pass on the new charges to purchasers. Others acknowledge that there is a case for further charges, but believe that the market requires some 2 or more years to be able to adjust to the higher costs.

The 1 July 2006 implementation date coincides with the start of the 2006-07 financial year and at this stage the DC charges are an integral part of the funding for the capital works programme commencing on that date. An immediate start was selected in order to avoid an extended last minute rush likely if a longer period of grace had been offered. However it is apparent that the lack of transition is seen as a serious problem for a large proportion of the development community and the general recommendation in Part D below addresses this. Changes to the wording of DCP06 as published to clarify that consent applications already lodged will continue to be assessed under the 2004 Policy are also proposed.

Recommendation reference : to be developed. Also see Part D 2.2 (b) p66

6. CONCERNS ABOUT PARTICULAR ELEMENTS OF DC POLICY

6.1 Historic/Actual Credits Issues

submitters: 4941, 4942, 4943, 5029, 5052, 5061, 5063, 5064, 5065, 5075, 5098, 5100, 5104, 5105, 5127, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5230, 5342, 5434, 5518, 5545, 5551, 5610, 5755

Officer Comment:

This is about the lack of clarity regarding the cut-off between Historic Credits and Actual Credits and the basis on which credits are calculated. The DCP06 as published also provides for Actual Credits to be accounted for as equivalent to payments previously made. This provision effectively would apply the current DCP charge rate to service capacity already assessed and paid and would therefore be inequitable.

Officers have drafted changes to the DCP06 to clarify the cut-off between Historic and Actual Credits and to change the basis of calculating Actual Credits from payment value to capacity purchased expressed in terms of HUEs (Household Unit Equivalents). This will ensure developers are only charged where they are increasing demand from current use.

Recommendation reference : Part D 3. No. 13 pp 69-72

6.2 Growth Model Issues

submitters: 5052, 5060, 5061, 5075, 5098, 5099, 5103, 5104, 5105, 5736

Officer Comment:

Submissions on the Policy that refer to the growth model are generally under the following heading:

“The draft DCP gives no explanation to indicate that the growth model is credible and accurate either for the whole of the City or for any particular areas of demand or catchment areas”.

The comments below are in response to the general heading on the credibility of the growth model, acknowledging that it appears that most of the criticism of the growth model appears to be an issue with the cost allocation methodology, rather than the quality of the growth model – which only estimates future growth of households, business and impervious surfaces to input into the SPM model.

In addition to these statements submission 5099 also states:

“The growth model used makes assumptions that permeate the entire calculation process, and I am not sure that, based on past use of growth models, much reliability can be placed on them.”

Without repeating all the information included in the supporting report “Christchurch City Council – Development Contribution Policy Growth Model – Documentation at March 2006” which provides a detailed report of the methodology used to develop the growth model, a summary of the key inputs into the model and processes follows.

The households component of the growth model is based on Statistics New Zealand’s sub-national household projections. These are a standard output of Statistics New Zealand (SNZ) and have been used with sub-national population projections by the asset units to estimate future demand for infrastructure. Generally the growth in households in the City is anticipated to decline from 1.3% per annum between 1996 and 2001 to 0.8% per annum between 2016 and 2021, and then to be static between 2041 to 2046 before declining again. As a result future growth trends are not expected to be as strong as historic or current growth.

The City wide projections are then distributed at a sub city level based on historic trends in infill and greenfield development and the capacity of these areas of the City to absorb future growth.

SNZ also produces household projections at a sub city (census area unit) level, but the Council found their figures in some cases assigned households to areas where there wasn’t any remaining capacity. In addition, the Council has considerably more land use information to include in a model than SNZ. A comparison of both SNZ and the DCP Growth Model area unit household projections show very similar results at an area unit level ($r^2 = 92\%$), however the differences result from the better understanding of development at a local scale available to the Council.

This methodology has been used as the basis for the Christchurch Transport Model since 1996, which included supporting Environment Court evidence and modelling associated with the Greater Christchurch Urban Development Strategy land use options. During this period the model was reviewed by independent consultant Max Barber. Subsequently, Max Barber has been involved in additional development and refining of the model.

The business component of the growth model is based on the relationship between previous floor space trends measured from building consent information and key drivers such as population growth and employment growth. Future projections are estimated using SNZ sub-national population projections and New Zealand Institute of Economic Research (NZIER) regional employment projections. The NZIER employment projections are derived from SNZ National Labour Force Projections and proportioned down to the regional level using industry employment totals from the SNZ Annual Business Frame. These projections are then distributed at a sub-city level using a capacity based model similar to the household projections. The methodology used to project business floor space is similar to that used in the Greater Vancouver Regional District in Canada¹.

Recent commentary of labour force growth at a national level suggest that recent increases in participation rates will not be sustained and the growth of the labour force is projected to slow, and from 2026 labour force rates are expected to remain static or reduce slightly after that time². This is similar to what is expected to occur at a regional level and City level.

The impervious surfaces component of the model takes the growth from both residential and business results for each projection period and converts this growth into changes in impervious surfaces. Impervious surface projections relate to the current nature of the impervious surfaces of an area and several methods were tested to find the method that produced the best results for the City. Additional analysis work currently in progress looking at trends in impervious surfaces over time will enable some quantification of the accuracy of the impervious surface projections. It should be noted that the model will continue to be updated over time and, with it, the calculations that follow from the model.

Recommendation reference : No changes recommended at this time.

¹ Commercial and Industrial Real Estate Development Trends and Forecast for Greater Vancouver Region, 1991 to 2021. Royal LePage Advisors Inc. 2003.

<http://www.gvrd.bc.ca/growth/pdfs/ComIndustTrends.pdf> (May 2006)

² SNZ Hot of the Press September 2005, National Labour Force Projections (2001 (Base) – 2051 Update)

[http://www2.stats.govt.nz/domino/external/pasfull/pasfull.nsf/web/Hot+Off+The+Press+National+Labour+Force+Projections+2001\(base\)+2051+update?open](http://www2.stats.govt.nz/domino/external/pasfull/pasfull.nsf/web/Hot+Off+The+Press+National+Labour+Force+Projections+2001(base)+2051+update?open) (May 2006).

NZIER Update Feb 2006, Labour Market Trends and Implications for Growth.

http://www.nzier.org.nz/SITE_Default/SITE_Publications/x-files/15493.pdf (May 2006)

6.3 HUE Charges (Various Issues)

submitters: 4432, 4942, 4943, 5047, 5048, 5049, 5051 (19 parties), 5052, 5053, 5059, 5060, 5065, 5075, 5081, 5099, 5100, 5101, 5102, 5103, 5104, 5105, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5227, 5553, 5554, 5620, 5736, 5759, 5847, 5849, 5650, 5860

Officer Comment:

This is about questioning the robustness of the HUE system, the methodology and the rationale used in determining equivalences for various activities.

Schedule 13 of the LGA2002 requires the City to identify the share of Capital Expenditure attributable to each unit of demand. In the DCP analysis this unit of demand has been described as the HUE (Household Equivalent Unit).

The HUE has been determined from the City's Growth Model, which accounts for growth of both the residential and business communities. The equivalence recognises for example that 2.7 people make up the typical household, and that, for example, 600m² of a business premise consumes the same water demand as a household. These equivalences are derived from actual measures in the City. Thus in assessing the unit of demand, a population of 2,700 is equivalent to 1,000 HUE and 6,000m² of business premise are equivalent to 10 HUE.

Critical to the success of the HUE measures has been the ability to derive these charges from actual measures in the City.

Recent work since the receipt of submissions has indicated that some of the HUE calculations *may* not be correct, resulting in unduly high figures for commercial/industrial developments. A review is in progress and will be reported further at the hearing.

Recommendation reference : to be developed. Also see Part D 3. Nos. 22,23 pp 75-77

6.4 Areas of Demand (Catchments)

submitters: 4432, 4943, 5051 (19 parties), 5052, 5060, 5061, 5065, 5075, 5076, 5098, 5099, 5100, 5103, 5104, 5105, 5145, 5146, 5160, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5343, 5352, 5736

Officer Comment:

Areas of Demand (Catchments) are the basis for charging the Development Contribution. These have been selected by Council officers as a pragmatic and simple reflection of how services are provided to the City, and who is a beneficiary of those services. There is a clear attempt to ensure there is a causal nexus between the services provided and those who will make use of those services. It has been a pragmatic choice to limit the number of catchments to simplify the charging regime and to avoid large disparities of charges between adjoining but similar catchments. This is an area where there is opportunity for examination and possible future improvement. At this stage however it is considered on balance that the areas of

demand adopted in the draft DCP provide a reasonable distribution of charges across the community.

Examples: waste water and water - city wide areas of demand

Waste Water

Waste water capital projects are divided into two activities; Treatment and Disposal, and Collection.

Treatment and Disposal

The treatment and disposal projects are largely centred on works being carried out, or planned at the Bromley Sewage Treatment Plant. Many of the major items in this category are necessary to cope with the increased flow and load arriving at the plant and which is directly attributable to growth. The only equitable way to allocate the cost of the growth components of these projects is to spread it evenly across the entire growth community (i.e. citywide). A portion of the planned outfall, which is also contained within this category, is also growth related, as it would be imprudent of Council to build such infrastructure without building in capacity for future growth.

Collection

Collection has been further split into two categories, asset improvements and new assets. Asset improvements account for approx 85% of the collection expenditure and typically include pump station upgrades, main sewer upgrades and sewer storage facilities. Together they comprise the ten year Major Sewer Upgrade programme which commenced in 2000, and which is driven both by growth and consent conditions that require the City to significantly reduce sewer wet weather overflows into the Avon and Heathcote. (Growth and consequent increased flow increases the likelihood of overflow.) Thus the demand catchments for these works have been split into two major sewer catchments, i.e. works that will prevent overflows into the Avon and Heathcote respectively. While the remaining works (15%) could have been split into different demand subcatchments, the effect of doing so would have been relatively small, and with the considerable interconnectedness of the Christchurch system, it would be difficult to clearly define the sewer catchment using the Census Area Unit boundaries that have been used to define population areas.

Water

Capital projects used as input to the model, have again been split into two activities, Water Conservation and Water Supply.

Water Conservation

No capital projects are currently within this category. However should a future work be identified, it is likely to be to meet a city wide demand, but the decision would be made at that time.

Water Supply

The issue raised above for waste water collection is even more relevant to water supply projects. The City's water supply system is significantly more interconnected than most NZ urban supplies, because of the multiple nature of its supply source. While it is easy to say that water pumped from the aquifer in Avonhead is not going to be the water that flows out of taps in New Brighton, it is impossible to identify the limit of influence of a particular pump station. Indeed it will vary with demand and

pump station management. For this reason it was considered most equitable to use a single demand catchment for the whole city.

Recommendation reference : No changes recommended at this time.

6.5 Policy of Development Community Paying for Most of Growth/ Charging Permissible Maximums

submitters: 4942, 4943, 5029, 5050, 5051 (19 parties), 5052, 5061, 5065, 5075, 5098, 5100, 5104, 5105, 5553, 5736

Officer Comment:

These submitters are concerned that the Council does not have the balance right when assessing who benefits from growth. To date it has been a policy decision of the Council that the creator of growth (ie the developer) should pay the maximum. This is stated in the DCP06 as published - Section 3.5 p15, first para. This matter has been identified in the current dialogue with the development community as a major issue for re-consideration by the Council.

There is also concern that the Council continues to take the maximum reserve contribution permitted under LGA 2002 without any real justification. The following statement has been supplied by the Greenspace Manager.

“The 7.5% Development Contribution for reserves applies to additional lots, both residential and non-residential and the value equivalent of 20 m² of land for each additional household unit created. For additional rural lots this is 5% of the equivalent value of the house site of 1,000 m² within each lot.

The reserve contribution projects have not been described in the Policy. The most comprehensive list of all projects are the reserve developments which have been fully described in the SPM software, available to anyone who requests it, but not reported in the policy document.

This comprises 187 detailed projects that are to be undertaken in the LTCCP period that are new works on new reserves which are eligible for reserve contributions.

These works include around \$2.7 million per year at the start of the 10 year period increasing to \$3.8 million in 2016. These include both city wide works (i.e. parks landscaping, recreation facilities and children’s playgrounds) and ward location areas where growth is occurring (parks landscaping, recreation facilities and children’s playgrounds, toilets, changing rooms etc (new buildings to meet recreation needs)

Purchase of new parks land, totals \$2.2 to \$2.9 million per year.

Acquisition of reserve land from greenfield subdivisions as part of the reserve contribution negotiations to provide new parks makes up the rest of the funding required. Each new subdivision is assessed for cash or land contribution. The value of the land acquisition for an average of 8 new parks per year from new greenfield subdivisions is \$8 million per year.

Development works to grass and landscape the new reserves makes up the remainder being \$600,000 per year from reserve contributions.

There are two areas where there is an increase in the budget for new reserve purchases - the need to buy two new sports parks in 2009 and 2011. This adds an extra \$6 million each year to the budget. This is to meet the demand for larger areas of open space than can expect to be acquired from greenfield subdivisions.

The total of reserve development expenditure required over the ten years is 8.2% or \$160 million. The Council is collecting the maximum 7.5% reserve contribution or \$147 million and therefore the shortfall not funded by DCs is \$13.5 million.

Recommendation reference : Part D 3. No. 35 pp 82-84

6.6 Special Assessment/Extraordinary Circumstances

submitters: 4943, 5029, 5047, 5048, 5049, 5052, 5059, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5075, 5098, 5101, 5104, 5105, 5147, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5227, 5556, 5558, 5609, 5736, 5759, 5847, 5849, 5650, 5860

Officer Comment:

This is about Council discretion being available which is in part supported but there are concerns about how it is to be administered.

Section 4.4 of DCP06 allows the Council to determine that the particular circumstances of a proposed development are such that a special assessment of the Development Contributions payable is justified. The Special Assessments relate largely to non-residential applications for land uses which do not fall within the categories included in Appendix 5, being the schedule of Non-residential HUE Conversion Rates. This also includes the provision to do a Special Assessment if demand is greater than double the average rates used in Appendix 5. Recommended amendments to Appendix 5 will remove some of the uncertainty with respect to additional specified non-residential land uses.

Recommendation reference : Part D 3. No. 26 p78-79, 38 p84-87

6.7 Timing of Assessment and/or Charging

submitters: 4432, 4941, 5029, 5038, 5050, 5051 (19 parties), 5052, 5054, 5061, 5063, 5064, 5065, 5075, 5098, 5099, 5100, 5104, 5105, 5118, 5127, 5141, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5230, 5342, 5343, 5434, 5518, 5545, 5551, 5555, 5556, 5558, 5609, 5610, 5620, 5736, 5755, 5759, 5847, 5849, 5650, 5860

Officer Comment:

This is about the published wording that Council will assess and require payment upon granting resource or building consents or service connections.

This wording would require Council officers to demand payment before the developer can action the consent in question and could potentially be years before they actually develop the land in the case of subdivisions.

Changes to the wording have provided for assessments to be made on the above timing and clarify that invoicing and payment will be required at the time the developer actions the consent. That is upon application for a RMA Section 224c Certificate on subdivision or on uplift of a building consent or service connection authorisation. This is much the same as the timing of payment required currently under the 2004-14 DCP.

Recommendation reference : Part D 3. No. 30 pp 81-82

6.8 Reassessment of Charges

submitters: 4941, 4943, 5063, 5064, 5127, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5352, 5434, 5488, 5518, 5545, 5755, 5873

Officer Comment:

The DCP permits the review of DC charges if after 12 months from assessment they have not been paid. If in the 12 month period Council has revised the Schedule of DC Charges the new charges would apply at the review and the applicants DC charges would be adjusted (up or down) as appropriate. Note the original assessment occurs at the uplifting of the consent and there is the anticipation it will be paid within a reasonable time period. In certain circumstances in undertaking a subdivision a developer may delay application for the Section 224(c) certificate (trigger for payment of the DC charge) for some years (up to 5 years). In those circumstances the DC charge applying at the time of consent may be significantly different (at least by the impact of inflation) from those invoiced at the Section 224(c) certificate stage. Note the payment comes at a time when demand for capacity in the networks is realised. The Policy makes this matter clear and the developer is aware that the DC charges will change and should account for the impact in the decisions to delay completion of the development.

On the other hand, the adjustment of the DC charge only arises because of a change in the capital expenditure programmes (inflation or project cost changes – up or down). Also the consent application and granting triggers the demand for services which the City must satisfy in order to ensure the development can proceed without impediment. Thus by granting the consent the Council is committed to meeting the capital expenditure requirements, however the Council has no guarantee the development will proceed. The ability to adjust the assessment protects the Council from potential shortfalls in income arising from matters outside their control and to some extent acknowledges the additional cost of debt to implement infrastructure in advance of need.

Recommendation reference : No changes recommended at this time.

6.9 Review of Decisions

submitters: 5029, 5052, 5060, 5076, 5103, 5165, 5434, 5518, 5545, 5553,

Officer Comment:

A significant difference between financial contributions under the RMA and development contributions under LGA 2002 is that while FC decisions can be appealed to the Environment Court there is no such provision for DCs. The submitters appear to be seeking an independent arbiter when dissatisfied with Council decisions/ assessments. The LGA 2002 only provides for Judicial review and the Council believes that this is appropriate and more certain for all parties.

Recommendation reference : No changes recommended at this time.

6.10 Lack of Remissions Policy (also see 4.2 above)

submitters: 4432, 4943, 5029, 5047, 5048, 5049, 5052, 5053, 5054, 5059, 5061, 5062, 5064, 5065, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5075, 5079, 5080, 5081, 5098, 5100, 5101, 5103, 5104, 5105, 5127, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5208, 5230, 5343, 5434, 5518, 5545, 5556, 5558, 5609, 5649, 5736, 5788, 5847, 5849, 5650, 5860

Officer Comment:

This matter has already been discussed, more particularly in relation to achieving other Council objectives. These submitters are concerned that the removal of the remissions policy will make it more difficult to negotiate “win-win” outcomes, resulting in higher quality development than is likely with a rigid adherence to rules. There is a mix of views on this. While on the one hand good outcomes may be achieved if remissions are provided, there is a lack of certainty for developers, and the potential for a degree of “wheeling and dealing” which could be open to abuse. On a slightly different note – some crown agencies and some charitable groups are also seeking exemptions, because they provide an essential service and in the case of charitable groups are short of funds.

Recommendation reference : No changes recommended at this time.

6.11 Refunds

submitters: 5047, 5048, 5049, 5052, 5054, 5059, 5061, 5065, 5066, 5067, 5068, 5071, 5072, 5073, 5074, 5075, 5076, 5100, 5101, 5103, 5104, 5105, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5736, 5759

Officer Comment:

This is about perceived lack of clarity in the wording as drafted. An amendment is proposed to clarify that any refunds will be issued to the current consent holder and /or title holder.

6.12 Deferred Works/ Improvements to Levels of Service

submitters: 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172,

Officer Comment:

These submissions challenge some of the projects for which DCs are proposed to be charged on the basis that higher standards (i.e. changes to level of service) are involved and that this is due to RMA (Resource Consent) processes, or that it is for deferred works and not required because of growth. Waste water reticulation and treatment/disposal is cited as an example.

It is acknowledged that meeting more stringent resource consent conditions is one of the main drivers for the capital works associated with the major sewer upgrade, ocean outfall and Belfast pump station and pressure main. However all of these works are being designed and constructed with greater capacity than would be required to meet the stricter consent conditions. This additional capacity is only being constructed to provide for future growth, and therefore it is legitimate to include the cost for this growth portion in the development contribution.

Transport is another example, where submitters are concerned that developers are being asked to pay for deferred works needed to improve existing levels of service or satisfy current statutory obligations. This would be inappropriate, if it were true.

