

I, Kitea Tipuna, Tumu Whakarae Chief Executive, hereby give notice that an Extraordinary Meeting of Council will be held on:

Date: Tuesday, 17 May 2022

Time: 9.00am

Location: Council Chamber, Wairoa District Council,

Coronation Square, Wairoa

AGENDA

Extraordinary Council Meeting 17 May 2022

MEMBERSHIP: His Worship the Mayor Craig Little, Cr Denise Eaglesome-Karekare, Cr Hine Flood (Deputy Mayor), Cr Danika Goldsack, Cr Jeremy Harker, Cr Melissa Kaimoana, Cr Chaans Tumataroa-Clarke

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz

Order Of Business

| 1 | Karal | kia | 5 |
|---|-------|---|---|
| 2 | Apole | ogies for Absence | 5 |
| 3 | Decla | arations of Conflict of Interest | 5 |
| 4 | Publi | ic Participation | 5 |
| 5 | Gene | eral Items | 6 |
| | 5.1 | Submissions to the Development Contributions Policy | 6 |

- 1 KARAKIA
- 2 APOLOGIES FOR ABSENCE
- 3 DECLARATIONS OF CONFLICT OF INTEREST
- 4 PUBLIC PARTICIPATION

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 14.14 requests to speak must be made to the meeting secretary at least one clear day before the meeting; however this requirement may be waived by the Chairperson.

5 GENERAL ITEMS

5.1 SUBMISSIONS TO THE DEVELOPMENT CONTRIBUTIONS POLICY

Author: Alannah Marshall, Kaiurungi Mana Arahi/Whakawhanake Ohanga

Governance and Economic Development Officer

Authoriser: Kitea Tipuna, Tumu Whakarae Chief Executive

Appendices: 1. Speaking submissions <u>U</u>

2. Non-speaking submissions U

1. PURPOSE

1.1 This report has copies of the submissions to the Wairoa Development Contributions Policy for Council's consideration

RECOMMENDATION

The Kaiurungi Mana Arahi/Whakawhanake Ohanga Governance and Economic Development Officer RECOMMENDS that Council receive the submissions attached as appendix 1 & 2 and thank submitters for their submissions to the Wairoa Development Contributions Policy.

2. BACKGROUND

- 2.1 Council adopted the statement of proposal for public consultation on 22 March 2022. The submission period was from Monday 4th of April 2022 until Friday 6th of May 2022
- 2.2 Attached to this report are the submissions received during this period. They are divided into two sections speaking (appendix 1) and non-speaking (appendix 2)
- 2.3 Once Council has received the submissions the next step in the process is to begin deliberations on the final Development Contributions Policy

3. ANALYSIS

- 3.1 Council received a total of 7 submissions, of these 3 indicated they wished to speak to their submissions.
- 3.2 4 of the submissions indicated they did not agree with the proposed Policy, and of these 2 identified themselves as future/potential developers. The shared views were around the current struggle of affordability to build and how introducing this policy will further impact development in the community when Council should be seen as encouraging development.
- 3.3 The remaining 3 submitters did agree with the Development contributions Policy and have put forward amendments for Councils consideration.

Item 5.1 Page 6

4. CORPORATE CONSIDERATIONS

What is the change?

4.1 The submissions will present information that will be considered during deliberations this will inform the final Policy.

Compliance with legislation and Council Policy

- 4.2 The current long-term plan includes reference to not having an enacted development or financial contributions policy, adoption of this policy would require an amendment as part of the next LTP (2024-2034).
- 4.3 This policy will have no effect on the operative district plan, but reference may be made to the policy in a subsequent plan.
- 4.4 This proposed policy is compliant with the requirements of the Local Government Act 2002.

What are the key benefits?

4.5 Additional revenue will be collected from developers that offsets the cost burden on Wairoa ratepayers.

What is the cost?

4.6 There is no cost with this decision, the operation of this policy will be paid for through existing operational budgets.

What is the saving?

4.7 Additional revenue will be collected from developers that offsets the cost burden on Wairoa ratepayers.

Service delivery review

4.8 N/a

Maori Standing Committee

4.9 This matter was included in the Māori Relationship Manager report Thursday 28 April.

5. SIGNIFICANCE

5.1 This policy is of significance to the community, consultation was undertaken as per S83 of the LGA

6. RISK MANAGEMENT

6.1 In accordance with the Council's Risk Management Policy the inherent risks associated with this matter are: Low

| Human | Financial | Regulatory |
|------------|-----------|--------------------|
| Low | Low | Low |
| Operations | Employees | Image & Reputation |

Item 5.1 Page 7

| Low | Low | Low |
|-----|-----|-----|
| | | |

Who has been consulted?

The hearings process is part of consulting the entire community.

