

Adoption of draft Development Contributions Policy

Meeting: Kaipara District Council
Date of meeting: 24 February 2021
Reporting officer: Sue Davidson, GM Sustainable Investment Growth

Purpose/Ngā whāinga

The matter for consideration by the Council is the adoption of the draft Development Contributions Policy as supporting information for the LTP 2021-31 and for community consultation alongside the Long-Term Plan 2021-31.

Executive summary/Whakarāpopototanga

The policy has been updated to reflect the growth related capital expenditure proposed in the LTP 2021-31 and other changes including changes to legislation. As a result, new projects have been included in the policy the cost of some projects has changed, and some projects have been removed from the policy.

There is also an increase in the number of activities requiring development contributions to be levied.

Any persons undertaking development in the district may be required to pay development contributions. These interested parties will have the opportunity to provide feedback on the draft policy as part of the public consultation process proposed to run concurrently with the consultation for the LTP 2021-31.

Recommendation/Ngā tūtohunga

That the Kaipara District Council or XX Committee:

- a) Adopt the draft Development Contributions Policy as supporting information for the LTP 2021-31 and for community consultation alongside the Long-Term Plan 2021-31 (Attachment A)
- b) Authorises the Mayor and CE to make any small amendments

Context/Horopaki

The Local Government Act 2002 (the Act) requires the Council to adopt a policy on development and financial contributions.

A development contribution is a levy collected under the LGA 2002 to ensure any private development that creates additional demand on Council infrastructure, contributes to the additional costs created.

The charging of development contributions ensures that those responsible for the growth pay towards the amenities required to sustain the additional growth.

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.

The Act requires the Development Contributions Policy is reviewed every 3 years in line with the LTP.

Discussion/Ngā kōrerorero

The main policy changes are that the policy has been updated to reflect the growth related capital expenditure. This has changed from the last review as new population forecasts have been obtained and associated capital expenditure to ensure there is sufficient capacity for growth has been added. Also, the cost of some projects has changed, and some projects have been removed from the policy.

There are new development contributions which will need to be advised to developers when adopted. The calculation basis is consistent however there are far more of these activities requiring development contributions as a result of growth in various areas.

Proposed Development Contributions schedule from 1 June 2021 (excluding GST, but including interest):

Table 1 - SCHEDULE OF DEVELOPMENT CONTRIBUTIONS 2021-2031						
MAIN PRICE	Stormwater	Wastewater treatment	Water supply	Roading	Community	TOTAL
Mangawhai	\$ 419	\$ 24,766	\$ -	\$ 2,364	\$ 496	\$ 28,045
Dargaville	\$ 216	\$ 1,887	\$ 1,690	\$ 90	\$ 496	\$ 4,379
Te Kopuru	\$ -	\$ 2,271	\$ -	\$ 90	\$ 496	\$ 2,858
Maungatoroto	\$ 2,531	\$ 1,524	\$ 860	\$ 90	\$ 496	\$ 5,502
Kaiwaka	\$ 2,032	\$ 1,465	\$ -	\$ 2,364	\$ 496	\$ 6,357
Baylys Beach	\$ 6,865	\$ -	\$ 1,690	\$ 90	\$ 496	\$ 9,142
Glinks Gully	\$ -	\$ -	\$ -	\$ 90	\$ 496	\$ 587
Ruawai	\$ -	\$ -	\$ -	\$ 90	\$ 496	\$ 587
District	\$ -	\$ -	\$ -	\$ 90	\$ 496	\$ 587
Roading East	\$ -	\$ -	\$ -	\$ 2,273	\$ 496	\$ 2,769

Options

- Adopt the draft Development Contributions Policy as supporting information for the LTP 2021-31 and for community consultation alongside the Long-Term Plan 2021-31 (Attachment A).

This option is considered to be equitable and fair with regards to ensuring those persons who create the need for capital expenditure pay a proportionate portion of the costs of providing infrastructure or those community facilities.

There are no other viable options as any delay would mean the Council is unable to meet the LTP 2018-28 statutory timetable.

Policy and planning implications

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

Financial implications

The proposed Development Contributions Policy allows for development contributions to be levied in order to fund capital expenditure related to growth.

Risks and mitigations

There are considered to be no significant risks with the proposed option. The policy and development contributions have been developed in accordance with legislative requirements and are considered to be equitable and fair in relation to ensuring those persons who create the need for the community facilities pay a proportionate portion of the costs. The draft policy updates the current policy from 2018.

Significance and engagement/Hirahira me ngā whakapāpā

This matter has been assessed as being significant because the Council has a statutory obligation to adopt and review a policy on this matter and because the policy; guides how growth related capital expenditure will be funded including funding of capital expenditure for strategic assets; has financial implications for the community and the Council regarding which funding source growth related capital expenditure is recovered; and is deemed to affect developers within the district as it guides how much developers will have to pay in contributions for their development.

Consultation is planned to be undertaken that gives effect to the principles of consultation of the Act (s82). The consultation will be carried out concurrently with the consultation on the LTP 2021-31 to ensure the decision-making process for the LTP informs the final.

Next steps/E whaiake nei

The next step is to carry out community consultation alongside the CD document for the Long-Term Plan 2021-31.

Attachments/Ngā tapiritanga

	Title
A	Development Contributions Policy

Sue Davidson, 10 February 2021