However, the LGA 2002 clearly sets out what the Council may and may not do in terms of collecting development contributions and care has been taken to ensure that the development community only pays a proportion of any of the works commensurate with the impact of growth. The transport projects on which a contribution via DC's is sought are set out in the published schedules (Appendices 3 &4). These projects are for a variety of purposes and will serve all road users, including both the existing and growth communities. In many cases, the works are not to improve the existing level of service, but to maintain the existing level of service in the face of anticipated rising demand that comes from both the existing and the growth communities. A comparison with the remainder of the Council's programme as set out in the LTCCP would reveal that there are many transport projects on which DCs are not being sought (precisely because it would be inappropriate). The methodology behind the apportionment is set out in background information, available for inspection by any interested party. It would be clear from this information that the cost of implementing any project (net of third-party funding such as LTNZ subsidy) is spread proportionally between Renewal of the asset, the Cost of Improvement required for the "Non-Growth" (ie Existing) Community and the Cost of Improvement required for the Growth Community. Only the latter portion is being charged to the growth Community. To place this in context it may be useful to point out that the DC's on Transport projects over the 10 year LTCCP should contribute some \$42m (+approx \$10m for projects recently completed), towards a total 2006-16 transport programme cost of some \$616m.

Recommendation reference : No changes recommended at this time.

6.13 Surface Water Management Issues

submitters: 5052, 5059, 5061, 5065, 5075, 5076, 5098, 5100, 5104, 5105, 5127, 5164, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5736, 5759, 5788

Officer Comment:

The main new contributor to the surface water costs are the land acquisition costs for the Henderson's Basin surface water off-site retention options for the South West Area Plan. This alone is a \$31 million project and relates to providing surface water treatment via corridors and retention basins to deal with holding the water back from the Heathcote River and Cashmere Stream and not allowing any greater run-off than exists in the former rural catchment. Hendersons Basin is the low depression in the catchment that all surface water is connected to. The other major expenditure is Heathcote Valley retention basins and swales on the park to retain and treat the stormwater from the hillside catchments and new subdivisions prior to entering the Heathcote River. Other subdivisions in the area discharge into the Avon Heathcote Estuary and there is the need to provide capacity for Richmond Hill and Augusta Street areas. These projects total \$2.73 million. Snellings Drain in Burwood forms the other major new project to form swales and a waterway corridor for the catchment, with a cost of \$2.5 million.

Assessment areas are larger and the six areas are based on the natural catchments for surface water as outlined in the ECan, CCC Planning and Consents Protocol for Surface Water Management (March 2006). Some areas have no new works and therefore no charge but these areas, especially where infill housing is occurring, require more planning work to be undertaken to increase capacity in the stormwater network and deal with water quality issues.

As suggested by the developers it would be reasonable for a reduction to be allowed in surface water management contribution where the development provides full water quality and quantity mitigation on-site to meet the requirements of the Proposed Natural Resources Regional Plan, in terms of discharge into the network. However where network upgrades are required to meet the incremental increase in run off from impervious surfaces and higher density development that impacts on water quantity and quality, then development should pay the growth component of upgrading the network.

Recommendation reference : No changes recommended at this time.

6.14 Leisure Facilities

submitters: 5053, 5054, 5065, 5100, 5103, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5749, 5847, 5849, 5650, 5860

Officer Comment:

The submitters are of the view that leisure facilities should not be funded through the DC policy. At this stage only two projects are listed (Jellie Park and QEII refurbishment). The LGA 2002 permits taking DCs for community infrastructure, and in both these cases a growth element is being built in. This is the part subject to DCs.

Recommendation reference : No changes recommended at this time.

6.15 Transport Issues

submitters: 5047, 5048, 5049, 5101, 5051 (19 parties), 5052, 5060, 5061, 5065, 5075, 5098, 5104, 5105, 5099, 5100, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5343, 5736

Officer Comment:

These submissions are concerned about the way charges have been calculated for transport infrastructure and argue that a citywide catchment is not always appropriate. There are also concerns that DCs may be being applied to other than growth elements of projects, examples quoted being the Bus Exchange expansion and Blenheim Road deviation. Other matters of detail have also been raised and a number of these are acknowledged and changes suggested in Part D.

In regard to the city-wide catchment issue, the answer is that there is free movement between all areas of the City and this is the rationale behind treating the City's transport network as a single entity. It is simply not possible (including legally) to isolate users/non-users from the particular transport infrastructure elements for which the Council is seeking (a contribution of) funding via development contributions, except in a general sense. As the background information explains with respect to Transport projects, the general contribution of backlog, existing and growth communities has been determined by using the strategic transport model with demographic inputs from the Growth Model. It should also be borne in mind that where it IS possible to isolate the particular growth community beneficiaries (for example, a roading improvement that provides access to a particular sub-division), then such costs would not be met from development contributions but rather a Works and Services contribution.

For the Bus Exchange expansion project the table in Appendix 4, page 51 indicates that of a total cost of \$55M, \$5,395,508 has been attributed to meeting "backlog" and \$49,604,492 has been attributed to "growth". None of the capital cost appears to remain unallocated. It is acknowledged that this is confusing. The values set down in the schedules in Appendix 3 and Appendix 4 give an erroneous impression (for Transport projects), in that these are the gross rather than net allocations. That is, they exclude the contribution anticipated from third-party contributions - principally, in the case of these Transport projects, subsidy that is anticipated (though not guaranteed) from Land Transport New Zealand.

The subsidy on the Bus Exchange project is anticipated to be \$29,150,000, with the remaining \$25,850,000 being funded directly by the local community. Of this sum, 9.8% is attributable to backlog, giving a net Backlog cost of \$2,535,889 and a net Growth cost (the element chargeable through DCs) of \$23,314,111. The proportion is calculated from an examination of the Level of Service afforded by the existing Bus Exchange and that desired at 2016 (the end of this LTCCP).

In summary, the "capacity" of the existing Bus Exchange has been estimated to occur at a system-wide patronage of some 13.86m passengers per year. This compares with a current (2006) patronage of approximately 16.08m passengers per year and an estimated (target) patronage (at 2016) of 36.51m passengers per year. In other words, from a Level of Service perspective, the existing Bus Exchange is already operating "over-capacity". The assumption is that the expanded Bus Exchange will provide (a

minimum) capacity equivalent to 36.51m (system-wide) boardings - or in other words that there is a current backlog of some 9.8% (calculated from $(16.08-13.86)/(36.51-13.86)$), that should be funded by the existing community, the remainder of the (need for) additional capacity being driven by the (planned) growth community.

Regarding Blenheim Road, the Project Sheet (and other information available on request) for the Blenheim Road Deviation reveals that the primary drivers for this project include "*continued congestion and poor level of safety for motorists on key demand route (Moorhouse-Blenheim)*". The congestion (and very poor safety record) on the existing road network was forecast to get considerably worse from forecast growth in traffic. Significant volumes of information detailing both the objectives and the benefits of the Deviation project was presented at public hearings to support the designation for this work and accepted by an independent Commissioner hearing the application.

Finally some doubt has been expressed about the logic of some elements of the HUE equivalences as set out in Appendix 5. This is currently being reassessed and changes may be recommended when that work has been completed.

Recommendation reference : Part D 3. No. 38 pp 84-87

7. SUPPORT FOR DC POLICY

There were some submissions supporting the DC Policy, in whole or in part, including those who have sought to add further projects.

7.1 General Support

submitters: 4311, 4774, 4896, 5153, 5156, 5233, 5322, 5554, 5601, 5648, 5739, 5826

Officer Comment:

These are by and large very short submissions supporting the premise that the development community should pay for growth. It should also be noted that there are also many submissions received and not listed above, which oppose DCP06 as drafted but do support the development contributions concept in principle.

Recommendation reference : No changes recommended at this time.

7.2 Support for Specific Parts/Localities

submitters: 4944, 5046, 5165, 5208, 5212, 5232, 5239, 5245, 5650, 5763

7.3 Request to Add Further Projects.

submitters: 4944, 5075, 5079, 5080, 5099, 5322, 5343, 5736

Officer Comment:

These submitters are requesting that the draft Policy be amended to provide for a greater quantum of, or additional, development contributions, including development contributions for:

- Development of the Section 293 site at Belfast and residential growth at Wigram and Yaldhurst/Masham;
- Storm water management and waste water collection facilities for the deferred Living HA Zones;
- The transport network, including state highways and other arterials, public transport, the bus exchange and cycling routes;
- Infrastructure on Banks Peninsula;
- Reserves on the Port Hills;
- Broadband communications and connectivity and a municipal Christchurch teleport;
- Solar heating and energy conservation and
- Special provision for particular sites (eg ChCh Airport)

The Council has, to the extent that it was able, provided for development contributions in respect of some of these matters; others fall outside of current legislation or are not a Council responsibility.

Specific comment on some particular requests follows.

Yaldhurst/Masham

Completion of the Major Sewer Upgrade projects will provide additional downstream capacity in the trunk sewer that would allow growth to be accommodated in the Yaldhurst Masham Area. New pipework to connect the new subdivision to the existing network will fall to the developer as a works and services consent condition.

Belfast

Water and wastewater servicing for the Belfast area will be addressed through the Belfast Area Plan process. The completion of the Belfast Pressure Main and Pump station will provide capacity for growth areas in the Belfast area. There is also budgetary provision in the 2014/15 and 2015/16 financial years to cover the initial works necessary to further increase capacity.

Recommendation reference : No changes recommended at this time.

8. BANKS PENINSULA DCP

Updated information requested

Submitter: 5039

Officer Comment:

This submitter seeks the updating of the reserves funds schedule for growth related developments.

Recommendation Reference: No rec. included – to be advised at hearing.

PART C. DECISIONS SOUGHT BY SUBMITTERS

This part identifies for each submitter the decision or decisions they are seeking from the Council. The requested decisions are arranged in a similar order to the issues of Part B, with submitters listed in alphabetical order for each issue.

1. CONSULTATION/INFORMATION ISSUES

Abode Homes Trust (S5316 D3) seeks that the Council sit with groups of developers to talk issues through.

A P Leenen (S5160 D1) seeks that information regarding the funding model developed in order to predict growth be available (per activity, per area of demand).

Allstor Self Storage Limited (S5146 D7) and Waterman Investments Limited (S5145 D7) seek withdrawal of the proposed Development Contributions Policy and retention of the existing policy until an alternative policy is developed, rigorously analysed and adequately consulted on.

Blogg Charitable Trust (S5098 D11), Gillman Wheelans Limited (S5075 D11 and S5736 D11), Neil Construction Ltd (S5104 D11) and Smith Developments Limited (S5052 D11) seek that the significant assumptions underlying the following matters be provided for public comment and the Council's consideration prior to inclusion in the Development Contributions Policy:

- How the demand generated by non-residential activities is developed to achieve the formula for household unit equivalents contained in Appendix 5.
- Assumption regarding the generation of demand which underlies the grouping of projects to areas of demand for water, leisure, reserves, wastewater collection, water supply and transport.
- Criteria used in determining what constitutes an “*equitable assessment of funding requirements*” in Section 3.4 Funding Model.
- Assumptions used to determine whether the level of contribution does not generally discourage development which is part of the Council's policy objective (Section 1.2).
- Assumptions used to determine how individual projects are placed into “*aggregated project category basis*” referred to in Section 1.2.1, 2nd paragraph. How does this relate to Areas of Demand?

Bruce Alexander Surveyors (S5551 D9) and Davie Lovell-Smith Limited (S5127 D9) seeks that the Council have the systems in place to be able to advise what development credits exist or contributions are payable prior to implementation of the policy.

Canterbury Manufacturers Association (S5161 D3) seeks that the policy be open to public scrutiny and debate.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D1) seeks a further period for consultation that should include opportunities for further detailed explanation of methodologies and calculations.

Fox & Associates Limited (S5230 D1) seeks that the policy be formulated in a more collaborative way and in a fashion that engenders a positive relationship between developers and the Council.

Murray Homes Limited (S5352 D2) seeks that this policy be the subject of full and rigorous debate amongst the entire community well above minimum statutory compliance.

Pegasus Property Limited (S5553 D1) seeks a delay in the introduction of the draft policy to allow for further consultation to take place to resolve issues of fairness, transparency and uncertainty.

Barrington Mall (S5558 D1), Platinum Properties Limited (S5556 D1) and Prime Projects Limited (S5609 D1) seek that the Council allow sufficient time to ensure a proper examination of the policies and effects to ensure a fair and reasonable outcome.

Property Council of New Zealand Incorporated (S5012 D1) considers that there are issues concerning development contributions that require further work and requests an extension of time for 1 month from the time this information is available to fully analyse the impact on members.

QA Villages Limited (S5620 D3) seeks that there be a proper consultation process, so that a workable compromise can be reached.

Random Investments Limited (S5038 D1) seeks that as part of the Banks Peninsula DCP integration, once proposed future costs are formulated, there is opportunity through submission, to question both the rational and compilation of the figures arrived at.

Te Runaka ki Otautahi o Kai Tahu (S5106 D1) seeks that a structure and process be established immediately, in consultation with key groups within the Maori community, that will enable meaningful consultation and discussion with Maori in relation to the draft LTCCP.

Transit New Zealand (S4944 D1) seeks that Transit be involved at an early asset management phase when the Council determines growth works on Transit's roading infrastructure to be proportionately funded by development contributions in subsequent updates of the policy.

Wigram Aerodrome Limited (S5055 D3) and Ngai Tahu Property Limited (S5053 D3) seek that should the Council agree to review the current draft DCP then there should be further consultation with affected stakeholders and the opportunity for further submissions.

2. POLICY JUSTIFICATION ISSUES

AE Architects Limited (S4942 D5) seeks that once the policy is established the maps should be incorporated into two online mega maps that are updated regularly. One

would have the dollar cost per HUE for all infrastructure/community charges for each census area unit. The other would show what figures the Council is using for land value per square metre in each area.

AE Architects Limited (S4942 D7) seeks that remissions be based on a consistent and transparent policy.

Allstor Self Storage Limited (S5146 D1) and Waterman Investments Limited (S5145 D1) seek that the policy show connections between growth and the need for capital expenditure.

Allstor Self Storage Limited (S5146 D2) and Waterman Investments Limited (S5145 D2) seek justification for defining the Areas of Demand and the policy to show links between Areas of Demand and the list of capital expenditure.

Allstor Self Storage Limited (S5146 D3) and Waterman Investments Limited (S5145 D3) seek that the relationship between non-residential and residential activities be clearly defined.

Allstor Self Storage Limited (S5146 D4) and Waterman Investments Limited (S5145 D4) seek that relevant economic theory underpins the methodology of the Development Contributions Policy.

Allstor Self Storage Limited (S5146 D5) and Waterman Investments Limited (S5145 D5) seek that the policy be transparent and the information supporting the policy be reasonably accessible.

Barrington Mall (S5558 D2), Platinum Properties Limited (S5556 D2) and Prime Projects Limited (S5609 D2) seek that the provisions set out in Sections 101 to 105, 201 and in the Schedule be met in a plausible or transparent manner and the distribution of costs justified.

Barrington Mall (S5558 D7), Platinum Properties Limited (S5556 D7) and Prime Projects Limited (S5609 D7) seek that development contributions be based on increased demand on the infrastructure caused by the development, where there is a causal connection.

BBS Group of Companies (S5465 D3) seeks that the policy be reworked to include real consultation, sound reasoning for the model reflecting local conditions and taking account of economic viability for especially inner city property investors/developers for any increases proposed.

Black Peak Holdings Limited (S5081 D1) seeks that Section 3 be reviewed by an economist.

Canterbury Manufacturers Association (S5161 D2) seeks that development contributions be related to the intensity of additional use of public facilities that will accrue to the development.

Christchurch International Airport Limited (S5165 D2) seeks that the policy be redrafted to include information such as:

- a) an assessment of the current state of existing assets;
- b) current levels of service being delivered and target levels linked to growth;
- c) a transparent and detailed assessment showing the current programme of works their reason, priority and cost; and
- d) a transparent explanation of how CCC has assessed the relationship between anticipated growth and the work CCC states is required to meet growth.

Christchurch International Airport Limited (S5165 D3) seeks that the Council provide information to support the net growth element of projects in Appendices 3 and 4.

Christchurch International Airport Limited (S5165 D9) seeks that further information be provided in relation to the methodology used to explain how a HUE calculated in accordance with vehicles per day, volume of water usage or GFA conversion is calculated.

Christchurch International Airport Limited (S5165 D11) seeks that the policy be redrafted to explain its methodology resulting in differences in different geographical contribution areas.

Christchurch Polytechnic Institute of Technology (S5227 D2) seeks that the LTCCP be amended to provide greater clarity and certainty as to the determination of development contributions required for education related projects.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D2) seeks that throughout the policy it should establish and explain the link between each activity and the demand it creates and accurately establish associated costs and benefits from these activities.

Equity Trust Pacific (Group) (S4432 D1) seeks that the increase in contributions be in accordance with the LGA and therefore be 'fair.'

Equity Trust Pacific (Group) (S4432 D2) seeks that the new or upgraded infrastructure must be real and demonstrable.

Equity Trust Pacific (Group) (S4432 D3) seeks that if there is existing infrastructure with spare capacity then this must first be utilised before a contribution for expansion can be sought.

Equity Trust Pacific (Group) (S4432 D4) seeks that consideration be taken of utilising existing infrastructure for better efficiency when assessing contributions.

Equity Trust Pacific (Group) (S4432 D9) seeks that proposed increases in contributions be clear and unequivocal in their determination without any confusion or doubt.

Fox & Associates Limited (S5230 D2) seeks that in imposing development contributions the Council demonstrate the causation, the demand, equity and consistency of such contributions and set them out so there is predictability and certainty.

Fox & Associates Limited (S5230 D3) seeks that the Council demonstrate clearly the cause and effect connection between a development and a capital works programme.

Grant MacKinnon (S5050 D1) seeks that the Council rescind the decision to apply all costs for growth to one sector of the community, namely the developer, and in accordance with both the LGA and the policy's own foundation statement apply those costs fairly across all of those who benefit, namely the entire community, including the developer.

Gillman Wheelans Limited (S5075 D21 and S5736 D21) seeks that the proposed new development contributions for growth related transport projects be sufficiently explained or justified and given serious reconsideration and reassessment before being considered for adoption.

Gillman Wheelans Limited (S5075 D23 and S5736 D23) seeks that the draft DCP provide explanation to indicate that the Growth Model is credible and accurate both for the whole of the city and for particular areas of demand or catchment areas.

Housing New Zealand Corporation (S5867 D1) seeks that there be a causal nexus between the demand for an asset or activity and the effect of a development.

Lisa Dymand (S5315 D1) seeks that the Council defer a decision on the approval of the policy and allow time to satisfactorily determine drivers of capital expenditure items or alternatively that the Council offer developments in the late planning stages a transition period to enable reasonable opportunity to amend their plans or assess their options.

Murray Homes Limited (S5352 D1) seeks that the Council delay the implementation of the policy until such time as sufficient, clear and understandable information is available to allow the development community as a whole and as individuals to accurately assess causation/linkage between the growth demand of their projects and those projects/activities making up the levy being applied to their specific development both in terms of cost and real incidence.

Pegasus Property Ltd (S5553 D2) seeks that the following five assumptions need further analysis:

- that there is a direct causal relationship between every extra Household Unit Equivalent (HUE) and infrastructure pressure;
- that this proposal is fair and reasonable;
- that this proposal does not act to discourage development;
- that developers will not hand the charges on to the buyers;
- Area of Demand – what justification is there to set these?

P Van Bussel (S5314 D1), A van der Dussen (S5312 D1) and A van ben Broek (S5313 D1) seek that the Council provide a secure and transparent process by which development contributions are calculated.

Smith Developments Limited (S5052 D9) seeks that the Council provide a definition or explanation in some manner of what constitutes the reticulated surface water management network.

Smith Developments Limited (S5052 D15) seeks that the proposed new development contributions for growth related transport projects be sufficiently explained or justified.

Tudor Developments Limited (S5755 D2) seeks that the Council confirm if the projected costs of the new infrastructure and contribution calculation model have been independently audited.

