

# **Changes proposed to Development Contributions Policy for inclusion in draft Long Term Plan 21-31**

**Meeting:** Council Briefing  
**Date of meeting:** 9 December 2020  
**Reporting officer:** Sue Davidson, GM Sustainable Growth & Investment

## **Purpose/Ngā whāinga**

To discuss proposed changes to the draft Development Contributions Policy for inclusion in the Draft Long Term Plan which will go out for consultation.

## **Executive summary/Whakarāpopototanga**

The original policy has been divided into two sections, the first a simple explanation of development contributions, particular policy decisions and how they are applied and the second part being the more technical and detailing the legislation, method of calculation of contribution amounts and supporting information. Figures for development contributions are still being calculated and need to be added to the policy when they are finalised and the Draft Long Term Plan goes out for consultation.

## **Context/Horopaki**

The charging of development contributions ensures that those responsible for the growth pay towards the amenities required to sustain the additional growth. Development Contributions Policy is reviewed every 3 years in line with the LTP. This means capital projects identified as required in each LTP can also be considered against the criteria for growth and whether these should be included in the calculations to be charged as development contributions for new subdivisions. The development contributions will assist with funding of big-ticket transport, community facility and wastewater items which the spatial plan envisages.

## **Discussion/Ngā kōrerorero**

The Development Contributions Policy has been written in two sections with the policy decisions and practical applications in the first section followed by the more technical information – the legislation and the mechanics of the calculation in Section 2.

Key items to note in Section 1 of the Development Contributions Policy are:

1. There are new categories that we will levy a development contribution for supporting Council growth:
  - Dargaville Water supply
  - Maungaturoto Water supply
  - Dargaville Wastewater
  - Maungaturoto Wastewater
  - Kaiwaka Wastewater
  - Te Kopuru Wastewater
  - Dargaville Stormwater
  - Maungaturoto Stormwater
  - Kaiwaka Stormwater

- Community Infrastructure - Library in Mangawhai
  - Solid Waste management - centralised recycling station at Maungaturoto
2. Clause 1.6.1 - The approach to growth has changed. Previously, Council welcomed growth in selective areas. It is now widening the scope on the back of the spatial plan.
  3. Clause 2.2.2 - Assumption that Council won't want to charge community infrastructure development contributions on business development.
  4. Clause 2.3.1 - Use of district wide catchments for solid waste and community infrastructure activities.
  5. Clause 2.3.1 - continued use of roading east catchment due to some large-scale roading spending proposed at Mangawhai. Note the investigation of the Kaiwaka Eastern Link road is charged to District Roding.
  6. Clause 2.8.3 - Exception of past MCWWS interest incurred for the construction projects in the past is shared between growth and existing users
  7. Clause 2.9.1 and 2.9.2 - Table with amounts still being calculated
  8. Clause 2.10.6 - New clause to allow Council to consider position regarding warehouses as generating less demand on waters infrastructure
  9. Clause 3.6.1.1 - New clause to consider public benefit but Council should be agreeing a fund to support this at the same time e.g. (\$20000)

There are no key areas to note in Section 2 of the Development Contributions Policy. This states the legislation and details the calculation methodology.

### **Policy and planning implication**

This is a policy required to be reviewed by the Local Government Act 2002.

### **Financial implications**

The proposed changes to the Development Contributions Policy will impact on the charges for additional subdivisions as the amenities required, and the future estimate of rating units, have been reviewed. Note the final figures are still being calculated and will be presented at a future Council meeting.

### **Risks and mitigations**

Council must ensure it has good justification for the percentage of new capital projects it allocates to growth as the largest risk is a challenge from developers to the calculations. Council needs to be able to substantiate the projects and the share charged to growth.

## **Significance and engagement/Hirahira me ngā whakapāpā**

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Consultation will occur as part of the draft Long Term Plan consultation.

## **Next steps/E whaiake nei**

- These changes and specific consultation issues will be included in the draft Long Term Plan.

## **Attachments/Ngā tapiritanga**

	Title
A	Development Contributions Policy - Section 1 (Draft)
B	Development Contributions Policy - Section 2 (Draft)