References (to or from other Committees)

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

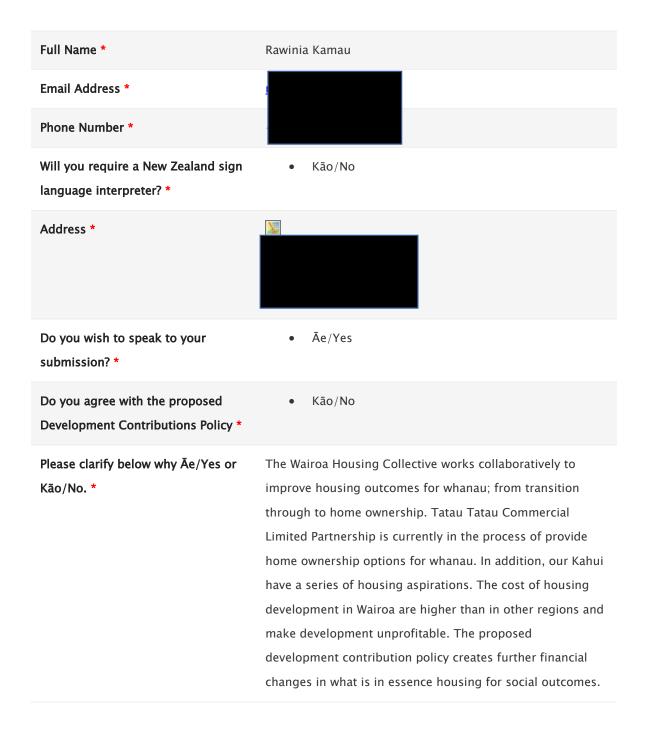
- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Item 5.1 Page 8

Tuesday 17th May 2022

| 8.30 | Reporting Officers briefing |
|------|-----------------------------|
| 9am | Karakia and intro |
| 9.10 | |
| 9.20 | Gordon Preston |
| 9.30 | Rawinia Kamau |
| 9.40 | Margie Sullivan |

| SUBMISSION FORM | To me it is important that our |
|---|--|
| Full Name Gordon Husham Reston | council does whatever it can (as it did for Reckellab a few |
| Address Email | years ago) to encourage people and industry to do infill housing |
| Phone Number | commercial projects and rural |
| ORAL SUBMISSION | many new and returning "settless" |
| Do you wish to speak to your submission? Ae/Yes O Kão/No | as we can to our town and |
| Will you require a New Zealand Sign Language interpreter? Ae/Yes Kāo/No | district who, of course, will then become permonent rate payers. |
| PROPOSAL QUESTIONS | |
| Do you agree with the Proposed Development Contributions Policy? O Âe/Yes Káo/No Don't Know | I arrow an excellent rapport with |
| Please clarify below why Andres, Kāo/No or Donitalings | inspectors and I know that the |
| The Wairoa District Council to | people who do developments |
| stra houses in the town and | much money as they have to, |
| 2 fees that are already remired | just to get their projects started |
| urveyors, LINZ, georech en inegro | before there is even a hint of positive cash flow for them. |
| rd Council before building and/or | Please do not snuff out or |
| ngrovements even begind | dampen their insight foresight |
| Need more room? Please attach extra pages, but make sure they are A4 in size and also include your contact information. | and enthusiasm for holping |
| 10 | community fordon Preston |
| Item э.т- мррених т | rage 1 |



| Full Name * | Margie Sullivan |
|--|-----------------|
| Email Address * | |
| Phone Number * | |
| Will you require a New Zealand sign language interpreter? * | • Kāo/No |
| Address * | |
| Do you wish to speak to your submission? * | • Āe/Yes |
| Do you agree with the proposed Development Contributions Policy * | • Kāo/No |
| Please clarify below why Āe/Yes or Kāo/No. * | Is this working |



You don't often get email from cjcampbell@orcon.net.nz. Learn why this is important

Subject: WDC - Consultation - Development Contributions [#1]



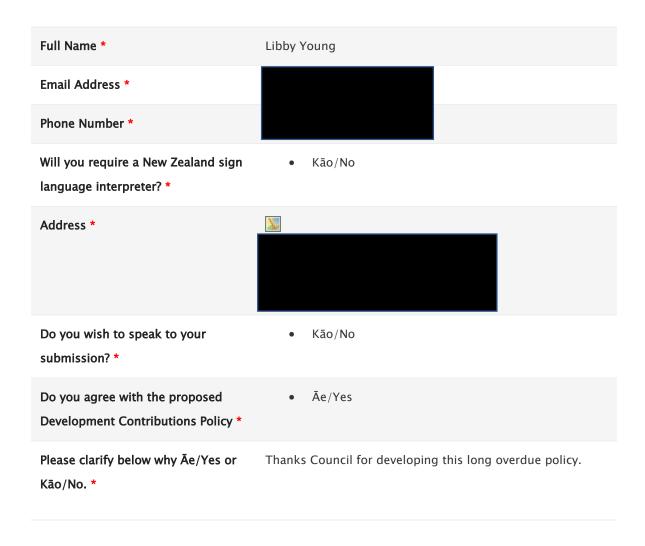
Please clarify below why Āe/Yes or Kāo/No. *