Westpark Estates Limited (S5105 D9), Blogg Charitable Trust (S5098 D9), Gillman Wheelans Limited (S5075 D12 and S5736 D12), (Neil Construction Limited (S5104 D9) and Smith Developments Limited (S5052 D14) seek that the Council assess the anticipated impact of the level and type of development contributions contained in the draft DCP on individual projects, on the various sectors of the Christchurch economy and on social and economic well-being, following which consideration be given to appropriate changes to the DCP to avoid adverse economic and social impacts and that they be re-notified.

Wigram Aerodrome Limited (S5055 D2) and Ngai Tahu Property Limited (S5053 D2) seek that the Council 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.

3. IMPACTS OF THE POLICY

BBS Group of Companies (S5465 D2) seeks that the Council provide a reasoned argument on how this policy is “Business Friendly.”

Central City Business Group (S5040 D1) seeks that any changes to the Development Contributions Policy are structured in a way that will continue to allow economically viable alterations and developments to occur in the Central City.

Grant MacKinnon (S5050 D3) seeks that the Council not implement the policy as it is written at the moment because it would be contrary to its own stated objective of not discouraging development.

Highpara Apartments (S5851 D1) seeks a policy that will not discourage redevelopment of under utilised buildings in the central city.

Horncastle Homes Limited (S5078 D2) seeks that the Council review the magnitude of the increase in development contributions.

Science on the Rocks (S5859 D1) seeks that development costs in any areas of the Centre City not be landed on the backs of the businesses there, anymore than at present.

Urban Winery Christchurch Ltd (S5756 D1) seeks that development contributions not increase.

4. RELATIONSHIP TO OTHER PLANS/POLICIES

Allstor Self Storage Limited (S5146 D6) and Waterman Investments Limited (S5145 D6) seek the alignment of the Development Contributions Policy with other Council policies, in particular those encouraging growth.

Canterbury Club Incorporated (S5103 D7) seeks that the draft policy be amended to:

- a) provide an express exception from the policy for listed heritage buildings; or
- b) introduce a remissions policy enabling the remission, in part or whole, of development contributions otherwise required for heritage buildings.

Christchurch Civic Trust (S5554 D3) seeks that a remission be given for the retention of heritage buildings.

Christchurch 2021 (S5631 D1) seeks that the Council carry out a high-level policy review to consider alternative instruments to maintain the viability and vitality of the city centre.

Eliot Sinclair & Partners Limited (S5063 D21) and Simon Ironside (S4941 D21) seek that the policy should state in detail how the credit of land set aside as reserve gets transferred to each of the new subdivided lots so that no double-dipping occurs in subsequent consent phases.

Equity Trust Pacific (Group) (S4432 D5) seeks that the imposition of increased contributions be moderated to allow the objectives of the District Plan to be achieved in relation to the inner city to benefit the wider city and its inhabitants.

Equity Trust Pacific (Group) (S4432 D7) seeks that there be incentives to encourage inner city renewal.

Fox & Associates Limited (S5230 D11) seeks that the Development Contributions Policy encourage good urban design initiatives.

Grant MacKinnon (S5050 D2) seeks that the Council follow its own stated policy and require a contribution towards costs from those that are responsible for additional demands including the Council themselves, central government and large families.

Housing New Zealand Corporation (S5867 D2) seeks the inclusion, from the Council's 2004 Development Contributions Policy, of remission policies which catered for social housing for the elderly.

Kiwi Income Property Trust (S5647 D1) seeks that the LTCCP include the Council's policy on development contributions rather than deal with the subject as a separate publication.

Manchester at Gloucester Investments Limited (S5347 D1) seeks that the Council's Development Contributions Policy proposal not have the opposite effect to the objectives and policies of the Council's own City Plan.

Mr J Hutton (S5062 D1) seeks that the policy insert the remission provisions for reserves in the current Development Contributions Policy in the draft Development Contributions Policy, in particular remissions for the retention of heritage buildings, objects and places.

Mr J Hutton (S5062 D2) seeks that the policy provide a general discretion to consider remission of contributions for network infrastructure and community infrastructure on a case-by-case basis in order to facilitate achieving community outcomes and other Council policies, particularly in relation to the retention of heritage buildings, objects and places.

New Zealand Historic Places Trust Pouhere Taonga (S5649 D1) seeks to restore heritage remissions or include alternative incentives in the Policy.

Smith Developments Limited (S5052 D18) seeks that the new contributions will only apply to resource consents, building consents and service connections which have been lodged or formally requested after the date the DCP comes into effect.

Wendy Everingham (S5208 D2) seeks that incentives be provided for growth that contributes to walkable neighbourhood communities in existing suburbs.

Westpark Estates Limited (S5105 D1), Blogg Charitable Trust (S5098 D1) and Neil Construction Limited (S5104 D1) seek to insert the remission provisions for reserves in the current Development Contributions Policy in the draft Development Contributions Policy, in particular remissions for elderly persons housing needs.

5. TRANSITIONAL ISSUES

Abros Homes Ltd (S5793 D1), Andrew W Wallace Builder Ltd (S5317 D1), David Reid Homes (Canterbury) Ltd (S5796 D1), Duncan Ford Builders Limited (S5911 D1), G M Jordan Construction Ltd (S5794 D1), Gregg Builders Ltd (S5797 D1), John Growcott (S5318 D1), J T Moir Limited (S5880 D1), Sterling Homes NZ Limited (S5874 D1), Today Homes Limited (S5795 D1) and Wayne Murray Builders Limited (S5875 D1) seek that the draft 2006 LTCCP introduction make allowance for existing contracts (land sale and purchase, building) where consents are not in place.

Apple Fields Limited (S5166 D1) and Carter Group (S5164 D1) seek that the policy be withdrawn, or, as a second preferred relief, there be a 'rollover' of the existing policy and a deferral of the new policy for at least a year or longer so as to allow a review of the proposed provisions.

Barrington Mall (S5558 D4), Platinum Properties Limited (S5556 D4) and Prime Projects Limited (S5609 D4) seek that there be transitional provisions for current developments in a near resource consent or building consent stage.

Belfast Community Trust (S5054 D4), Investment Southland Limited (S5079 D4) and Devondale Nurseries Limited (S5080 D4) seek that the policy apply from a date in the future and be implemented gradually over a period of 5 years.

Blogg Charitable Trust (S5098 D15) and Westpark Estates Limited (S5105 D13) seek that the new contributions will only apply to resource consents building consents and service connections, which have been lodged or formally requested after the date the DCP comes into effect.

Bruce Alexander Surveyors (S5551 D3), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D4), Davis Ogilvie & Partners Ltd (S5064 D3) and Wayne Alan Bond (S5545 D4) seek that the Council either delay the introduction, develop a transitional period of 2 years with the costs introduced incrementally 50% at 12 months and 100% at 24 months, or include a grandfather clause for those with pre-existing commitments (e.g. signed and dated sale and purchase agreements).

Calcannon Limited (S5048 D1), Christchurch Bilderford Holdings Limited (S5068 D1), Christchurch Golfink Holdings Limited (S5074 D1), FMP Limited (S5073 D1), Freshfields Limited (S5101 D1), GDP Nominees Limited (S5071 D1), Sabina Limited (S5066 D1), St Georges Hospital (S5049 D1) and Ziemia Limited (S5072 D1) seek to retain the existing and current Development Contributions Policy for at least 12 months, to allow for:

- information to be made available on how contributions have been calculated;
- for the relationship between activities and impacts to be properly assessed and costed;
- for constructive consultation with the affect communities; and
- for a policy which is fair and reasonable to be instigated.

Canterbury Club Incorporated (S5103 D1), Fulton Hogan Limited (S5100 D1) and Suburban Estates Limited (S5065 D1) seek that the Council amend Section 6.6.1 to set out the circumstances in which it is appropriate for the Council to postpone the payment of a contribution.

Canterbury Club Incorporated (S5103 D5), Fulton Hogan Limited (S5100 D5) and Suburban Estates Limited (S5065 D5) seek:

- a) that the Council decline to adopt the draft Development Contributions Policy;
- b) that the Council adopt the previous (existing) Development Contributions Policy as an interim measure so as to satisfy the statutory obligations under the Act;
- c) that the Council immediately commence a more thorough and comprehensive analysis and assessment of the effect of developments on new or additional assets and increased capacity of infrastructure over the life of the LTCCP and the basis upon which the capital expenditure incurred as a result of this development be calculated and recovered by the Council by way of development contributions;
- d) that once a robust, fair and reasonable Development Contributions Policy has been prepared, the policy be formally amended and considered under a subsequent special consultative procedure; **or**
- e) in the alternative, that the draft Development Contributions Policy be significantly amended so that it is based solely on requirements in accordance with Section 199 of the Act;

- f) that the amendments involve a substantial overhaul of the method of calculating contributions, the identification of capital expenditure items and the link between each item and development contribution attributable to growth;
- g) all assumptions necessary to properly carry out these assessments be included; and
- h) a consequential significant reduction be made in the level of charges and the proportion of contributions sought from development.

Canterbury Registered Master Builders (S5216 D1) seeks that the draft 2006 LTCCP makes allowance for the existing land sale and purchase and building contracts where consent applications are already lodged with, but yet to be approved by the Council, via either a longer introduction timeframe or transitional period.

Christchurch International Airport Limited (S5165 D6) seeks that an additional transitional provision be included which exempts existing projects from additional development contributions.

Christchurch International Airport Limited (S5165 D8) seeks that Section 6.6.1 be reworded to emphasise that large projects which were underway before the LTCCP are developments where a discretion to postpone payment is appropriate.

Davie Lovell-Smith Limited (S5127 D3) seeks that the introduction of the draft DCP be deferred until all of the issues have been fully thought through or Council should allow a transitional period of 2 years, or at the very least 12 months, to allow developers to gain consent for existing projects under the present development contributions regime.

Eliot Sinclair & Partners Limited (S5063 D1) and Simon Ironside (S4941 D1) seek that a transition period of between 6 and 9 months for the introduction of such a major shift in the Development Contributions Policy be introduced to allow developers who have already made a tangible commitment to a development in Christchurch City to complete the required consenting process.

Equity Trust Pacific (Group) (S4432 D8) seeks that a transition period, governed by how far down the track a project is on the date of implementation, be put in place that allows parties that are well advanced through the development process to complete their project based on the rules that they made their arrangements under.

Equity Trust Pacific (Group) (S4432 D10) seeks that the contribution be required at the end of the project when the funding process is relatively short and the developer can obtain some relief with the benefit of his sales settlements occurring, payable 12 months from the commencement of actual building.

Equity Trust Pacific (Group) (S4432 D12) seeks that the policy allow for credits where benefits are being provided from the development and where the development is assisting the community in achieving its goals or inner revitalisation and renewal.

Equity Trust Pacific (Group) (S4432 D15) seeks that the following transition periods allow existing projects to be completed in the manner in which they have begun:

- If the project has a value of \$10 million then a twelve month transition period be allowed for these projects to be completed.
- If the value was \$20 million then a 24 month transition period.
- Any project over \$30 million should have a transition period of 36 months.

Grant MacKinnon (S5050 D4) seeks that the Council change the policy to require payments on the successful implementation of both building and subdivision consents.

Gillman Wheelans Limited (S5075 D1 and S5736 D1) seeks that an extension of time be granted for consideration of the draft DCP by the public and Council and that in the meantime the existing DCP 2004/14 be maintained as the transitional policy.

Gillman Wheelans Limited (S5075 D13 and S5736 D13) seeks that payment of contributions is required, in the case of subdivision, at receipt of the Section 224 certificate and in the case of staged subdivisions, at the receipt of the Section 224 for each stage.

Gillman Wheelans Limited (S5075 D14 and S5736 D14) seeks that contributions for leisure should be required to be paid at the time of service connection.

Gillman Wheelans Limited (S5075 D27 and S5736 D27) seeks that the DCP provide a savings clause which states that the new contributions will only apply to resource consents, building consents and service connections which have been lodged or formally requested after the date the DCP comes into effect.

Gillman Wheelans Limited (S5075 D28 and S5736 D28) and Smith Developments (S5052 D19) seek that any contributions assessment made by the Council prior to 30 June 2006 remain valid for 6 months.

Grant MacKinnon (S5050 D5) seeks that the Council introduce a transitional period for the implementation of any increased costs and in particular the 'old rules' apply for projects already underway.

Horncastle Homes Limited (S5078 D1) seeks that the new policy makes allowance for the pre-selling activities prior to construction or development commencing.

Jakari Investments (S5350 D1) seeks that the Development Contributions Policy provide for transitional provisions.

Jordent Ltd (S5882 D1) seeks that the Development Contributions Policy allow for a transitional period for companies to structure associated costs for work in the consent process or existing agreements with clients.

Murray Homes Limited (S5352 D3) seeks that the Council ensure that transitional provisions covering at least 18 months (the outside timeframe for the completion of contracts currently being negotiated) are provided for within the provisions of the proposed Development Contributions Policy.

Neil Construction Limited (S5104 D15) seeks that the new contributions will only apply to resource consents, building consents and service connections which have

been lodged or formally requested after the date the DCP comes into effect and that any contributions assessment made by the Council prior to 30 June 2006 remain valid for 12 months.

Property Ventures Limited (S5077 D1) propose that, to kick start a sustained trend toward inner-city living, the Council ‘invests’ in a moratorium on Central City residential development contributions for a period of at least 10 years.

Raymond Sullivan McGlashan (S5610 D3) and Warren Haynes (S5342 D3) seek either to delay the introduction, develop a transitional period of 2 years with the costs introduced incrementally 50% at 12 months and 100% at 24 months, or include a grandfather clause for those with pre-existing commitments (e.g. signed and dated sale and purchase agreements or evidence of Resource Consents granted or PIM’s issued).

Rutherford & Company (S5343 D1) seeks that Section 6 be rewritten to give developers certainty and a practical financing path ahead for varying types of development in differing circumstances and places.

Simon Mortlock (S5051 D1) seeks that the Council revisit the timeframe within which the policy be fully implemented, allowing a transition period while the Council addresses queries on capital expenditure, its inclusion and its cost before meaningful consultation can take place.

Stonewood Homes (S5749 D1) seeks that the Draft 2006 LTCCP introduction makes allowance for existing contracts (land sale and purchase, building) where consents are not in place.

Texco Group (S5873 D1) seeks that applications lodged with sufficient information before 1 July 2006 be processed under the pre-1 July 2006 Development Contributions Policy.

Tudor Developments Limited (S5755 D1) seeks that the Council either delay the introduction of the DCP **or** include a grandfather clause for projects with pre-existing commitments (e.g. signed and dated sale and purchase agreement, PIM granted and subdivision and land use consents applied for prior to July 1st 2006).

Tudor Developments Limited (S5755 D9) seeks that the development contributions payable for resource consent applications lodged by Thursday, June 1st be assessed under the 2004 DCP.

Wigram Aerodrome Limited (S5055 D6) and Ngai Tahu Property Limited (S5053 D6) seek that the Council provide for progressive implementation of the DCP provisions over a five year period.

W M Van den Berg (S5434 D3) seeks that the Council either delay the introduction, develop a transitional period of 4 years with the costs introduced incrementally 12.5% at 12 months, 30% at 2 years, 60% at 3 and 100% at 4 years.

6. CONCERNS ABOUT PARTICULAR ELEMENTS OF DC POLICY

Abode Homes Trust (S5316 D1) seeks that the Council reconsider the fees set.

Abode Homes Trust (S5316 D2) seeks that the Council source finance to cover their needs from other areas of their total budget by further priority of funds and projects.

AE Architects Ltd (S4942 D1) seeks that the Council retain the household unit as a base, tempered on the area of the unit as the population of a household roughly follows the area.

AE Architects Ltd (S4942 D2) seeks that the reserve contribution be based on the following:

- a) Set a cap of \$15,000 maximum reserve contribution for any additional unit.
- b) Setting the reserve contribution as a % of the maximum allowable relative to the current Council zoning system.

AE Architects Ltd (S4942 D3) seeks that development contributions be charged on additional floor area to existing or replacement buildings which results in additional occupants or growth.

AE Architects Limited (S4942 D4) seeks that the Council alter their proposed Development Contributions Policy so that it is fairer and less onerous by: reducing the development contribution of small units to reflect the lower occupancy; not charge the maximum reserve contribution in the central city and surrounding areas to reduce the distortion cause by land prices which will likely stop or seriously hamper residential growth in these areas; and spreading the charges to include additions and replacement of existing houses to reflect the increase in growth they cause in a modest way.

AE Architects Ltd (S4942 D6) seeks that Section 2.4.2 be linked to CPI and updated yearly so that future changes, new additions and additional units added to buildings can be assessed fairly.

AE Architects Limited (S4942 D8) seeks that the development contribution is charged on the total new development, not on the total development.

Aidanfield Holdings Limited (S5076 D1) seeks that the draft Development Contributions Policy be amended to include:

- a) 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);
- b) the clear identification of specific items 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;
- c) 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;
- d) what refunds or credits will be available to levied parties in the event that the Council does not apply the contributions within the indicated 10 year time horizon;

- e) whether the proposed capital works are directly related to the development against which the contributions have been levied.

Aidanfield Holdings Limited (S5076 D2) seeks that there be provision for remissions from development contributions not only in terms of reserve contributions, but in other levies, where following agreement with the 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.

Aidanfield Holdings Limited (S5076 D3) seeks that the Council should provide all property owners, developers and other levied parties with the opportunity to have such contributions reviewed where appropriate.

AJ Cowie Consultants Limited (S5141 D1) seeks that the timing of payment of development contributions be at application for the code of compliance certificate or Section 224(c) certificate.

Barbara Stewart (S5153 D1) seeks that funds generated from this policy not go into the general Council funds, but into a specific development fund where it can be clearly registered and used solely towards development.

Barrington Mall (S5558 D3), Platinum Properties Limited (S5556 D3) and Prime Projects Limited (S5609 D3) seek that the requirement for payments not be made at resource consent stage and that reassessment apply only to the additional demand.

Barrington Mall (S5558 D5), Platinum Properties Limited (S5556 D5) and Prime Projects Limited (S5609 D5) seek that there be provision for remissions from development contributions in appropriate cases as there is now.

Barrington Mall (S5558 D6), Platinum Properties Limited (S5556 D6) and Prime Projects Limited (S5609 D6) seek that extraordinary assessments not be at the discretion of the Council unless appropriate, consistent and transparent.

BBS Group of Companies (S5465 D1) seeks that remissions and special arrangements be scoped as an integral part of this exercise.

Beachville Properties Limited (S5047 D1), Luney's (S5059 D1) and Reefville Property Holdings Limited (S5067 D1) seek that:

- the Council defer the adoption of the LTCCP until it has prepared a Development Contributions Policy that is fair, reasonable, equitable and transparent; **or**
- should the Council move to adopt the LTCCP that it will not act on implementing the charges as contained in the Development Contributions Policy until such time as this policy has been subject to a special consultative process that fairly reflects the importance of these issues by allowing access to all of the background information and reasonable period for submission and hearing deliberations; **or**
- the Council retain the current Development Contributions Policy for the next 12 month period during which the proposed Development Contributions Policy is subject to a special consultative process that fairly reflects the importance of

these issues by allowing access to all of the background information and reasonable period for submission and hearing deliberations; or

- the Development Contributions Policy be amended to fairly and accurately reflect the actual costs that are directly attributable to development.

Belfast Community Trust (S5054 D1), Investment Southland Limited (S5079 D1) and Devondale Nurseries Limited (S5080 D1) seek that the policy be amended after further consultation to address the following specific areas of concern:

- a) That the policy not be retrospective in its application as per Section 2.3 of the Ppolicy.
- b) That there is a clear binding period by which the Council must provide the reserves, network infrastructure and/or community infrastructure the development contributions received relates to.
- c) That the level of development contribution charges proposed is reasonable and fair.
- d) That 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.
- e) That 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.

Belfast Community Trust (S5054 D3), Investment Southland Limited (S5079 D3) and Devondale Nurseries Limited (S5080 D3) seek the removal of wording “*external to the boundaries of the development site*” from paragraph 1 of Section 1.2.1, removal of “*and will*” from paragraph 3 of Section 1.2.1 and, with respect to paragraph 3 of Section 1.2.1 – either clarify circumstances where development contributions may be required for community services; or exempt some or all community services development from the payment of development contributions.

Belfast Community Trust (S5054 D5), Investment Southland Limited (S5079 D5) and Devondale Nurseries Limited (S5080 D5) seek that in respect to Section 6.6.3 – either reinstate the remission and reduction of development contributions provisions in the earlier version of the Development Contributions Policy; and/or amend Section 6.6.3 to outline conditions and/or criteria where the Council may exercise is 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.

Blogg Charitable Trust (S5098 D2), Neil Construction Limited (S5104 D2), Smith Developments Limited (S5052 D2) and Westpark Estates Limited (S5105 D2) seek that the Council provide a general discretion to consider remission of contributions for network infrastructure and community infrastructure on a case by case basis in order of facilitate achieving community outcomes and other Council policies.

Blogg Charitable Trust (S5098 D3), Neil Construction Limited (S5104 D3), Smith Developments Limited (S5052 D3) and Westpark Estates Limited (S5105 D3) seek that the Council require payment of contributions for subdivision when the Section 224 certificate is obtained and, in the case of staged subdivisions, when the Section 224 is obtained for each stage.

Blogg Charitable Trust (S5098 D6), Gillman Wheelans (S5075 D10 and S5736 D10), Neil Construction Limited (S5104 D6), Smith Developments Limited (S5052 D10) and Westpark Estates Limited (S5105 D6) seek that the works associated with growth for transport, water and sewage be reassessed and allocated to more specific Areas of Demand rather than the single large area for transport, water and the two areas for water.

Blogg Charitable Trust (S5098 D4), Neil Construction Ltd (S5104 D4) and Westpark Estates Limited (S5105 D4) seek that all but the first sentence of Section 4.4 Extraordinary Circumstances be removed.

Blogg Charitable Trust (S5098 D8), Neil Construction Limited (S5104 D8), Smith Developments Limited (S5052 D13), Westpark Estates Limited (S5105 D8) seek that the Council reconsider the maximum level of reserve contributions and provide for remissions of these contributions as occurs in the current DCP.

Blogg Charitable Trust (S5098 D12), Gillman Wheelans Limited (S5075 D25 and S5736 D25), Neil Construction Ltd (S5104 D12) and Smith Developments Limited (S5052 D16) seek that after “...to connect it to existing infrastructural services...” add to Section 1.3, paragraph 1 “*except where such works are provided for in the LTCCP or could reasonably be expected to be included within Appendix 4 relating to planned growth.*”

Blogg Charitable Trust (S5098 D13) and Neil Construction Ltd (S5104 D13) seek that development contributions paid by the developer be ‘credited’ to each individual lot to ensure that at building consent stage, that a particular lot is not charged again for further contributions (other than where contributions are reassessed and increased).

Blogg Charitable Trust (S5098 D14) and Neil Construction Ltd (S5104 D14) seek that the draft DCP is amended in the following manner:

- a) That the following be added to Section 6.3 in the DCP:
- b) “*Where a development provides detention and treatment fully within the boundaries of the site and the post-development flows are equal or less than the pre-development flows from the site and of similar or better quality, then no surface water management contribution will be required.*”
- c) That the following statement be added to Section 6.6.3 to provide clarity: “*A reduction in the surface water management contribution is available where a development provides detention and treatment prior to discharge to a piped network, waterway or open drain*” **or** that the Council no longer require developments discharging into the Council’s system to detain and treat first flush stormwater.
- d) Reinstating the remission policy from the current DCP (2004/14) in relation to surface water management and reserve contributions.
- e) Provide a definition or explanation in some manner of what constitutes the reticulated surface water management network.

Bone Marrow Cancer Trust (S5740 D1) seeks that the Council consider a mechanism for Charitable Trusts which provide a public benefit or social service to seek remission from development contributions.

Bruce Alexander Surveyors (S5551 D1), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D1), Wayne Alan Bond (S5545 D1) and W M Van den Berg (S5434 D1) seek that the existing 2004 remission policy be reinstated and adopted.

Bruce Alexander Surveyors (S5551 D2) and Davie Lovell-Smith Limited (S5127 D2) seek the amendment of Section 2.3 to allow for reassessment of contributions payable on existing consents in terms of the CPI or in terms of the contribution policy in force at the time of the consent.

Bruce Alexander Surveyors (S5551 D4), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D5), Wayne Alan Bond (S5545 D5) and W M Van den Berg (S5434 D4) seeks that the existing policy of payment of development contributions on subdivision consents be made prior to the issue of Council's Section 224 certificates be retained and that the contributions relating to building consents are paid at issue of the code of compliance certificate.

Bruce Alexander Surveyors (S5551 D5), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D6), Wayne Alan Bond (S5545 D6) and W M Van den Berg (S5434 D5) seek that the Council amend the actual credits to reflect that once contributions have been paid they can not be reassessed for top-ups.

Bruce Alexander Surveyors (S5551 D6 and S5551 D7), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D7), Davie Lovell-Smith Limited (S5127 D7), Davis Ogilvie & Partners Limited (S5064 D6), Raymond Sullivan McGlashan (S5610 D6), Wayne Alan Bond (S5545 D7), Warren Haynes (S5342 D6) and W M Van den Berg (S5434 D6) seek the amendment of Historic Credits (Section 2.4.1) so that full credit on the basis of 1 HUE per allotment is made and only new additional allotments, buildings or service connections are subject to development contributions.

Bruce Alexander Surveyors (S5551 D8), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D8), Davie Lovell-Smith Limited (S5127 D8), Wayne Alan Bond (S5545 D8) and W M Van den Berg (S5434 D7) seek that the policy of credits be reviewed to specifically allow and advise how credits can be carried over from one stage to another in a development.

Bruce Alexander Surveyors (S5551 D10), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D10), Davis Ogilvie & Partners Limited (S5064 D9), Raymond Sullivan McGlashan (S5610 D9), Tudor Developments Limited (S5755 D8), Wayne Alan Bond (S5545 D10) and Warren Haynes (S5342 D9) seek a reassessment of the method of controls the Council will have regarding the management and implementation of the development contributions.

Calder Stewart Industries Limited (S5061 D1) seeks:

- that the Development Contributions Policy be rejected in totality or alternatively that it be amended to reflect the actual allocation of reasonable and fair costs relating to growth that are directly attributable to a specific development; **or**

- should the Council move to adopt the LTCCP that it will not act on implementing the charges as contained in the Development Contributions Policy until such time as this policy has been subject to a special consultative process that fairly reflects the importance of these issues by allowing access to all of the background information and a reasonable period for consultation, submission and hearing deliberations; **or**
- should the council move to adopt the LTCCP that it will retain the current Development Contributions Policy for the next 12 month period during which the draft Development Contributions Policy is subject to a special consultative process that fairly reflects the importance of these issues by allowing access to all of the background information and a reasonable period for consultation, submission and hearing deliberations; **or**
- the Council defers the adoption of the LTCCP until it has prepared a Development Contributions Policy that is fair, reasonable, equitable and transparent.

Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D3) and Wayne Alan Bond (S5545 D3) seeks that the Council have the systems or resources to administer the introduction of the new contributions policy.

Canterbury Club Incorporated (S5103 D2), Fulton Hogan Limited (S5100 D2) and Suburban Estates Limited (S5065 D2) seek that Section 6.6.2 be amended to allow the Council to review development contributions in appropriate cases.

Canterbury Club Incorporated (S5103 D3), Fulton Hogan Limited (S5100 D3) and Suburban Estates Limited (S5065 D3) seek that Section 6.6.3 be deleted and substituted with a provision for remissions from development contributions, being continuation of the Council's current policy to consider remission of contributions in appropriate cases.

Canterbury Club Incorporated (S5103 D4), Fulton Hogan Limited (S5100 D4) and Suburban Estates Limited (S5065 D4) seek that the following provision be deleted from Section 6.6.4 *“For the avoidance of doubt, and except in relation to any money or land taken for a specified reserves purpose, the Council will not refund a development contribution where any specific project does not proceed, unless the activity for which the development contribution was taken is not provided.”*

Canterbury Club Incorporated (S5103 D6), Fulton Hogan Limited (S5100 D6) and Suburban Estates Limited (S5065 D6) seek that the provisions relating to postponement, review, remission, reduction and refund of development contributions be amended to address the concerns raised in this submission.

Canterbury District Health Board (S5788 D1) seeks that the Draft LTCCP be amended so that it is clear that the CDHB enjoys the exemption offered to the Crown **or** that the Council consider worked examples of the impact of the proposed system on crown agents not the ‘Crown’ for the purposes of section 7.4 to better understand the full impact of the proposed assessment system for development contributions.

Canterbury District Health Board (S5788 D1) seeks that the Council has the systems and processes to effectively administer the proposed system.

Christchurch Civic Trust (S5554 D1) seeks that more detail be provided as to how development contributions, particularly for reserves, are to be spent.

Christchurch Civic Trust (S5554 D2) seeks that there be a remission for the Central City.

Christchurch Civic Trust (S5554 D4) seeks that the granting of HUE credits be fairly applied.

Christchurch International Airport Limited (S5165 D1) seeks that the policy needs a specific section recognising that CIAL is a special case.

Christchurch International Airport Limited (S5165 D4) seeks that development of CIAL's core infrastructure should be regarded as a special case in relation to the requirement for payment of development contributions. By core infrastructure CIAL refers to assets such as the terminal, car parks, runways, taxiways and hangars as differentiated from other development on airport owned land such as premises leased by third party warehouses. CIAL seeks that the core infrastructure of CIAL be recognised in the LTCCP as a special category with its own provisions relating to the payment of development contributions.

Christchurch International Airport Limited (S5165 D5) seeks that the policy be amended to recognise CIAL's unique role and include in the extraordinary circumstances category a recognition that the core infrastructure associated with the airport is simply a mechanism to move people to and from other destinations within the City. Therefore the extraordinary circumstances section should include specific recognition of the core infrastructure assets of CIAL and provide for a special case for development contributions for those core assets.

Christchurch International Airport Limited (S5165 D7) seeks that provision be included for deferral of the payment of development contributions and for the Council to have discretion to permit development contributions to be assessed at the time of consent being issued but paid through the life of any development rather than at the time of consent.

Christchurch International Airport Limited (S5165 D10) seeks that the policy provide for an appeals procedure whereby parties who are dissatisfied with the exercise of discretion can have the decision reviewed.

Christchurch Polytechnic Institute of Technology (S5227 D1) seeks that the LTCCP recognise the contribution that facilities such as the CPIT City Campus make in central city revitalisation and provide for discounted or reduced development contribution levies.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D3) seeks that the policy should adopt a population based approach for residential HUEs and an actual use based approach for commercial HUEs.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D4) seeks that the policy is amended to correctly annotate the Areas of Demand maps. For example, Map 4 (Surface Water Management) incorrectly shows

Census Area Unit 40 in the Heathcote catchment, when large parts of it actually drain to the Halswell catchment.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D5) seeks a change of timing of payment of development contribution levies to the issue of the Section 224 certificate.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D6) seeks that the policy recognise, give credit for and continue to actively encourage the provision of private measures such as stormwater treatment schemes on private land, that cope with demands from and mitigate the effects of individual development projects.

Davie Lovell-Smith Limited (S5127 D5) seeks that the existing policy of paying development contributions for subdivision prior to the issue of the Council's Section 224 certificate be retained.

Davie Lovell-Smith Limited (S5127 D6) seeks that the Council amend the actual credits to reflect that once contributions have been paid they cannot be reassessed.

Davis Ogilvie & Partners Limited (S5064 D2), Raymond Sullivan McGlashan (S5610 D2) and Warren Haynes (S5342 D2) seek that Section 2.3 be amended to allow for reassessment of contributions payable on existing consents in terms of the CPI or in terms of the contribution policy in force at the time of the consent.

Davis Ogilvie & Partners Limited (S5064 D4), Raymond Sullivan McGlashan (S5610 D4) and Warren Haynes (S5342 D4) seek that the existing policy of payment of development contributions on subdivision consents be made prior to the issue of Council's Section 224 certificates be retained and that the contributions relating to building consents are paid at issue of the code of compliance certificate.

Davis Ogilvie & Partners Limited (S5064 D5), Raymond Sullivan McGlashan (S5610 D5) and Warren Haynes (S5342 D5) seek the amendment of actual credits to reflect that once contributions have been paid they can not be reassessed for top-ups.

Davis Ogilvie & Partners Limited (S5064 D7), Raymond Sullivan McGlashan (S5610 D7) and Warren Haynes (S5342 D7) seek that the policy of credits be reviewed to specifically allow and advise how credits can be carried over from one stage to another in a development.

Davis Ogilvie & Partners Limited (S5064 D8) seeks that the Council have the systems in place to be able to advise what development credits exist or contributions are payable prior to the implementation of the policy.

D L Harwood (S5555 D1) seeks that reasonable contributions be paid at the conclusion of the development project.

Eliot Sinclair & Partners Limited (S5063 D2) and Simon Ironside (S4941 D2) seek that if a contribution is to be charged the policy state this.

Eliot Sinclair & Partners Limited (S5063 D3) and Simon Ironside (S4941 D3) seek that if there is to be a remission in respect of the payment of the contribution, the grounds for the remission be stated.

Eliot Sinclair & Partners Limited (S5063 D4) and Simon Ironside (S4941 D4) seek that the Council issues comprehensive guidelines to the Council staff, as to whether a resource consent matter constitutes a development or not.

Eliot Sinclair & Partners Limited (S5063 D5) and Simon Ironside (S4941 D5) seek that the Council review the previous two years of resource consent applications received and processed and determine which types of applicants constitute developments and which do not before writing this guideline.

Eliot Sinclair & Partners Limited (S5063 D6) and Simon Ironside (S4941 D6) seek that those guidelines form part of the policy to ensure clear and transparent interpretation by applicants, consultants and Council staff.

Eliot Sinclair & Partners Limited (S5063 D7) and Simon Ironside (S4941 D7) seek that in the event of a dispute of interpretation as to whether a resource consent application is for a ‘development,’ there is a mechanism for resolution with Council which is cost effective and not time consuming, i.e. decision within 24 hours and that this be outlined in the policy.

Eliot Sinclair & Partners Limited (S5063 D8) and Simon Ironside (S4941 D8) seek that GFA in a non-residential development include only additional floor area associated with the additional carparking and not include carparking replaced within the building.

Eliot Sinclair & Partners Limited (S5063 D9) and Simon Ironside (S4941 D9) seek that in a non-residential development, GFA not include a top floor used for any activity if it is not roofed and that the historic credit principles be amended to exclude unroofed uses from GFA.

Eliot Sinclair & Partners Limited (S5063 D10) and Simon Ironside (S4941 D10) seek that the second bullet point describing the ‘Principles of historic credits’ be expanded to include “*or for subdivision of land containing any existing residential unit.*”

Eliot Sinclair & Partners Limited (S5063 D11) and Simon Ironside (S4941 D11) seek that subdivision of sites with existing buildings be treated no differently to a boundary adjustment with no development contributions payable.

Eliot Sinclair & Partners Limited (S5063 D12) and Simon Ironside (S4941 D12) seek that development contributions other than, perhaps, the reserve contribution, not be secured by the Council at the subdivision stage and be deferred to the building consent stage or authorisation for service connection stage.

Eliot Sinclair & Partners Limited (S5063 D13) and Simon Ironside (S4941 D13) seek that the policy be amended to require payment to occur at any time prior to the release of the code of compliance certificate and/or subdivision conditions certificate.

Eliot Sinclair & Partners Limited (S5063 D14) and Simon Ironside (S4941 D14) seek that at the time the consent or authorisation is issued, that the development contribution is identified with a statement that it can be paid at any stage prior to the issuance of the code of compliance certificate or subdivision conditions certificate.

Eliot Sinclair & Partners Limited (S5063 D15) and Simon Ironside (S4941 D15) seek that the policy must explicitly state that when development contribution payment is made within the prescribed period, there will be no further liability for payment 'top-ups.'

Eliot Sinclair & Partners Limited (S5063 D16) and Simon Ironside (S4941 D16) seek that Council modify its policy to still allow credits and debits to be identified and addressed as proposed, but not require the payment of these contributions any sooner than at a time when the type of activity proposed for a site is known.

Eliot Sinclair & Partners Limited (S5063 D17) and Simon Ironside (S4941 D17) seek that the policy clearly sets out in detail how contributions will be allocated as credits to each allotment so that new allotment purchasers (and the subdividers) can be confident that the credits have been correctly carried forward in advance of a subsequent application for consent or service authorisation.

Eliot Sinclair & Partners Limited (S5063 D18) and Simon Ironside (S4941 D18) seek that it be possible for a subdivider or an allotment purchaser, at any time, to request a 'statement' for their property which confirms the development contribution credits that currently apply and in particular, how this contribution was calculated.

Eliot Sinclair & Partners Limited (S5063 D19) and Simon Ironside (S4941 D19) seek that a guideline outlining by whom and to what standard this assessment of credits for an existing site is to be carried out be incorporated into the Development Contributions Policy.

Eliot Sinclair & Partners Limited (S5063 D20) and Simon Ironside (S4941 D20) seek that at the time of the release of a Section 224(c) certificate to the surveyor for all future subdivisions, a Council certificate be released to the applicant stating how all financial contribution paid at the time of subdivision has been distributed to each of the new allotments.

Eliot Sinclair & Partners Limited (S5063 D22) and Simon Ironside (S4941 D22) seek that a comprehensive database to be set up to include each rateable property in Christchurch City capable of audit to show that the policy has been correctly and uniformly applied.

Equity Trust Pacific (Group) (S4432 D6) seeks that there be a policy of rebates put in place that allows reductions on contributions where identifiable benefits are being provided to the inner city.

Equity Trust Pacific (Group) (S4432 D11) seeks that a process be put in place to determine and negotiate contributions earlier than at the resource consent phase.

Equity Trust Pacific (Group) (S4432 D13) seeks that the application of the development contribution to inner city hotel developments/serviced

apartments/apartments be moderated to equitably reflect their nature and demand on infrastructure and credits be provided as a way of targeting inner city renewal.

Equity Trust Pacific (Group) (S4432 D14) seeks that no contribution be charged for areas that currently exist or where there will be no use of services/facilities remote to the inner city or where the principal use of the new development will not create demand on services.

Equity Trust Pacific (Group) (S4432 D16) seeks that the policy be moderated when applied to the inner city or the rates differential removed.

Equity Trust Pacific (Group) (S4432 D17) seeks that the Development Contributions Policy encourage sustained development of additional hotel rooms and better quality office space in the CBD as a means of underscoring the importance of the city to the region at large via application of the Extraordinary Circumstances provision.

Fox & Associates Limited (S5230 D4) seeks that once a contribution level is set then that should be sufficient to cover that entity for the purpose it was created.

Fox & Associates Limited (S5230 D5) seeks that the Council target actual demand by distinguishing between a one-bedroom and five-bedroom home and its impact on infrastructure.

Fox & Associates Limited (S5230 D6) seeks that the existing 2004 remission policy be retained in the 2006 policy.

Fox & Associates Limited (S5230 D7) seeks that development contributions be payable upon release of the Section 224(c) certificates for subdivision consent and code of compliance certificates for building consent.

Fox & Associates Limited (S5230 D8) seeks that the fee increase be phased in over a 2-3 year period.

Fox & Associates Limited (S5230 D9) seeks that the policy of credits be reviewed so that credits from one stage of a development can be carried to the next and not remain with the individual section/units in the previous stage.

Fox & Associates Limited (S5230 D10) seeks that the Council detail how credits or refunds will be dealt with in the advent that a capital works project does not proceed.

Fulton Hogan Limited (S5100 D7) and Suburban Estates Limited (S5065 D7) seek that as with single stage subdivisions, payment for staged subdivisions should be required at the time the Section 224 certificate for each stage is uplifted.