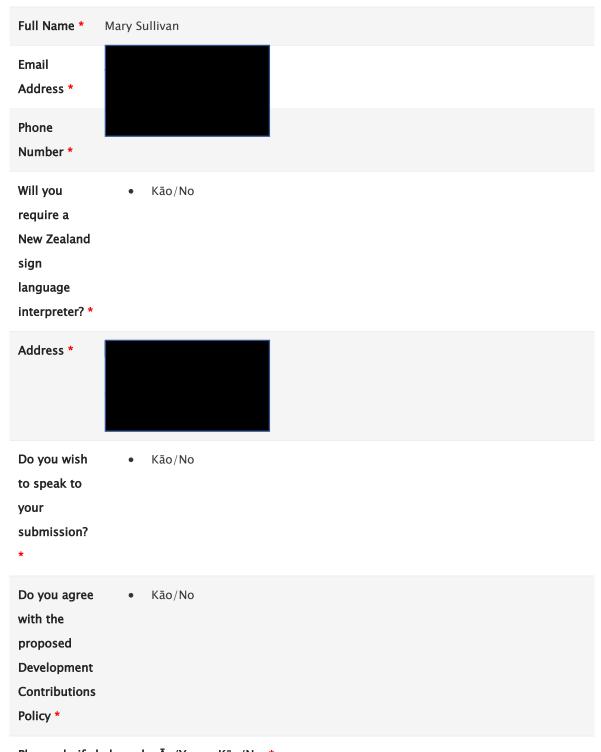
I was a Planner at the Whakatane District Council for 11 years, and experienced some issues with the implementation of their DC Policy. This submission attempts to address some of these shortfalls.

- 1. Suggest that it is stated more clearly that during the transition period of implementing the DC policy, if a subdivision misses the requirement to pay the DC, then they will still end up paying it at the time of the Building Consent.
- 2. It is important that LIMs state whether a DC is payable on a vacant lot at the time of Building Consent, or if the DC has been paid.
- 3. Section 4.10. Credits. The last bullet point says that credits for non-residential development can last 10 years. What is the time frame for credits for residential development? What sort of proof is required?
- 4. Section 4.11a. Esplanade Reserves and Esplanade Strips are different ways to protect a riparian area. An Esplanade Reserve is a freehold new title and usually vested in Council. An Esplanade Strip remains with the property owner. This difference should be made clear, so that any credit for an esplanade can be clearly applied.
- 5. Section 4.11c. Wastewater pre-treatment has been singled out. Any wastewater needs to pay a DC. If it is pre-treated, then it was probably contaminated and not acceptable to Council unless

treated.

- 6. Section 4.13. Reassessment of Water Supply DC. Often a builder will apply for a water connection when they start building, whereas the full DC is not payable until the Code Compliance Certificate. There can be a tendency to charge the whole DC at Code Compliance Certificate whereas the water DC component should be deducted as it has already been paid. This needs a good computer tracking element.
- 7. In order to avoid paying the DC at the time of Code Compliance Certificate, owners may choose not to apply for a Code Compliance Certificate. Suggest adding something that when the dwelling or building becomes occupied or commences operation.
- 8. Section 4.11b. Reductions of DC. I think it should be clearer about refunds. Eg if a developer spends \$10k putting in a water supply line to vest in Council, I don't think Council will necessarily take \$10k off the DC total to pay. They will only get a deduction of the water supply portion of all the DCs payable. Same for Reserves. If a developer vests some reserve land in Council, then only the Reserves portion of the relevant DCs will be deducted. Or else the market value of the Reserve will be determined and then that is set against the total of the Reserves DCs.
- 9. Section 5.3. Table 6 shows the Demand per HUE (3rd column). I suggest putting the words "up to ..." in each row, otherwise people may want a refund if they use less water, have less vehicle trips etc.
- 10. Section 5.4 needs far more clarity. It says that a DC is payable on Additional Lots. This only works if there is an existing dwelling where it is assumed that they do not pay the DC. If there are no dwellings at all on the parcel being subdivided, then which are the additional lots? In actual fact, all the lots need to pay a DC. Only charging on additional lots creates a monumental problem when invoicing for DCs in the future. All Lot owners will state that they are not "the additional lot". At the time of Resource Consent approval, it needs to be explicitly spelled out which lots pay, and which do not. I suggest that you have an Example for this scenario when all lots are vacant which should be added to Appendix III.
- 11. Tracking of DCs. During the period of transition from Paying at the time of Building Consent to paying at the time of subdivision, it is important that there is a good computer tracking system. Often there is considerable delay between subdivision and building (eg 10 years), and in this time a property could have been subdivided again and again. It needs to be very clear to all parties what the DC status of a piece of land is, and particularly for LIMs.
- 12. Section 7. For the Impervious Surface Area (ISA) it looks like rooftops are only considered when concrete or asphalt. Maybe clarify it is all rooftops. It is also difficult to estimate areas, especially if there are large covered areas eg decks, sail cloth areas.
- 13. Section 7. The Dwelling Unit definition is quite good, as it will probably capture those dwellings that have 2 kitchens and could very easily be operated as two dwellings. It will always be difficult to capture converted garages on the same site as a dwelling.