G & J McVicar and Christ's College Canterbury (S5029 D1) seeks that the policy relating to existing applications and credits take into account developments that are subject to references to the City Plan that were initiated prior to 2004.

G & J McVicar and Christ's College Canterbury (S5029 D2) seeks that Section 3.7 be altered to allow the Council to retain the discretion to accept less than the

maximum where there are other significant benefits for the community that can be gained through an overall development package.

G & J McVicar and Christ's College Canterbury (S5029 D3) seeks that the following statement be replicated in Section 4.1 for residential developments. *“The Council is conscious that development contribution charges should be recovered at the earliest opportunity and should not be unfairly borne by future potential purchasers of subdivided sites.”*

G & J McVicar and Christ's College Canterbury (S5029 D4) seeks that Section 4.4 also refer to developments that are extraordinary in other ways that can provide significant benefits for the community in ways such as the provision of recreational tracks.

G & J McVicar and Christ's College Canterbury (S5029 D5) seeks that the Council retain a discretion to be able to enter into specific arrangements with the developers of extraordinary developments that provide significant benefits for the community also, upon request by the developer.

G & J McVicar and Christ's College Canterbury (S5029 D6) seeks that the policy also provide for development contributions to be sought upon a re-zoning for the land, prior to subdivision consent being applied for and granted.

G & J McVicar and Christ's College Canterbury (S5029 D7) seeks that if the Council amends Section 6.1 as requested by D6 that a further amendment should be made to this provision so that a development contribution may not be required by the Council if an overall development contributions package has already been agreed to by the Council at an earlier stage in the process and the development as contemplated when the package was negotiated is proceeding.

G & J McVicar and Christ's College Canterbury (S5029 D8) seeks that Section 6.4 be amended to clearly state that less cash than the maximum allowed for under the LGA may be accepted in some circumstances where substantial amounts of land are being received, even if the value accorded to that land is less than the LGA maximum allowable amount.

G & J McVicar and Christ's College Canterbury (S5029 D9) seeks that amendments be made to the extraordinary circumstances section and to other sections reserving a discretion for the Council so that when matters are brought before the Council for a decision it is clear to a developer what matters the Council will entertain for such discretionary consideration and what it will not.

G & J McVicar and Christ's College Canterbury (S5029 D10) seeks that there ought be some provision for remissions or reductions to be applied for or granted.

G & J McVicar and Christ's College Canterbury (S5029 D11) seeks that amendments be made to other sections of the policy in order for such agreements to be truly effective and for them to be able to cover a wide range of issues such as will be required to implement such agreements.

Gillman Wheelans Limited (S5075 D3 and S5736 D3) seeks that the reference to adding GST be removed from Table 5.2, Step 6.

Gillman Wheelans Limited (S5075 D4 and S5736 D4) seeks that reference to Section 1.6 in Section 6.4 be changed to 6.1.

Gillman Wheelans Limited (S5075 D5 and S5736 D5) seeks that reference to “household unit” in the Development column of Table 4.3 for Residential be changed to “residential unit.”

Gillman Wheelans Limited (S5075 D6 and S5736 D6) seeks that reference in the 2nd bullet point on page 30 to “household unit” be changed to “residential unit.”

Gillman Wheelans Limited (S5075 D7 and S5736 D7) seeks that Map 1A Reserves Catchments: Land and Map 1B Reserves Catchments: Facilities be changed as they appear to serve no purpose as they are not used as a basis for contributions.

Gillman Wheelans Limited (S5075 D8 and S5736 D8) seeks that the Council insert the remission provisions for reserves in the current Development Contributions Policy in the draft Development Contributions Policy, and provide a general discretion to consider remission of contributions for network infrastructure and community infrastructure on a case by case basis in order to facilitate achieving community outcomes and other Council policies.

Gillman Wheelans Limited (S5075 D9 and S5736 D9) and Smith Developments Limited (S5052 D5) seeks that a reduction in development contributions can be applied for where a developer undertakes significant upgrade works to existing Council infrastructure, which is not contained within the schedule of Capital Works within the LTCCP.

Gillman Wheelans Limited (S5075 D15 and S5736 D15) seeks that the following sentence from Section 6.6.4 of the draft Development Contributions Policy be removed: *“For the avoidance of doubt and except in relation to any money or land taken for a specified reserve purpose, the Council will not refund a development contribution where any specific project does not proceed, unless the activity for which the development contribution was taken is not provided.”*

Gillman Wheelans Limited (S5075 D16 and S5736 D16) and Smith Developments Limited (S5052 D4) seek that all but the first sentence of Section 4.4 Extraordinary Circumstances be removed.

Gillman Wheelans Limited (S5075 D17 and S5736 D17) seeks that the following be added to Section 6.3 in the DCP: *“Where a development provides detention, treatment and disposal of stormwater fully within the boundaries of the site then no surface water management contribution will be required”*

Gillman Wheelans Limited (S5075 D18 and S5736 D18) seeks that the following be added to Section 6.6.3 to provide clarity: *“A reduction in the surface water management contribution is available where a development provides detention and treatment prior to discharge to ground, a piped network, waterway or open drain”* **or**

that the Council no longer require developments discharging into the Council's system to detain and treat first flush stormwater.

Gillman Wheelans Limited (S5075 D19 and S5736 D19) seeks that the Council reinstate the remission policy from the current DCP (2004/14) in relation to surface water management and reserve contributions.

Gillman Wheelans Limited (S5075 D20 and S5736 D20) seeks that the Council provide a definition or explanation in some manner of what constitutes the reticulated surface water management network.

Gillman Wheelans Limited (S5075 D24 and S5736 D24) seeks that the Council not take reserve contributions at a level of 7.5% of land value unless there is clearly a need for this level of contribution.

Gillman Wheelans Limited (S5075 D26 and S5736 D26) and Smith Developments Limited (S5052 D17) seek that the Council's administrative system ensure that credits will be appropriately recorded to ensure that no double payment occurs for a subdivision/development.

Henshaw Developments Limited (S5864 D1 and S5320 D1)) seeks that the development and redevelopment of commercial buildings within the city's existing business zones be exempt from the proposed levy.

Hereford Holdings Limited (S5154 D2) seeks that Central City development levies be minimal.

Horncastle Homes Limited (S5078 D3) seeks that the development contributions be paid upon the issue of the Section 224(c) and code of compliance certificates.

Murray Homes Limited (S5352 D4) seeks that the Council ensures that the wording of the policy is robust such that, once claimed at the time of subdivision, where the builder/owner is making application for a building that fits with the type of building (in size and use) anticipated at the time the subdivision development was approved, that no further development contributions are payable at the time of issue of building consent or services connection.

New Zealand Cashflow Control Limited (S5559 D1) seeks that in adopting the Development Contributions Policy:

- the rules of natural justice be followed;
- decisions reached be rational and reflect the cogency and authority of the submissions received; and
- the decision reached not be manifestly contrary to the Council's rules, objectives and policies contained within the City Plan.

North Canterbury Federated Farmers (S5648 D1) seeks that the Council increase the proportion of revenue collected through the sale of goods and services, fees and charges and other external sources.

Property Council of New Zealand Incorporated (S5012 D2) seeks that any development contribution levy only be applicable to the immediate development area at that time.

QA Villages Limited (S5620 D1) seeks that a per bedroom or per use fee be allocated in lieu of a HUE.

QA Villages Limited (S5620 D2) seeks that the Council invoice at code of compliance stage.

Random Investments Limited (S5038 D2) seeks that the assessed development contribution be payable when requesting the Section 224 certificate.

Random Investments Limited (S5038 D3) seeks that the following be added onto the end of Section 7.6 on page 28: *“Accordingly all monetary amounts appearing in this draft policy are exclusive of GST.”*

Raymond Sullivan McGlashan (S5610 D8) and Warren Haynes (S5342 D8) seek that the Council have the systems in place to be able to advise say within 24 hours of a receipt of an enquiry what development credits exist or contributions are payable in respect of a proposed development.

Riccarton/Wigram Community Board (S5046 D1) seeks that the current policy be changed so the development contribution payments be allocated to local associated infrastructure projects.

Rutherford & Company (S5343 D3) seeks that developments that provide facilities conducive to such transport or energy savings should have their development contributions reduced.

Rutherford & Company (S5343 D5) seeks that development contributions be related to development costs as appropriate to the geographical community being served.

Rutherford & Company (S5343 D6) seeks that development contributions must take account of higher development costs in places like Wainui.

Rutherford & Company (S5343 D7) seeks that the broadbrush citywide transport contribution proposed not be applied Banks Peninsula wide.

Rutherford & Company (S5343 D8) seeks that the Development Contributions Policy take account of the existing and potential developments in Banks Peninsula, including the possibility of further development beyond Sumner and around the Bays.

Rutherford & Company (S5343 D9) seeks that voluntary contributions for broadband communication connectivity incur a development credit or that developers either contribute to road transport upgrade in the community or an upgrade in broadband connectivity.

Rutherford & Company (S5343 D11) seeks that a development credit be given for broadband communications services, either wired or wireless, being established by developers in their developments.

Saxonknight Limited (S5118 D1) seeks that levies be paid when the code of compliance or Section 224 is issued.

Smith Developments Limited (S5052 D1) seeks that the Council insert the remission provisions for reserves in the current Development Contributions Policy in the draft Development Contributions Policy.

Smith Developments Limited (S5052 D6) seeks that the following be added to Section 6.3 in the DCP. *“Where a development provides detention and treatment of stormwater fully within the boundaries of the site and the post-development flows are equal to or less than the predevelopment flows from the site and of similar or better quality, then no surface water management contribution will be required.”*

Smith Developments Limited (S5052 D7) seeks that the following statement be added to Section 6.6.3 to provide clarity. *“A reduction in the surface water management contribution is available where a development provides detention and treatment prior to discharge to a piped network, waterway or open drain.”* Or that Council no longer require development discharging into Council’s system to detain and treat first flush stormwater.

Smith Developments Limited (S5052 D8) seeks that the Council reinstate the remission policy from the current DCP (2004/14) in relation to surface water management and reserve contributions.

Suburban Estates Limited (S5065 D8) seeks that credits/remissions for enhancement works carried out on the reserve land within a new subdivision (e.g. footpaths, trees, planting etc) be allowed as is currently the case.

Suburban Estates Limited (S5065 D9) seeks that if and when off-site surface water management works are required that should be charged specifically as a cost share scheme.

Texco Group (S5873 D1) seeks that Section 6.2 remain to protect non-payment allowing for reassessment after 12 months.

Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D2), Tudor Developments Limited (S5755 D3), Wayne Alan Bond (S5545 D2) and W M Van den Berg (S5434 D2) seek that the Council amend Section 2.3 to allow for reassessment of contributions payable on existing consents in terms of the CPI or in terms of the contribution policy in force at the time of the consent.

Tudor Developments Limited (S5755 D4) seeks that the Council amend the actual credits to reflect that once contributions have been paid they cannot be reassessed for top ups.

Tudor Developments Limited (S5755 D5) seeks that the policy of credits be reviewed to specifically allow and advise how credits can be carried over from one stage to another in a development.

Tudor Developments Limited (S5755 D6), Canterbury Branch of the New Zealand Institute of Surveyors (S5518 D9), Wayne Alan Bond (S5545 D9) and W M Van den Berg (S5434 D8) seeks that the Council have the systems in place to be able to advise what development credits exist or contributions are payable prior to implementation of the policy.

Tudor Developments Limited (S5755 D7) seeks that the existence and transferability of the title credit which is to be created in their freehold subdivision be confirmed by the Council as valid under the 2006 DCP.

Warren Haynes (S5342 D10) seeks that the Council has an exit strategy in place should it's councillors consider it necessary after 1st July to revert back to the current LTCCP provisions because of the new policy's impact.

Westpark Estates Limited (S5105 D5), Blogg Charitable Trust (S5098 D5) and Neil Construction Ltd (S5104 D5) seek that a reduction in development contributions can be applied for where a developer undertakes significant upgrade works to existing Council infrastructure, which is not contained within the schedule of capital Works within the LTCCP.

Westpark Estates Limited (S5105 D7), Blogg Charitable Trust (S5098 D7), Gillman Wheelans Limited (S5075 D2 and S5736 D2), Neil Construction Limited (S5104 D7) and Smith Developments Limited (S5052 D12) seek that the Council include a clear statement and list of identifiable capital expenditure which are the basis for each activity (reserves, water supply and conservation, wastewater collection, treatment and disposal, surface water management, transport and leisure facilities) for each Area of Demand such that an applicant/developer can determine:

- a) Whether the development contribution has been correctly formulated and calculated.
- b) Whether a development contribution is payable due to the works being achieved through a resource consent condition, through provision by the developer or through funding by a third party.
- c) Whether they are entitled to a refund due to the work not being provided by the Council.
- d) Whether they are entitled to a refund due to the Council not having applied the money or used the land within 10 years of receipt.
- e) Whether the works are sufficiently related to growth associated with the development such that requiring a contribution towards the works is fair and reasonable.

Westpark Estates Limited (S5105 D10), Blogg Charitable Trust (S5098 D10) and Neil Construction Limited (S5104 D10) seek that the proposed new development contributions for growth related transport projects be given serious reconsideration and reassessment before being considered for adoption.

Westpark Estates Limited (S5105 D11) seeks that the basis for determining surface water management contributions for multilevel residential units be the footprint of these buildings and not the total number of residential units.

Westpark Estates Limited (S5105 D12) seeks that the definition of impervious surface for the purpose of determining non-residential surface water management contributions be hardstand surfaces only.

Wigram Aerodrome Limited (S5055 D4) and Ngai Tahu Property Limited (S5053 D4) seek that the Council re-introduce a policy providing for remissions and waivers.

Wigram Aerodrome Ltd (S5055 D5) and Ngai Tahu Property Limited (S5053 D5) seek that the Council provides greater clarity and certainty as to the determination of contribution levels required for both non-residential (industrial and commercial) and residential related projects.

7. REJECT THE DCP

Black Peak Holdings Limited (S5081 D2) seeks that the existing contributions policy be retained.

Canterbury Land Trust Limited (S5167 D1), Canterbury Land Trust Holdings Limited (S5168 D1), Clearwater Hotel 2004 Limited (S5170 D1), Clearwater Land Holdings Limited (S5169 D1), Humboldt Limited (S5172 D1), Property Ventures Limited (S5171 D1) and Trans Tasman Properties Limited (S5173 D1) seek that the Council:

- a) decline to adopt the Development Contributions Policy;
- b) carry over the existing Development Contributions Policy as an interim measure;
- c) immediately commence a thorough and comprehensive review of the Council's funding policies in light of the statutory provisions and proceed to amend its LTCCP through a further special consultative procedure.

Davie Lovell-Smith Limited (S5127 D1) seeks that the existing 2004 remission policy be reinstated and adopted.

Davie Lovell-Smith Limited (S5127 D4) seeks that the introduction of the draft DCP be deferred until the economic impact of the policy has been properly investigated.

Davis Ogilvie & Partners Ltd (S5064 D1) seeks that existing 2004 remission policy be reinstated and adopted.

Foodstuffs (SI) Ltd (S4943 D1) seeks that the draft Development Contributions Policy be rejected in its entirety.

Kennedys Bush Developments Limited (S5860 D1), Hornby Investments Limited (S5847 D1), Wakefield Mews Limited (S5849 D1) and Mr S and Mrs S Fox (S5850 D1) seek that the existing contribution regime be retained for at least a year.

Kiwi Income Property Trust (S5647 D2) seeks that the Council reconsider the Development Contributions Policy section of its draft plan.

Laing Contractors Limited and Laing Property Holdings Limited (S5759 D1) seeks that the existing and current Development Contributions Policy be retained for at least 12 months.

National Property Trust Limited (S5060 D1) seeks that the Development Contribution Policy for non-residential land as proposed within the LTCCP be withdrawn and that full consultation with the commercial property sector be undertaken prior to considering any future DCP for commercial property.

Raymond Sullivan McGlashan (S5610 D1) and Warren Haynes (S5342 D1) seek that the existing 2004 remission policy be reinstated and adopted.

Westfield (New Zealand) Limited (S5147 D1) seeks the withdrawal of the proposed development contributions policy from the new LTCCP and the retention of the existing policy in its place.

Wigram Aerodrome Limited (S5055 D1) and Ngai Tahu Property Limited (S5053 D1) seek that the Council not adopt the DCP in its current format.

8. SUPPORT FOR DCP

Belfast Community Trust (S5054 D2), Investment Southland Limited (S5079 D2) and Devondale Nurseries Limited (S5080 D2) seek that the policy be amended to incorporate a specific policy on network and community infrastructure relating to development at the Section 293 Application site.

Canterbury Manufacturers Association (S5161 D1) seeks that the Council pursues increasing cost recovery directly from users coupled with a reduction in general charges imposed on ratepayers.

Cashmere Residents' Association (S5601 D1) seeks that a greater charge on the developer be supported.

Clive Thomas (S5322 D1) seeks that the amount of revenue received from developers for contributions to local infrastructure be increased many fold.

C V Currie (S5777 D1) seeks that developers pay for all the infrastructure improvement that their developments need.

Dan van Asch, Rock Hill Limited and Halswell Junction Properties Limited (S5099 D7) seeks that the policy adds further projects to Appendix 4 including Surface Water Management and Waste Water Collection for LHA deferred zones on Cashmere Road, necessitating identification of a suitable area for stormwater treatment and an extension of wastewater mains from Sparks Road south along Sutherlands Road, then east along Cashmere Road to the deferred zone boundary.

Donald McGill (S5232 D1) seeks that the Council properly target and levy residential developers and residential developments especially those outside the Central City area so that true costs of providing additional utility services commuting into the city are met.

Donald McGill (S5232 D1) seeks that the Council invest some of this levy into mass transport systems which will be needed in the near future.

Fendalton/Waimairi Community Board (S4774 D1) seeks that this concept (Development Contributions Policy) be supported.

Frances Schmechel (S5245 D1) seeks that there be an increase in developer contributions with new subdivisions, particularly for outlying locations.

Gillman Wheelans Limited (S5075 D22 and S5736 D22) seeks that the LTCCP should reflect the City Plan's recognition of the Yaldhurst Masham area as one where residential growth is appropriate and is planned to occur.

Harry Evison (S5156 D1) seeks that a substantial development contribution be required from property developers to cover the full cost of drainage and other infrastructure.

Hereford Holdings Limited (S5154 D1) seeks that actual proven increase in Council capacity from a particular development be charged back to the developer.

Kate Whyte (S5763 D1) seeks that a considerable increase in developer contributions with new subdivisions, particularly in outlying areas, be supported.

Land Transport New Zealand (S5233 D1) seeks that the thrust of the proposed policy remain and be refined to include infrastructure for the former Banks Peninsula District Council.

Lyttelton/Mt Herbert Community Board (S5039 D1) seeks that the Reserves Funding Schedule for growth related developments be replaced with Schedule F from the Memorandum of Understanding.

M R White (S4311 D1) seeks that the process of purchasing land on the Port Hills for reserves as it becomes available should continue.

New Zealand Automobile Association (S5212 D1) seeks that the Council make much greater use of developer contributions for the transport network, including provisions for public transport services.

New Zealand Automobile Association (S5212 D2) seeks that development contributions provide for works such as creating access via low hierarchy roads, use of grade separation and use of feeder roads.

New Zealand Automobile Association (S5212 D3) seeks that there be a much greater developer contributions towards ameliorating the negative safety and congestion effects of developments near the motorway, ring road and major arterial networks to limit the number of direct access points and turning movements such as:

- grade separated interchanges; and
- greater use of feeder roads.

Paddy Gilgenburg (S4896 D1) seeks more funding of city growth by developers and new home owners.

Rutherford & Company (S5343 D2) seeks that the Development Contributions Policy provide for development contributions for broadband communications and connectivity.

Rutherford & Company (S5343 D4) seeks that any form of solar heating or energy conservation provided by developers should be taken account of in building or development consents and be treated as a development contribution.

Rutherford & Company (S5343 D10) seeks that concepts that should be factored into the Plan are the mandating for the laying of fibre optic cables in the streets whenever there are new water, sewer, power or telephone lines being laid or relayed in streets.

Rutherford & Company (S5343 D12) seeks that a fund be built up for developing a municipal Christchurch Teleport, preferably up on the Britten Reserve or similar position on the Port Hills, that can connect with satellites low on the western horizon such as AsiaSat 2.

Spokes Canterbury (S5650 D1) seeks an increase in developer contributions with new subdivisions, particularly for outlying locations for the development of key cycling routes into the central city and elsewhere for both commuting and recreational cyclists.

St Albans Residents' Association (S5600 D1) seeks that the Development Contributions Policy be supported, to address the issue that increased infrastructure puts increased stress on resources without consequences for the developer.

Tony Larmers (S5332 D1) seeks that all major projects be funded from the Development Contributions Policy.

Transit New Zealand (S4944 D2) seeks that a proportion of the works for Cranford Street be funded through the Development Contributions Policy.

Transit New Zealand (S4944 D3) seeks that a proportion of the major works identified in the draft State Highway Forecast be funded through the Development Contributions Policy.

Transit New Zealand (S4944 D4) seeks that a proportion of the Lincoln Road (Lincoln Road 4-laning, Curletts-Sylvan and Southern Motorway Cycleway) works be funded through the Development Contributions Policy.

Transit New Zealand (S4944 D5) seeks that a proportion of the bus exchange works be funded through the Development Contributions Policy.

Wendy Everingham (S5208 D1) seeks that developers fund all green fields development.

Wigram Aerodrome Limited (S5055 D7) seeks that the Council 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.

Wigram Park Community Association (S5239 D1) seeks that the developers of Wigram/Prebbleton/Templeton areas and in Selwyn District pay something to the Council to ensure that their new project is integrated fully into the surrounding infrastructure of roads, water, stormwater etc to minimise added drain on the Council.

Wigram Park Community Association (S5239 D2) seeks that the developer ensures new areas do not create added congestion and be made to include playgrounds – not just leave land for Council to develop.

9. DECISION SOUGHT UNCLEAR

Julienne Mary Cottrell (S5519 D1) comments that “Asking developers to pay for the costs of new developments” seems a little odd if speakers at a meeting on Monday, 1 May 2006 in Hornby meant what they said.

PART D. CONCLUSION AND RECOMMENDATIONS

This part comprises staff conclusions and recommendations, including recommended changes at a 26 May 2006. Further recommendations are likely to become apparent as the hearings progress.

1. CONCLUSION

1.1 As will be apparent from the large number of submissions received to the Draft 2006 Development Contributions Policy (Part A – Christchurch City), there is considerable concern from the development community about the Policy as published. This concern has grown over recent weeks as the full implications of the policy have become more apparent.

1.2 The contribution charges proposed to be levied under DCP06 are considerably higher than for the current 2004 policy because of a number of key changes.

These are:

- the Capital Programme base is now \$262m compared to \$47m in 2004
- New Infrastructure not previously collected is now being recovered (Transport and Leisure facilities = \$71m of the \$262m)
- For industrial and commercial activities the DCPs are now charged on a per m² basis, not a per lot basis (This is the significant change item)
- The basis for charging residential DCPs remain unchanged: the increase reflects infrastructure charges

1.3 While a large number of issues (often interlinked) have been raised by submitters, there are probably five key matters which their concerns stem from.

These are:

- inadequate meaningful early consultation
- the lack of ready availability of information explaining and justifying elements of the Policy
- the complexity of the methodology
- imbalance in the assessment of the benefits arising from growth
- affordability to the development community

1.4 While all of these are valid concerns, none of these are fatal. It is the Council's legal advice that, notwithstanding the issues raised, the Policy does comply with the provisions of LGA2002 and that it is not an option to abandon it and simply retain the 2004 Policy for a further period. To confirm an amended DC policy would enable the Council to continue to fund its 2006 Capital Works Programme and approve its LTCCP while providing a framework and commitment for dialogue with the industry. As a bottom line the Council still needs to be able to fund the projects necessary to meet its anticipated growth of City infrastructure. Continued discussion will enable the Council, the development community and the community at large to determine how best these costs are shared.

1.5 The mix of issues raised does justify the view which Council officers now share with the development community that there is a need for transitional arrangements which hold costs near to their present level while a detailed review is undertaken, working with the development community.

1.6 It is therefore concluded that an appropriate way forward is to confirm (with amendments) the draft DCP06, such amendments to include provisions for a transitional remission which will have the effect of holding DC charges to approximately the present level, as well as more detailed amendments to update, correct, clarify and fine tune the policy. Draft recommendations follow as a basis for consideration during the hearing process.

2. GENERAL RECOMMENDATIONS

2.1 This is a draft recommendation as at 25 May 2006. With more detail likely to be available by the time of the hearing on the mechanics of achieving approximate parity with current charge rates, plus taking into account matters raised at the hearings some refinement to the recommendation is likely. In any event, to give effect to the recommendation, some detailed wording changes to the draft DCP06 will need to be determined.

2.2 The recommendations are:

(a) That transitional provisions be included within the Proposed Development Contributions Policy 2006 to provide for a transitional remission that reduces the charges for Development Contributions to levels close to those which would have been recovered under the Development Contributions Policy 2004.

(b) That staff be instructed to establish a joint Christchurch City Council and industry Working Party to review the basis, structure and application of the Development Contribution Policy and to recommend a revised policy for Council to consider as part of an amended LTCCP in 2007.

(c) That the Incentive Package requested by the Council be referred to the Joint Working Party for consideration and be included in the final report of that Working Party to the Council.

3. SPECIFIC WORDING CHANGES RECOMMENDED

The following amendments to the full version of Volume 2, the draft Development Contributions Policy, are requested in order to provide greater accuracy and clarity and to rectify minor errors and omissions.

1. That where noted throughout, for consistency purposes the duration of the Council's Long Term Council Community Plan be referred to as 2006-16, not 2006/16.
2. That where noted throughout, for consistency purposes the width of data tables be justified with that of the text in order to reduce the unnecessary length of the document.
3. That the following be deleted from the Table of Contents on page 1, for the reason that it is specific to the draft Development Contributions Policy:

~~How To Use This Document and Make a Submission~~

4. That the following in the Table of Contents on page 3 be amended as appropriate to reflect whatever maps are included in the final version of the Development Contributions Policy:

~~Appendix 6 Areas of Demand – A3 Sized Map Versions (not included in this document)~~

5. That all text of page 5 be deleted, except that the following sentence be added as paragraph 1 in the Introduction on page 6, for the reason that it is the only information on page 5 which should remain in the final Development Contributions Policy for information purposes:

This policy on development contributions is part of, and is to be read in conjunction with, Our Community Plan – Christchurch O-Tautahi 2006-16, being Christchurch City Council's Long Term Council Community Plan (LTCCP).

6. That the first sentence of paragraph 4 in the Introduction on page 6 be amended as follows for grammatical accuracy and clarification of meaning:

This policy has been prepared as a transitional document pending the full integration of Banks Peninsula into the Council's strategic and operational planning within the next 12 months and accordingly it is structured in two parts: Part A₂ being the Development Contributions Policy specific to Christchurch City₂ and Part B₂ being the Development and Financial Contributions Policy specific to Banks Peninsula.

7. That the first sentence of paragraph 3 in section 1.2 on page 7 be amended as follows as a consequential amendment to 3 above:

Section 102(4)(d) of the LGA requires the Council to have a policy on development or financial contributions as a component of its funding and financial policies in its ~~Long Term Council Community Plan~~ (LTCCP) and sets out the requirements and constraints that must be observed in its preparation.

8. That the second sentence of paragraph 3 in section 1.2.1 on page 7 be amended as follows for clarification of meaning:

This will include, but not be limited to newadditional land titles, newadditional residential units, newadditional non-residential development, newadditional accommodation and newadditional community services development (such as sporting, educational, religious and charitable activities) irrespective of City Plan zoning and as applicable to the development, for the following...

9. That the third bullet point of paragraph 2 in section 1.2.2 on page 8 be amended as follows for grammatical accuracy:

- a financial contribution towards the provision of esplanade reserves where a development occurs without subdivision, but which would have invoked esplanade reserve provisions had subdivision occurred (refer Part 9: General City Rules, Section 7. 3.1 in Volume 3 of the City Plan). Esplanade reserves do not therefore fall within the ambit of reserves for development contributions and will continue to be dealt with under the RMA₇.

10. That the second sentence of paragraph 1 in section 1.3 on page 8 be amended as follows for clarification purposes:

Nothing in this policy will prevent the Council from requiring, as a condition of resource consent, the provision of works and services usually, but not exclusively, internal to or on the boundaries of the development site required to service that development, to connect it to existing infrastructural services and to avoid, remedy or mitigate the environmental effects of the development, except where such works are provided for in the LTCCP. The City Plan defines the nature and standard of the works and services that are to be provided (refer Part 14: Subdivisions in Volume 3 of the City Plan) and these works and services standards also apply to development fronting existing legal roads. These works and services are provided by the developer at their cost and, where the asset created is normally owned and maintained by the Council, transferred without charge into Council ownership.

11. That the first, second and fourth secondary bullet points of paragraph 2 in section 2.2 on page 10 be amended as follows for accuracy and clarification of meaning:

Future versions of this policy will provide for development contributions for the following activities:

- Network infrastructure:
 - ~~Solid waste handling and processing;~~
 - Surface water management ~~as part of the proposed South West Area Plan pertaining to Halswell, Wigram and Awatea. The current policy~~

~~includes land acquisition, but the associated development works have yet to be finalised and catchment boundaries determined;~~

- ~~Surface water management as part of the proposed Belfast, Upper Styx/Harewood, Memorial-Russley-Hawthornden and Mairehau/Cranford Area Plans;~~ and
- Cycle ways, **and** safety improvement works **and other transport infrastructure.**
- Community infrastructure:
 - Infrastructure on reserves;
 - Development of the layout, landscaping theme and walking path connections ~~in accordance with the Area Plan for the locality;~~
 - Sporting facilities;
 - Swimming pools;
 - Community halls; and
 - Libraries.

12. That the fourth sentence comprising paragraph 4 in section 2.3 on page 10 be amended as follows to delete superfluous words:

On any application for further consent or authorisation in relation to a development, credit will be given for any development contributions previously paid or the pre-existing status of the development in accordance with Section 2.4 **below.**

13. That section 2.4 on pages 10, 11 and 12 be amended as follows for clarification purposes, to give credit based on capacity purchased and to clarify the cut-off between the use of historic and actual credits:

2.4 Credits

Credits towards the assessment of development contributions for applications for resource **consent,** ~~or~~ building consent or service connection include both 'Historic Credits' and 'Actual Credits.'

Historic credits address the fact that development contributions are only payable in respect of additional development. The credit is designed to recognise that a development may replace existing demand for service activity, which in itself places no additional demand on the infrastructure.

Actual credits ensure that the Council will not collect twice from the same development for the same purpose. They recognise the process of development and the continued evolution of the capital expenditure programme in the City. A proper assessment of demand from a development will mean that the assessment must be carried out at each stage of the planning of a development (e.g. subdivision consent, land use consent, building consent and at service connection). **Actual credits will be accumulated as assessments are paid and will be used to reduce the overall demand assessed in the next stage/s of development.** This promotes equity, as it ensures that each development pays an equivalent development contribution and that that contribution most accurately

reflects the actual demand of the development. It encourages accurate assessment of the demand for a service at an early stage in the development process.

Credits cannot be used to reduce the level of **development** contribution for any activity below zero.

2.4.1 Historic Credits

Historic credits towards the payment of a development contribution for any activity will be assessed for the development in accordance with the following principles.

Note, however, that if the title is not in an area of service, it is not deemed to have any historic credit for that service.

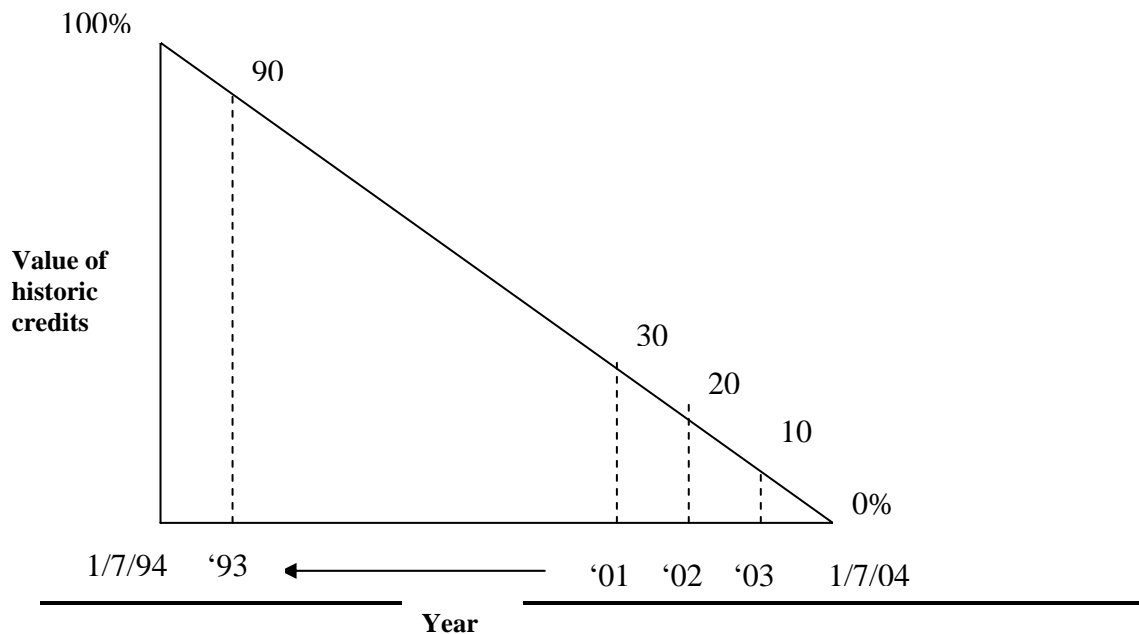
Principles for assessment of historic credits:

- On any application for consent or authorisation in respect of a residential unit which replaces an existing unit, or for subdivision of land containing any existing residential unit, a credit from the development contribution for network and community infrastructure shall be assessed on the basis of 1 HUE per activity per existing residential unit.
- A full credit towards the development contribution for reserves will also apply in respect of any such existing residential unit replaced.
- On any application for consent or authorisation in respect of a non-residential development, or a subdivision containing any existing non-residential development, credits for each activity shall be assessed by applying the GFA of the existing development to the Appendix 5 GFA conversion tables for that activity.
- The Council will not assess any development contribution in respect of applications to enlarge the GFA of any existing residential unit.
- For any existing household unit(s) or non-residential development that is demolished or destroyed by fire or some other cause, 1 HUE credit for each household unit or the calculated (using Appendix 5) GFA credit for that non-residential development that is demolished or destroyed will apply to the calculation of development contributions payable for any such residential unit(s) or development rebuilt within a period of five years. Where demolition or destruction precedes or has preceded development by more than five years, no credit will be available in respect of that historic unit or GFA. A full contribution, assessed on the total GFA of the new development, will be payable. NB: Any additional residential units or development above that demolished or destroyed will be assessed for **development** contributions pursuant to this policy.
- No transfer of credits between titles can occur.
- For any undeveloped residential lot created prior to 1 July 2004, a credit to the value of 10% of a HUE per activity for network and

community infrastructure contributions and 10% of the assessed reserves contribution will apply for every year which has passed between the creation of the lot and 1 July 2004, up to a maximum of 1 HUE per activity or the full **parks** reserves contribution (**refer diagram below**).

- For any undeveloped non-residential lot created prior to 1 July 2004, a credit to the value of 10% of the non-residential credits (HUE) per activity for network and community infrastructure contributions will apply for every year which has passed between the creation of the lot and 1 July 2004 up to a maximum of the non-residential credits per activity calculated based on present day zonings and in terms of present day assessment methodology (**refer diagram below**).

Historic Credits (for each activity)



For the purposes of calculating historic credits for developed lots, existing demand for the service will be assessed as the level which existed on the lot on 1 July 2006.

In the event of amendment to this policy to provide for a development contribution towards a different activity, existing demand for the service will be assessed as the level which existed on the lot on the effective date of amendment of the policy.

The Council also has to address the transitional situation for any undeveloped lots created by subdivision before 1 July 2004. In these situations, an assumed historic credit has been attributed to the lot based on the amount of time since subdivision (i.e. 10% per year prior to 2004). However, where documentary evidence of any contribution actually paid towards that activity at the time of creation of the lot (prior to 1 July 2004) can instead be located, a credit equivalent to one household unit will instead apply towards that activity.

Undeveloped lots created by subdivision after 1 July 2004 receive no historic credit (Note: As development contributions will have been paid at the time of that subdivision, an actual credit is likely to apply).

2.4.2 Actual Credits

Where development contributions or financial contributions ~~for a development towards a service activity~~ have previously been assessed and paid, credit ~~(assessed as a dollar amount) equivalent to the payment previously made shall be given for the particular activity~~ **based on the number of household units or household unit equivalents actually paid for shall be given on an activity by activity basis.** ~~For the calculation of actual credits for development or financial contributions paid for a development towards a particular activity, there is no historical time limit and all previous payments shall be taken into account.~~

There are no actual credits for payments prior to 1 July 2006 (with the exception of undeveloped lots) as full historic credit is given on developments existing on those lots prior to 1 July 2006 under Section 2.4.1.

In the event of further amendment to this policy to provide for a development contribution towards a different activity, actual credits will only be allocated on payments made on or after the effective date of amendment of the policy.

14. That the first sentence of paragraph 1 in section 3.0 and the second sentence in paragraph 1 in section 3.2 on page 12 be amended as follows for clarification of meaning:

For each activity a number of Areas of Demand, **or service catchment areas,** have been determined based on their key characteristics. These characteristics include geography, service delivery, and the nature and complexity of solutions.

...

Development contribution assessments depend on anticipating the amount of growth the City is likely to experience over a given time period. The estimate may be needed across the City as a whole for city wide contributions, or for particular locations ~~in the case of catchments.~~

15. That paragraphs 2, 3, 4 and 5 in section 3.2 on page 13 be amended as follows for grammatical accuracy, clarification of meaning and consistency purposes:

A growth model has been developed in order to predict growth throughout the City in 'Household Unit Equivalents' (HUEs) and this growth information is presented per activity, per Area of Demand. In the growth model, a HUE is defined as being equivalent to one 'average' household unit. It is recognised that household units vary throughout the eCity and that the demands they generate also cover a broad range. However, given the relatively large size of the development contribution Areas of Demand and the implied averaging, the approach is considered appropriate, as well as being consistent with the level of detail recognised by the growth model itself.

Growth in the City has been projected for the following three components: **newadditional** residential households, additional non-residential floor area (square metres) and additional impervious surfaces (square metres). The square metres of non-residential floor area and impervious surfaces are subsequently converted into HUEs.

Household growth as assessed by Statistics New Zealand is used as the basis for development contribution assessments. This projection, made specifically for **Christchurch the** City, identifies occupied permanent, private residential units, and allows for future fertility, mortality, net migration and household patterns of the population. Medium projections have been chosen as the basis for development contribution assessments.

Non-residential growth as estimated by the Council is based on historic rates of development collected from the **City** Council's non-residential building consent records for **Christchurch the City**. These were projected by relating them to either the Statistics New Zealand sub-national population projections, or New Zealand Institute of Economic Research, Employment Projections for Canterbury, whichever was appropriate for each specific business zone defined by the City Plan.

Changes in impervious surfaces in **Christchurch the** City are based on impervious information provided by Landcare Research derived from satellite imagery. Impervious surface projections were then generated by using the projected household and non-residential growth to identify areas of future change.