Please clarify below why Āe/Yes or Kāo/No. *

While I understand the need for councils to find revenue to fund any intensive development which might place demand on the infrastructure for our community, there are a few points I would like to make on the matter.

- 1. I am an interested party wishing to subdivide my 1112 m2 residential section in half, creating two small residential sections and I will continue to live in one of these. It was once the kiwi dream to own your own "quarter acre" section but the demand now is for smaller and smaller more manageable sections.
- 2. I feel the consultation process has been lacking effective community communication with little to nil advertising and there is a lot more research to be done and feedback to be gained before any charge is implemented for a community as unique as Wairoa.
- 3. The policy document talks about "Those driving development should pay a proportionate share toward the cost". I totally agree as I can understand this relating to a developer subdividing a large parcel of land into five or more sections, but in my case I am not driving any development by dividing one section into two and continuing to live in one of them. Perhaps there is room for discussion around a smaller proportion of the fee to be payable in this instance. Remembering also there will be an increase in the rates charged for the same m2 of land, when one lot becomes two.
- 4. The proposed fee for an additional HUE in the Wairoa township at \$10,398.45 (incl. GST). With an average section value of \$100,000 in urban Wairoa this equates to approx.. 10% of the value of the section. With other costs such as surveying, connection of services and earthworks, the total subdivision cost could reach \$40,000 and a whopping 40% of the value of the section. Compared to Gisborne District Council's fee of \$11,405 with an average section value of \$300,000 to \$400,000, this equates to approx. 3 to 4% of the value of the section. With other subdivision costs remaining relatively the same, this comes to approx.. 10% of the value of the section and allows much more opportunity to recover your costs.

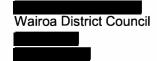
Summary

Please consider a longer consultation period for this. Whilst I agree in principle for development to subsidise any increase on demand for our infrastructure costs, those charges need to be relative to demand and a better fit for Wairoa than those proposed.



5 May 2022

Attn:



FEEDBACK ON WAIROA DISTRICT COUNCIL'S PROPOSED DEVELOPMENT CONTRIBUTIONS POLICY

Kāinga Ora – Homes and Communities ("Kāinga Ora") at the address for service set out below provides the following feedback on Wairoa District Council's Proposed Development Contributions Policy.

The review of the policy by Kāinga Ora has been broad and has focussed not only on its own land holdings and interests, but the strategic direction and future urban development across the Wairoa District.

Outline of Feedback on Wairoa District Council's Proposed Development Contributions Policy.

Following a review of the proposed policy, Kainga Ora provide the following comments:

1. <u>Land Use payment due dates:</u> Row 1 of Table 5 on page 21 is not clear when payment for development contributions associated with land use consent should be made. The text states 20 working days from issue or before it is given effect to, but does not say what the default is. Kāinga Ora consider it should be whichever is the later, and accordingly suggest the following amended wording:

Payment must be made within 20 working days of the invoice being issued on granting the consent, and/or before the Land Use is given effect to (whichever is the later).

Paragraph 5.3, page 25: The first sentence after Table 6 incorrectly states '80m² or less is assumed to represent 1HUE..'; this should say '80m² or more....' to be in accordance with thresholds stated throughout the policy.

1

3. <u>Definition of Gross Floor Area (GFA)</u>: The definition of GFA does not provide clarity on whether eaves that extend less than 1.0m from exterior walls are either included or excluded from the calculations. Kāinga Ora is of the view that eaves should be excluded from this definition, with the definition amended to clarify this.

Concluding Remarks

Kāinga Ora thanks Council for the opportunity to provide feedback on Wairoa District Council's Proposed Development Contributions Policy and are generally in support of the proposed policy.

Next Steps

Kāinga Ora welcomes the opportunity to review any future amendments that are made to Wairoa District Council's Development Contributions Policy as a result of submissions received.

Brendon Liggett

Manager – Development Planning Kāinga Ora – Homes and Communities

ADDRESS FOR SERVICE: Kāinga Ora – Homes and Communities,