16. **That the first and third sentences of paragraph 1 in section 3.3 on page 14 be amended as follows for grammatical accuracy, and because a focus on high growth alone is inappropriate and will distort the development contributions charge and that a new paragraph 2 be added and existing paragraphs 2 and 4 be amended for clarification of meaning:**

The Cost Allocation ~~m~~**M**ethodology used in this policy is referred to as **a** 'Modified Shared Drivers.' This methodology is applied to ~~past projects and~~ the 10 years of capital works projects expenditure set out in the LTCCP and expenditure on past projects with residual capacity for growth (Appendices 4 and 3 respectively). ~~In the Development Contributions Schedule priority has been given to high value projects and those with a high growth component. The methodology has been applied to the programmes of capital expenditure delivering the levels of service defined in the LTCCP.~~

Programmes are planned capital expenditure to deliver the levels of service, while projects are planned or completed works delivering the programmes. The analysis to determine the cost of growth has been undertaken at either project level or at programme level as appropriate for that level of service. In preparing the Development Contributions Schedule, priority has been given to high value projects.

The Modified Shared Drivers approach takes the planned costs of a proposed project and assigns them to various drivers, with only the growth component of

a project being recouped through development contributions. The categories of drivers within the methodology are:

- Renewal;
- Backlog;
- Growth; and
- Unallocated.

...

Cost allocation worksheets are available for inspection **at the main Civic office and service centres of the Council.**

17. That the first sentence of paragraph 1 in section 3.4 on page 15 be amended as follows for grammatical accuracy and that the following be added at the end for better statutory compliance:

The purpose of the **funding mModel** is to ensure an equitable assessment of the funding requirements to support the development contributions regime.

...

Compliance with section 101(3) of the LGA

Section 106(3) of the LGA requires that this policy include an explanation of why the Council has chosen development contributions to partly meet the expected capital expenditure, in terms of the matters to be considered in Section 101(3) of the LGA.

The Council has chosen a prudent financial management policy which includes, for capital expenditure funding, development contributions levied on those developers who undertake land development within the city.

The charges set within both Part A and Part B of this policy are those considered appropriate following consideration of:

- **Each activity to be funded – which are those underlying operational activities to which the capital expenditure schedule attached to this Part A as Appendices 3 and 4, and Sections 6.0 to 13.0 of Part B, contributes.**
- **The community outcomes to which each activity primarily contributes are those identified for the operational activity to which the capital expenditure contributes, as outlined in the Significant Activity pages of the LTCCP.**
- **Maintaining equitable levels of service over time as the City grows and develops.**
- **The distribution of benefits between the community as a whole, identifiable parts of the community and individuals, based on the assumption that the benefits equal the costs of the activity, including capital expenditure, and the impact of the charges on the market's capacity to meet these, particularly in relation to the difference between previous and proposed cost allocations.**

- The period in or over which those benefits are expected to occur – this is the years in which the capital expenditure, and therefore services which are delivered, are incurred and commissioned. It varies for each asset class and is listed on page 184 of the LTCCP.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities - the Council has concluded that the developers of land should contribute to the growth in services which are necessary as a result of their development. The balance of funding for growth not sought from the development community is sourced largely from ratepayers, as outlined on page 259 of the LTCCP within the Revenue & Financing Policy.

The development contributions in this policy are set to ensure a fair spread of the funding burden between the community as a whole and those who develop land and recognise a transitional remission in 2006-07 to manage the costs associated with this 2006-16 policy.

18. That the first sentence comprising paragraph 1 in section 3.5 on page 15 be amended as follows to delete superfluous words:

The total capital expenditure incurred by the Council as a result of growth to meet increased demand for the activities stated in Section 1.2.1 ~~above~~, both in the past and expected to be incurred over the next 10 years, is set down in the LTCCP and summarised in Appendices 3 and 4.

19. That the first sentence comprising paragraph 1 in section 3.5 on page 15 be amended as follows to delete superfluous words:

The total capital expenditure incurred by the Council as a result of growth to meet increased demand for the activities stated in Section 1.2.1 ~~above~~, both in the past

20. That the text in the bottom left and first sentence in the bottom right cells of the table in section 3.5 on page 16 be amended as follows for accuracy and consistency and for grammatical accuracy purposes respectively:

Community Leisure facilities

Development contributions attributable to incoming community beyond 10 years.

21. That the last sentence in paragraph 3 in section 3.7 on page 17 be amended as follows to delete superfluous words:

District reserve purchases are also factored in every second year where additional growth is occurring on a larger scale, such as in Halswell, Belfast and Burwood, due to the ~~new~~ subdivision of rural land.

22. That paragraphs 1, 3 and 5 in section 4.1 on page 18 be amended as follows for clarification of meaning, grammatical accuracy and to delete superfluous words:

A development contribution will be assessed in respect of any application for resource **consent**, ~~or~~ building consent or service connection at a rate of 1 HUE per household unit for the following activities:

...

The Council will not assess any development contribution in respect of applications to enlarge the GFA of any existing residential unit. In addition, credits will apply for any existing **household residential** units or in relation to an existing lot in accordance with Section 2.4 **above** (e.g. replacement of an existing residential unit receives one HUE credit for each activity).

...

Where the Council anticipates that any lot will not be connected to the network infrastructure in respect of water supply, waste-water or surface water, no charge will be made for that activity at that time. However, if at a future time the lot is to be connected it will attract a development contribution at building consent or at service connection stage.

- 23. That section 4.2 on pages 18 and 19 be amended as follows to delete superfluous words, for clarification of meaning, accuracy (development contributions for community infrastructure not being charged on non-residential applications), to ensure correct ‘top up’ of assessment on subsequent development and the new paragraph because it is applicable to both residential and non-residential applications, but was erroneously omitted in respect of the latter:**

For non-residential resource consent applications HUEs may be assessed for each activity using one of the following methodologies:

- If demand is known (e.g. vehicles per day (VPD), volume of water usage), then the HUE is assessed using the base units Table 4.1.
- If demand is unknown, then the HUE is estimated using the GFA conversions in Appendix 5 **below**.

The demand on infrastructure of any non-residential activity will be assessed based on an assessment of the demand that will result when the activity is established and operational, not on the demand created temporarily during construction.

For any application for resource **consent**, ~~or~~ building consent or authorisation for service connection in relation to a non-residential activity, the development contribution in relation to the following activities will be assessed by the HUEs assessed for the planned development:

- Network Infrastructure:
 - Water supply and conservation;
 - Wastewater collection, treatment and disposal;
 - Surface water management; and
 - Transport.

- ~~Community Infrastructure:~~
 - ~~Leisure facilities.~~

For subdivision applications, the Council will assess (based on zoning and site specific factors) whether the likely development on the lot will be non-residential. In such cases, a development contribution based on an estimated level of development in GFA per lot for each activity will be assessed in accordance with Appendix 5 ~~below~~. If the Council considers that subsequent development will be residential, it will be assessed pursuant to Section 4.1 ~~above~~. Credits may apply in accordance with Section 2.4 ~~above~~.

Where the Council anticipates that any lot will not be connected to the network infrastructure in respect of water supply, waste water or surface water, no charge will be made for that activity at that time. However, if at a future time the lot is to be connected it will attract a development contribution at building consent or at service connection stage.

Reserves contributions are assessed without reference to a HUE analysis for the lot.

Where an application for subdivision consent or land use consent is lodged with accurate information on the proposed GFA and the area of impervious surfaces (ISA) or demand (in HUEs) for Council services, the development contribution payable will be assessed using the processes described above.

Where an application for subdivision consent is lodged in the absence of a land use consent, or where no information on the GFA and ISA proposed for the eventual development on any site is provided with an application for either subdivision or land use, the Council will make an estimate of the likely GFA and ISA for assessment purposes, based on the average building coverage rates for that area. The Council is conscious that development contribution charges should be recovered at the earliest opportunity and should not be unfairly borne by future potential purchasers of subdivided sites.

The payment of a development contribution for any non-residential development relating to water supply, wastewater, surface water and transport is based on either the GFA or ISA. Where an estimate had been used to assess GFA and/or ISA for this purpose, then only 25% of the estimated development contribution payable will be **assessed invoiced** at the time the subdivision or land use consent is issued (the subdivision portion of the development contribution). **On subsequent development (not being further subdivision), 100% of the development contribution will be assessed on planned GFA or ISA. Actual credits for the 25% subdivision portion will be allotted as per Section 2.4.2.**

This amount paid at subdivision will be credited against the full development contribution which would otherwise be assessed on any subsequent application for building consent, or during subsequent land use applications, to allow reassessment of the development contribution prior to final payment based on actual GFA/ISA and demand (in HUEs) for each activity.

Demand is known

Table 4.1 sets out the average household unit (HUE) for the activities in terms of base units. By comparing expected demand against the figure contained in the third column, a HUE for that service for the development can be obtained.

24. That Note 1 under Table 4.1 in section 4.2 on page 20 be amended as follows for consistency of format purposes:

Note: ~~1~~ ~~Water supply equivalences have been deemed to be the same as wastewater equivalences on the basis that, typically, wastewater flow is proportional to water use. Both demand figures shown are therefore for wastewater.~~

1 Water supply equivalences have been deemed to be the same as wastewater equivalences on the basis that, typically, wastewater flow is proportional to water use. Both demand figures shown are therefore for wastewater.

25. That paragraphs 5 and 6 in section 4.3 on pages 20 and 21 respectively be amended as follows to delete superfluous words and for grammatical accuracy:

Non-residential developments located in the rural area will be assessed for a development contribution in accordance with either Sections 4.2 ~~above~~ or 4.4 ~~below~~.

Where the property is not planned to be connected to the network infrastructure in respect of water supply or waste-water no charge will be made for that activity. However, if at a future time the lot is to be connected it will attract a development contribution at building consent or at service connection.

26. That the last sentence in paragraph 2 in section 4.4 on page 21 be amended as follows for accuracy and completeness and that a new bullet point be added to paragraph 4 to align with the amendments to Appendix 5:

The Council reserves the discretion to enter into specific arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of HUEs.

If, at development stage, an application clearly has a significantly greater impact than that envisaged in the averaging implicit in the above methodology, a 'special assessment' may be called for at the Council's discretion. The applicant will be expected to provide supporting information and detailed assessments of their development's transport, water supply and wastewater demands in base units. Using the standard base unit/HUE conversions these estimates may then be converted to HUEs and charged accordingly. This additional information could be requested or provided at the pre-application stage, or as part of a further information request under Section 92 of the RMA or Sections 33 or 48 of the BA.

For example, a ‘traffic impact assessment’ is a requirement for many non-residential developments as well as residential developments larger than a few lots. It will usually be possible to compare the vehicle trips per day reported from this source with Table 4.1. In any case, any particularly traffic intensive activity, such as, but not limited to the following, will be deemed to fall into the special assessment category and the HUEs based on the impact assessment:

- Service stations with or without retail facilities.
- Drive through fast food restaurants.
- Bulk floor/large format retail (or ‘big box’) developments.
- Irregular generators (e.g. sports stadia).
- **Other land uses not listed in Appendix 5, Transport, Table 2 (e.g. airports, courier depots, etc).**

27. That Table 4.3 in section 4.5 on pages 21 and 22 be bolded and amended as follows for accuracy and consistency of format purposes:

Table 4.32 Summary of HUE Assessments		
Activity	Subdivision	Development
Residential	Per additional title: 1 HUE per activity Reserves contribution to be assessed at 7.5% of land value of each additional lot created (refer Appendix 1)	Per additional title or household unit, including units in strata title type developments: 1 HUE per activity Reserves contribution to be assessed as the value of 20m ² of land for each additional residential unit (refer Appendix 1)
Non-residential	Standard table of HUEs per activity in units of 100m ² GFA Reserves contribution to be assessed at 7.5% of land value of each additional lot created (refer Appendix 1)	Standard table of HUEs per activity in units of 100m ² GFA
Mixed	To be assessed as applicable based on the proportions of the type of development that are proposed.	
Extraordinary circumstances	At the discretion of and on demand by the Council. Applicant to provide detailed assessments of their development’s transport, water supply and wastewater demands utilising the mechanism in Table 4.1. Using the standard base unit/HUE conversions these estimates may then be converted into HUEs and charged accordingly.	

28. That Table 5.1 in section 5.1 on page 22 be bolded and amended as follows for consistency of format and accuracy purposes:

Table 5.1 Process for Determining Development Contribution Charge – Residential Development	
Step 1 – Area of Demand	Go to Appendix 2 and check what (geographical) development contribution area the development lies within.
Step 2 – Pricing Schedule	Go to the development contributions

	schedule (Appendix 1) and identify the fees payable per HUE for the area of demand for each activity.
Step 3 –Credits	Determine any credits applicable.
Step 4 – Number of HUEs per activity	For residential development there is 1 HUE per additional lot or additional residential unit created, per activity.
Step 5 – Charge (E xcluding reserves)	For each activity multiply the number of HUEs (Step 5 4) by the fees payable (Step 2). Sum the results for each activity to achieve the total charge.
Step 6 –Reserves	In addition, the development contribution for reserves will be assessed as the maximum of 7.5% of land value on subdivision and as land value of 20m ² for each additional residential unit on development (refer Appendix 1).
Step 7 – Development contribution charge	Add together the results from Steps 5 and 6 to get the total development contribution for the proposed development and add GST of 12.5%.

29. That Table 5.2 in section 5.2 on page 23 be bolded and amended as follows to delete superfluous words and for consistency of format and accuracy purposes:

Table 5.2 Process for Determining Development Contribution Charge – Non-residential Development	
Step 1 – Area of Demand	Go to Appendix 2 and check what (geographical) development contribution area the development lies within.
Step 2 – Pricing Schedule	Go to the development contributions schedule (Appendix 1) and identify the fees payable per HUE for the area of demand for each activity.
Step 3 –Credits	Determine any credits/ applicable.
Step 4 – Number of HUEs per activity	Determine the number of HUEs per activity using the appropriate method defined in Section 4.2 above . Refer also to Appendix 5.
Step 5 – Charge (E xcluding reserves)	For each activity multiply the number of HUEs (Step 5 4) by the fees payable (Step 2). Sum the results for each activity to achieve the total charge.
Step 6 – Reserves	In addition, the development contribution for reserves will be assessed as the maximum of 7.5% of land value on subdivision (refer Appendix 1) and add GST.

Step 7 – Development contribution charge	Add together the results from Steps 5 and 6 to get the total development contribution for the proposed development and add GST of 12.5%.
--	--

30. That paragraphs 1, 3 and 5 in section 6.1 on page 24 be amended, new paragraphs 3 and 4 be added and paragraph 8 be deleted as follows for statutory compliance, clarification and accuracy purposes, given that land use consents are granted for development, which may subsequently be subdivided in stages via subdivision consents:

General

The Council will assess ~~and require payment of~~ a development contribution before upon granting:

- A resource consent (subdivision or land use); and
- A building consent; and
- An authorisation for a service connection which is not part of a resource consent or building consent.

The Council will invoice the assessed development contribution for:

- Resource consents (subdivision) – prior to release of the Section 224(c) of the RMA (including, in the event of a staged subdivision consent, prior to the release of the Section 224(c) for each stage).
- Resource consents (land use) – prior to commencement.
- Building consents – prior to uplift of the building consent.
- Service connection – prior to authorisation for connection.

Development contributions will be assessed and advised at the earliest opportunity and reassessed and invoiced ~~at current cost~~ at each later stage at which a development contribution may be payable for a development. Credits calculated as per Section 2.4 will be taken into account at each assessment. Generally, the Council considers that the ~~initial~~ subdivision consent stage is the most appropriate time to take a development contribution, for the following reasons:

...

Large subdivisions may be developed in stages, where one land use consent may be granted for the entire **subdivision development** prior to any subdivision consents being granted. In the event of a staged subdivision consent, payment shall be required prior to the release of the Section 224(c) for each stage

...

Changes in the development

~~If on any subsequent application for consent or service authorisation, it is apparent that the nature of activities has changed from that envisaged at the time a previous development contribution was paid, the development contribution will be reassessed and any demand difference debited or credited.~~

31. That the last sentence comprising paragraph 3 in section 6.3 on page 25 be amended as follows for clarification of meaning:

This does not prevent the Council from collecting a **development** contribution in respect of any subsequent application for consent or service authorisation for any development, where the amount of the development contribution assessed for the development for the same purpose is more than the development contribution provided pursuant to any prior consent or authorisation for that development.

32. That the first sentence in paragraph 1 in section 6.4 on page 25 be amended as follows for accuracy purposes and to delete superfluous words:

For the avoidance of doubt, Section ~~1.66.3 above~~ does not in any way limit the Council's discretion as to whether development contributions for reserves will be paid in the form of cash or land.

33. That the sentence comprising paragraph 4 in section 6.6.4 on page 26 be amended as follows for accuracy purposes, given that once a subdivision has been completed, there is no consent holder:

Any refunds will be issued to the current consent holder **and/or title holder** for the development to which they apply.

34. That the sentence comprising paragraph 1 in section 7.7 on page 28 be amended as follows for accuracy purposes:

Where a subdivision consent is granted for a '~~pure~~' boundary adjustment and no new titles are created, then development contributions will not be assessed or payable on the subdivision consent.

35. That the following in Appendix 1 on page 30 be amended as follows for clarification and accuracy purposes, in order to better reflect the wording of the Local Government Act 2002, and consistency purposes:

Appendices

Appendix 1

Development Contributions Schedule Schedule of Charges

Reserves

Development contributions for reserves shall be ~~the greater of:~~

- ~~The greater of: 7.5% of the value of additional lots (residential and non-residential) as valued within 12 months of the time of payment, at the time of payment (either in cash or land equivalent).~~
 - 7.5% of the value of additional lots (residential and non-residential) as valued within 12 months of the time of payment, at the time of payment (either in cash or land equivalent); and
 - the value equivalent of 20m² of land for each additional household unit created by the development, paid as cash and valued within 12 months of the time of payment.
- ~~The value equivalent of 20m² of land for each additional household unit created by the development, paid as cash and valued within 12 months of the time of payment.~~
- 5% of the value of additional rural lots as valued within 12 months of the time of payment, at the time of payment. The value of the rural lot for this purpose shall be the equivalent value of a house site of 1,000m² within each lot.

Note 1: Additional household unit means a second or subsequent unit on the same title.

The Council's view is that Section 203 of the LGA only requires the Council to apply a separate methodology to calculate the maximum applicable in each of the two situations described by Sections 203(1)(a) and (b), should they apply. Subsections (1)(a) and (b) are not alternatives necessarily applicable to any one development. It may be that some developments could be assessed under both limbs (a) and (b), in which case the maximum is the greater value. However, even if a proposal falls under only one of (a) or (b), that maximum still applies. It is not necessary that a proposal be able to be assessed under both limbs before a maximum can be assessed.

...

The Council needs to retain the ability to make decisions on the appropriateness of land needed for open space and recreation purposes. The Council acknowledges, that in designing a subdivision, the ~~subdivider~~developer has an understanding of the needs of the potential occupiers and has a financial stake in ensuring that the subdivision is attractive and satisfies those needs. As the City grows both in population and housing areas, there is a continuing need for more land to satisfy open space and recreational needs, new areas of which will inevitably become more difficult to acquire in appropriate locations as the City becomes more intensively developed. The resource consent process instead provides the opportunity for the Council and the ~~subdivider~~developer to reach agreement on whether a cash and/or land contribution is appropriate in the circumstances, so that it is possible for the Council to acquire suitable land as, where and when opportunities arise. In the final analysis, the Council has the right to decide on the appropriate level of land and/or cash contribution.

...

Note: ~~2 This supersedes Policy 14.1.4 in Volume 2 of the City Plan.~~
2 This supersedes Policy 14.1.4 in Volume 2 of the City Plan.

36. That the list of catchment maps in Appendix 2 on page 33 be amended as follows for consistency and accuracy purposes:

Map 5 Network Infrastructural Service Catchment: Transport (~~Christchurch City~~)

...

All developments on, or creating sites less than or equal to, 1 ~~Hh~~a within or upstream of the urban areas of the identified surface water management catchments and discharging into a piped network, watercourse or open drain shall be included in the area of demand for surface water management activities and will be subject to payment of the surface water management development contribution.

~~A3-sized maps of Maps 1 through to 6 are available upon request by phoning the Council on 03-941-8999 or emailing ccc-plan@ccc.govt.nz.~~

37. That the ~~-\$0~~ be deleted from column 6 in Appendix 3 on pages 44, 46, 47 and 48, for consistency purposes.
38. That Appendix 5 on pages 55, 56 and 57 be amended as follows for consistency of format, accuracy and clarification of meaning purposes:

Water supply and conservation

Land Use Description	Units	HUES (weighted average figure across all business zones)
All Land uses	m ² GFA	0.0168

Notes:

- 1 Water supply equivalences are deemed the same as wastewater equivalences below, on the basis that, typically, wastewater flow is proportional to water use.
- 2 Based on design demand from Christchurch Metropolitan Code of Urban Subdivision.

Wastewater collection, treatment and disposal

Land Use Description	Units	HUES (weighted average figure across all business zones)
All Land uses	m ² GFA	0.0168

Notes:

1 Based on design demand from Christchurch Metropolitan Code of Urban Subdivision.

Surface water management

Land Use Description	Units	HUES
All Land uses	m ² Impervious Surface Area	0.0022

Note:

1 Based on measures of average impervious area per **dwelling residential unit**.

Transport

<u>Non-residential Land-Use Classification (for use at Subdivision)</u>	<u>Where GFA Estimated</u>	<u>HUES Per 1m²</u>
<u>Business 1</u>	<u>m² GFA</u>	<u>0.003</u>
<u>Business 2</u>	<u>m² GFA</u>	<u>0.046</u>
<u>Business 3</u>	<u>m² GFA</u>	<u>0.009</u>
<u>Business 4</u>	<u>m² GFA</u>	<u>0.011</u>
<u>Business 5</u>	<u>m² GFA</u>	<u>0.006</u>
<u>Business 6</u>	<u>m² GFA</u>	<u>0.003</u>
<u>Business Retail Park</u>	<u>m² GFA</u>	<u>0.033</u>
<u>Central City & Central City Edge</u>	<u>m² GFA</u>	<u>0.014</u>

<u>Land Use (When known)</u>	<u>Category</u>	<u>VPD Per 100m² GFA</u>	<u>% in Journey Type</u>			<u>VPD Equivalent</u>	<u>HUES Per 1m² GFA</u>
			<u>1</u>	<u>2</u>	<u>3</u>		
			<u>100%</u>	<u>25%</u>	<u>5%</u>		
Residential		10					1.00
Commercial premises/offices	Commercial	20	50%	30%	20%	11.70	0.012
Shopping centres >10,000m ²	Retail	100 <u>87</u>	30%	50%	20%	43.50 <u>37.80</u>	0.044 <u>0.038</u>
Shopping centres <	Retail	150 <u>160</u>	30%	50%	20%	65.25 <u>69.60</u>	0.065 <u>0.070</u>

10,000m ²							
Supermarkets	Retail	130	20%	50%	30%	44.20	0.044
Service stations with retail facilities	Retail	160 <u>600</u>	5%	20%	75%	22.00 <u>82.50</u>	0.022 <u>0.083</u>
Markets	Retail	5	40%	50%	10%	2.65	0.003
Bulk goods/home improvement stores	Retail	40	60%	30%	10%	27.20	0.027
Drive in fast food restaurants	Retail	200 <u>320</u>	10%	20%	70%	37.00 <u>59.20</u>	0.037 <u>0.059</u>
Restaurants	Retail	100 <u>66</u>	60%	20%	20%	66.00 <u>43.60</u>	0.066 <u>0.043</u>
Manufacturing industries	Industrial	30	60%	30%	10%	20.40	0.020
<u>Warehouses</u>	<u>Industrial</u>	<u>15</u>	<u>70%</u>	<u>20%</u>	<u>10%</u>	<u>11.30</u>	<u>0.011</u>
Hospitals	Health	10	60%	30%	10%	6.80	0.007
Medical services and health care centres	Health	58	50%	30%	20%	33.93	0.034
Gymnasiums	Recreation	35	70%	20%	10%	26.43	0.026
<u>Hotels</u>	<u>Accommodation</u>	<u>10</u>	<u>95%</u>	<u>5%</u>	<u>0%</u>	<u>9.60</u>	<u>0.010</u>
<u>Motels</u>	<u>Accommodation</u>	<u>6</u>	<u>95%</u>	<u>5%</u>	<u>0%</u>	<u>5.80</u>	<u>0.006</u>
<u>Hostels</u>	<u>Accommodation</u>	<u>8</u>	<u>95%</u>	<u>5%</u>	<u>0%</u>	<u>7.70</u>	<u>0.008</u>
<u>Bed & Breakfasts</u>	<u>Accommodation</u>	<u>6</u>	<u>95%</u>	<u>5%</u>	<u>0%</u>	<u>5.80</u>	<u>0.006</u>

Notes:

1 The end destination and sole purpose of the trip is to that activity e.g. home to work, not stopping at school or any other destination.

...

4 Based on ~~NAAZRA standards~~ **the New Zealand Trips and Parking Database**.

SPECIAL ASSESSMENT CATEGORY

If, at development stage, an application clearly has a significantly greater impact than the averages identified in the above tables, a special assessment may be required. The applicant will be required to provide detailed calculations of their development's long-term transport, water supply and wastewater demands (present and future). These demands will be converted to HUEs in the same manner as defined in the above tables and charged accordingly. This additional information could be made part of a Section 92 request, or requested at the pre-

application stage. In order to provide greater certainty as to when a special assessment would be required it is proposed that a special assessment will only be required in the following circumstances:

- Where the type of development proposed is not adequately covered by the standard categories of non-residential and residential, refer the tables above. This would include, for example, applications such as education, ~~accommodation premises~~, wet industries, etc.
- Where the type of development proposed is not adequately covered by the standard categories of non-residential and residential, (refer the tables above). This would include, for example, applications such as education, accommodation premises, wet industries, etc.

39. That the Glossary of Terms on pages 58, 59, 60 and 61 be amended as follows for consistency purposes and clarification of meaning:

...		
Area of d D emand		Separate development contribution areas exist for each activity. For example, the development contribution area for transport is C C ity wide, while those for activities such as wastewater collection and surface water management are based upon service catchment areas as identified on the maps in Appendix 2.
...		
City w W ide		Christchurch City, excluding the area of the former Banks Peninsula District.
...		
Community i I nfrastructure		Land, or development assets on land, owned or controlled by the Council to provide public amenities, including land that the Council will acquire for that purpose.
<u>Community Services Development</u>		<u>Land, or development assets on land, owned or controlled by private providers of public amenities (including on land leased from the Council), which consume infrastructural capacity, such as sporting, educational, religious and charitable activities.</u>
...		
Cost a A llocation		The allocation of the capital costs of a project to the various drivers for the project, such as renewal, backlog and additional capacity to meet growth.
...		
Current y Y ear		Whatever the current year of application of the DCP is. Year 1 of the DCP is 2006 - 07, year 2 is 2007 - 08, etc.
...		
<u>Developed</u>		<u>Development has been undertaken on the land.</u>
...		
Development		Any subdivision and/or development project or action undertaken that changes the scale, character or intensity of any use of land, including any building activity but excluding site works, that generates a demand for reserves, network infrastructure or community infrastructure (excluding the assets of a network utility operator as defined under Section 166 of the RMA).
<u>Family flat</u>		<u>Self contained living accommodation, whether contained within a residential unit or located separately to a residential unit on the same site, which is occupied by family member(s) who are</u>

		<u>dependent in some way on the household living in that residential unit; and which is encumbered by an appropriate legal instrument which ensures that the use of the family flat is limited to dependent family members of the household living in the residential unit.</u>
Financial e Contributions		Financial contributions are provided for under the RMA and those required by the Council are contained in the City Plan Volume 3, Part 9: General City Rules, Section 7 and Part 13: Transport, Appendix 2. A financial contribution is a contribution from developers of cash or land, or a combination of these. Financial contributions are used to <u>take account of the wider impact of a development on the community, which may include</u> offsetting or mitigating the adverse effects on the natural and physical environment, including infrastructural services, of a new development.
Funding m Model		The funding model ensures an equitable assessment of the funding requirements to support the development contributions regime. The primary output of the funding model is an accurate assessment of the required development contribution charges.
Funding p Period		Not less than 10 years. Otherwise it is the lesser of the asset capacity life, asset useful life or 30 years.
GFA		Gross floor area, being the sum of the total area of all floors of all buildings. The GFA shall be measured from the exterior walls or from the centre line of walls separating two buildings <u>and shall exclude:</u> <ul style="list-style-type: none"> • <u>car parking;</u> • <u>loading docks;</u> • <u>vehicle access and manoeuvring areas/ramps;</u> • <u>plant and equipment enclosures on the roof;</u> • <u>service station canopies;</u> • <u>pedestrian circulation space in an enclosed retail shopping centre; and</u> <u>any foyer/lobby or a primary means of access to an enclosed retail shopping centre, which is accessed directly from a public place.</u>
...		
Level of s Service		The standard of service provision for each asset.
...		
LTNZ		<u>Land Transport New Zealand</u>
New g Growth/ n New e Expenditure		Relates to the growth demand and planned costs in the 10 years from the current year. Starting in year 1 (2006-07) and ending in year 10 (2015-16).
...		
Past g Growth/ p Past e Expenditure		Relates to growth capacity and cost that has been provided by past expenditure. In terms of cost it relates to actual costs incurred in past years, including the current year. In terms of demand it relates to the provided capacity for the period between implementation and the current year.
Private d Development a Agreement		Any private agreement signed between a developer and the Council relating to a development, including the location, design and timing of the work in the development which may credit the cost of those works against the development contribution otherwise payable under this policy.
...		
Reserves		Land acquired or purchased, including the cost of providing minor and

		<p>additional improvements necessary to enable that land to function as a basic reserve and one useable for its intended purpose, including:</p> <ul style="list-style-type: none"> • Local reserves – small to medium sized reserves intended to provide for informal, local, passive and active recreation and open space; • District reserves – large reserves intended primarily to provide for formal, city-wide, active recreation (sporting activities and events) and open space; • Metropolitan reserves – large reserves intended to provide for both informal and formal, city-wide and regional, passive and active recreation and open space; • Regional reserves, including coastal areas, the plains and wetlands and the Port Hills, for the protection and conservation of natural, cultural and heritage landscapes, ecology and features – large reserves intended primarily to provide for passive recreation with a feeling of visual relief and remoteness from urbanity and to contribute to the ‘Garden City’ image; • Reserves for amenity purposes within or adjoining non-residential areas; • Pedestrian and cycling linkages along or to significant natural features, or between other reserves and community facilities; and • Any other purpose permitted by Sections 205 and 206 of the LGA. <p>Reserves may be comprised of either soft or hard landscaping, along with associated infrastructure such as seating, lighting, artworks and water features, i.e. grassed with planting, or paved with raised planters in a highly developed environment such as the central city.</p>
...		
Residential <u>u</u> Unit		A self-contained building (or group of buildings, including accessory buildings) used for a residential activity by one or more persons who form a single household <u>unit</u> . Where there is more than one kitchen on a site (other than a kitchen in a family flat) there shall be deemed to be more than one residential unit. A residential unit may include no more than one family flat as part of that residential unit.
...		
Rural		The use of land or buildings for the purpose-s of agricultural, horticultural or pastoral farming; intensive livestock management; boarding or training of animals; outdoor recreation activity; or forestry; and may include a residential unit.
Service <u>e</u> Connection		A physical connection to a service provided by, or on behalf of, the Council.
...		
Undeveloped		<u>No development has been undertaken on the land.</u>
Unit of <u>d</u> Demand		A HUE, being the typical demand for infrastructure by an average household.
...		

40. That, as a consequential amendment, the page numbers in the Table of Contents be amended as necessary.

The following amendments to the capital projects-related supporting information for Volume 2, the draft Development Contributions Policy are requested in order to rectify an error:

- 41. That all references to specific Area Plans throughout the capital projects-related supporting information be deleted, for the reason that they to have yet to be completed.**

APPENDIX: NUMERICAL LIST OF SUBMITTERS

Submission Id	Name
4311	MR White
4432	Mr Ernest Duval
4439	Ms Jean Anderson
4774	Fendalton/Waimairi Community Bd
4823	Ms Jane Chetwynd
4896	Mr Paddy Gilgenberg
4941	Mr Simon Ironside
4942	Mr Andrew Evans
4943	Ms Rebecca Parish (Foodstuffs SI Ltd)
4944	Mr Steve Higgs (Transit NZ)
5029	Mr EL Woolley (GJ McVicar & Christ's College)
5038	Mr Ron Whitnall (Random Investments Ltd)
5039	Ms Claudia Reid (Lytt-Mt Herbert Comm. Bd)
5040	Ms Leeann Wilson (Central City Business Group)
5043	Mrs M Nicholas
5046	Mr Peter Laloli (Riccarton/Wigram Comm. Bd)
5047	Mr M Perkasky
5049	Mr Tony Hunter (St Georges Hosp. Bd)
5050	Mr Grant McKinnon
5051	Mr Simon Mortlock (19 parties)
5052	Mr H Smith (Smith Developments Ltd)
5053	Mr Ian McNabb (Ngai Tahu Property Ltd)
5054	Ms Hayley Powell (Belfast Comm. Trust)
5055	Mr Ian McNabb (Wigram Aerodrome Ltd)
5058	Ms Lynda Goodrick
5059	Mr George Haddon (Luneys)
5060	Mr KR Whiteside (National Property Trust Ltd)
5061	Mr Mark Weaver (Calder Stewart Industries)
5062	Mr J Hutton
5063	Mr Warren Haynes
5064	Davis Ogilvie & Partners Ltd
5065	Kim Sanders (Suburban Estates Ltd)
5066	Mr E Harris (Sabina Ltd)
5067	Mr G Perkasky
5068	Mr M Perkasky
5071	Mr M Perkasky
5072	Mr M Perkasky

Submission_Id	Name
5073	Mr M Perkasky
5074	Mr M Perkasky
5075	Mr Hamish Wheelans (Gillman Wheelans Ltd)
5076	Mr PJ Mahoney (Aidanfield Holdings Ltd)
5077	Mr David Henderson (Property Ventures Ltd)
5078	Mr Bill Horncastle (Horncastle Homes Ltd)
5079	Mr Mark Rountree (ISL)
5080	Mr Mark Rountree (DNL)
5081	Mr Roger Milsom (Black Peak Holdings Ltd)
5098	Blogg Charitable Trust
5099	Dan Van Asch
5100	Mr Aidan Prebble (Fulton Hogan Ltd)
5101	Mr Tim Glasson (Fresh Fields Ltd)
5102	Mr RI Churcher (Property Council of NZ Inc.)
5103	Mr David Cartwright (Canty Club Inc.)
5104	Mr D Page (Neil Construction Ltd)
5105	Mr B Gilman (Westpark Estates Ltd)
5118	Saxon Knight Ltd
5127	Mr Warren McCall (Davie Lovell-Smith Ltd)
5141	Mr A Cowie
5145	Mr Jeremy Phillips (Waterman Investments Ltd)
5146	Mr Jeremy Phillips (Allstor Self Storage Ltd)
5147	Mr Jeremy Phillips (Westfield (NZ) Ltd)
5153	Mrs Barbara Stewart
5154	Mr Anthony Thomas Gough (Hereford Holdings Ltd)
5156	Mr Harry Evison
5160	Mr JP Leeney
5161	Mr John Walley (Canty Manufacturers Ltd)
5164	Ms Pru Steven (Carter Group)
5165	Ms JM Appleyard (CIAL)
5166	Ms Pru Steven (Applefields Ltd)
5167	Ms Pru Steven (Canty Land Trust Ltd)
5168	Ms Pru Steven (Canty Trust Holdings Ltd)
5169	Ms Pru Steven (Clearwater Holdings Ltd)
5170	Ms Pru Steven (Clearwater Hotel 2004 Ltd)
5172	Ms Pru Steven (Humboldt Ltd)
5173	Ms Pru Steven (Trans Tasman Properties Ltd)
5208	Ms Wendy Everingham
5212	Mr Alan Turner (NZ Automobile Assn)
5216	Mr Graeme Earl (Canty Reg. Master Builders Assn)
5227	Mr Darryl Millar (ChCh Polytechnic)

Submission_Id	Name
5230	Mr DO Fox (Fox & Associates Ltd)
5232	Mr Donald McGill
5233	Ms Jackie Curtis (Land Transport NZ)
5239	Mr Tahu McConnell (Wigram Park Comm. Assn)
5245	Ms Frances Schmechel
5312	Mr A van der Dussen
5313	Mr A van den Broek
5314	Mr P van Bussel
5315	Ms Lisa Dymand
5316	Mr WJ & YC Parkhill (Abode Homes Trust)
5317	Mr Andrew Wallace
5318	Mr John Growcott
5320	Mr Ernest Henshaw
5322	Mr Clive Thomas
5332	Mr Tony Lamers
5342	Mr Warren Haynes
5343	Mr John Rutherford
5347	Manchester at Gloucester Investments Ltd
5350	Jakari Investments Ltd
5352	Mr Murray James (Murray Homes Ltd)
5434	Mr Bill van den Berg
5455	Mr Gordon Dalkie
5465	Mr Paul D Bradley (BBS)
5518	Mr Scott Williams (NZ Inst. Surveyors)
5519	Ms Julienne Mary Cottrell
5531	Mr John Peet
5545	Mr Wayne A Bond
5551	Mr Raj Deo Lakhani
5553	Ms Catheryn Faid (Pegasus Property Ltd)
5554	Mr Timothy Hogan (ChCh Civic Trust)
5555	Mr Denis L Harwood
5556	Mr Tim Raateland (Platinum Properties Ltd)
5558	Mr Duncan Snell (Barrington Mall)
5559	NZ Cashflow Control Ltd
5561	Mr Tim Raateland
5600	St Albans Residents Assn
5601	Barry Armstrong (Cashmere Residents Assn)
5609	Mr Evan Harris (Prime Projects Ltd)
5610	EO Sullivan (Tyrone Estates Ltd and others)
5620	Mr Trevor Creighton (Qa Villages Ltd)
5647	Karl Retief (Kiwi Property Management Ltd)

Submission_Id	Name
5648	Nick Clark (Fed. Farmers)
5649	Jennie Hamilton (NZ Historic Places Trust)
5650	Glen Koorey (Spokes)
5736	Mr Hamish Wheelans (Gillman Wheelans Ltd)
5740	Ms Allison Nicol (Bone Marrow Cancer Trust)
5749	Mr Brent Mettrick (Stonewood Homes)
5755	Ms Sarah Ancell (Tudor Developments Ltd)
5756	Mr Duncan Forbes (Urban Winery ChCh Ltd)
5759	Mr Andrew Mason (Laing Contractors Ltd and other)
5763	Ms Kate Whyte
5777	Mr CV Currie
5788	Ms Amanda Strong (Canty District Health Bd)
5793	James Abernethy (Abros Homes Ltd)
5794	Mr Gerard Jordan (GM Jordan Construction Ltd)
5795	Mr Alastair Miles (Today Homes Ltd)
5796	Mr Kendall Langston (David Reid Homes Canty Ltd)
5797	Mr Colin Gregg (Gregg Builders Ltd)
5847	Mr MJG Garland (Hornby Investments Ltd)
5849	Mr MJG Garland (Wakefield Mews Ltd)
5850	S & S Fox
5851	Mr DW Collins (Highpara Apartments)
5859	Ms Nancy Sutherland
5860	Mr MJG Garland (Kennedys Bush Dev. Ltd)
5864	Mr Ernest Henshaw (Henshaw Dev. Ltd)
5867	Mr David Griffiths (Housing NZ Corpn.)
5873	Mr Darren Musson (Texco Group)
5874	Mr Brian Parry (Sterling Homes Ltd)
5875	Mr Wayne Murray
5880	JT Moir
5882	Mr Daryn Stanley (Jordent Ltd)
5911	Mr Duncan Ford