



HAVE
YOUR SAY!

STATEMENT OF PROPOSAL

DEVELOPMENT CONTRIBUTIONS POLICY 2021
AND APPENDICES 2021/22

waikatodistrict.govt.nz

0800 492 452



This Statement of Proposal is made for the purposes of Sections 82, 83, 201(a) and 202 of the Local Government Act 2002.

IT INCLUDES:

- Background to the proposal
- Reasons for the proposal
- Summary of the proposed changes
- 'have your say' details
- The proposed policy
- The proposed appendices

BACKGROUND

Development contribution levies are paid by developers for the portion of Council infrastructure required to support growth.

This review of Council's Development Contributions Policy has updated the policy to take account of the legislative changes made to the Local Government Act (LGA) 2002, removed the Tiny and Minor Residential Dwelling categories, clarified the section references of the policy, and ensured that the policy complies with legislation.

We are amending the policy for a number of reasons:

1. Under the Local Government Act 2002 the Development Contribution Policy must be reviewed every three years
2. The Government has introduced legislative changes during the last three years that impact development contributions . These legislative changes are required to be incorporated into the policy
3. Council has removed the Minor Residential Unit and Tiny Residential Unit from the policy

KEY CHANGES WE'RE PROPOSING TO MAKE



Legislative Changes

- Section 197 of the LGA was amended to remove the narrowed scope of community infrastructure which was limited to community halls, playgrounds and public toilets. There is a new definition of community infrastructure. The definition in the policy has been updated to reflect this.
- There are specific instructions added to schedule 1AA as Part 2. These instructions detail how projects for community infrastructure, undertaken during the time period the narrowed scope was in force, are to be treated where Councils wish to recover development contributions on these projects. Council chose not to add projects undertaken within this timeframe to the policy.
- Section 198A of the LGA was repealed. Section 198A related to the restrictions on power to require contributions for reserves, these restrictions have been removed from the Policy.
- A definition of capital expenditure was inserted into section 197 (1) Interpretation - "capital expenditure includes any funding provided by a responsible levy authority to contribute to the construction costs of eligible infrastructure that has been, or is intended to be, transferred to the authority under section 90 of the Infrastructure Funding and Financing Act 2020. This definition has been added to the Policy.
- Section 201A (1) (e) "if the asset is eligible infrastructure that has been, or is intended to be, transferred by a responsible SPV to a responsible infrastructure authority under section 90 of the Infrastructure Funding and Financing Act 2020, the proportion of the capital cost to be funded by a levy under that Act and from other sources." was inserted. This means that Council is required to include any infrastructure being transferred by a Special Purpose Vehicle (SPV) in the Schedule of Assets (Capital works Schedule) – Council does not currently have any SPV within the District to include. This information has been included in the Policy in section 8.2 Capital expenditure required to service growth.

MORE KEY CHANGES WE'RE PROPOSING TO MAKE



Other Changes

- The definitions of Minor Residential Unit and Tiny Residential Unit have been removed.
- Reference to Minor Residential Unit and Tiny Residential Unit have been removed from section 11.3 Residential.
- Reference to Rest homes, care beds and retirement villages have been removed from section 11.3 Residential.
- Kaumatua Housing has been added to section 11.6 Special assessments.
- Section 4 Navigating this document has been updated and section references throughout the policy have been checked and updated.



REASONS FOR AMENDING THE APPENDICES

The appendices to the 2021 Development Contributions Policy need to be updated to align with the assumptions and work programmes within Council's draft 2021-2031 Long Term Plan.

If Council continues to retain the fees and associated appendices related to the current 2018-2028 Long Term Plan, it will result in either under or over recovery in relation to the costs outlined in the draft Long Term Plan.

Legislation

A consultative procedure must be followed, as outlined under section 82 of the Local Government Act 2002, to amend the Development Contributions Policy. This Statement of Proposal has been prepared to fulfil the purpose of section 82A (2) of the Local Government Act 2002.

Development contributions schedule content requirements are provided for in sections 201A and 202 of the Local Government Act 2002.

What are the options?



Option 1 - Status Quo

The Policy is not amended and continues as it is (apart from any required legislative changes).

This option is not recommended.



Option 2 - Amend the policy and appendices

The table on the following page details the revised growth projections, analysis of the projections, the options available, as well as the key changes to the development contributions policy and appendices that are being proposed.

This option is recommended.

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Growth projections have been revised based on district forecasts and actual growth experienced to date.	Growth projections are a critical component of levy calculations and underpin Council's Long Term Plan work programmes. H c \ U j Y ' U H v f b U h j Y c d h j c b g j g b c h j j U V Y "	Growth assumptions are a key component in the calculation of development contribution levies. Updates are required to align with the assumptions contained within Council's draft 2021-2031 Long Term Plan.
7 \ Ub [Y . F Y] g X W h W a Y b h i a U d g	C d h j c b g U j U j W Y	5 b U n g j g
<p>The catchment maps have been updated as follows:</p> <p>Development Agreement maps have been added for the use of internal council staff in identifying where significant development agreements are in place, in progress, or where they or may be required if there is future development in the area.</p> <p><i>Adjustments to existing maps</i> Boundary extensions</p> <p><i>New Catchments</i> New Roads & Transport catchment for Takau and SUB Catchment A for Ngaruawahia New wastewater catchments for Huntly, Ngaruawahia, Ngaruawahia A, Taupiri & Hopuhopu</p>	<p>The identified catchments indicate the proposed area of benefit from Council's Long Term Plan capital works programme.</p> <p>Council could choose to change catchment map boundaries accepting that if the underlying work programmes remain unaltered that development contribution levies would either increase or decrease.</p>	<p>Catchment maps directly relate to growth projections, programmed works, anticipated extension of services and the calculated development contribution levies.</p> <p>Note: Where properties under development fall outside any catchment areas, services may not be available or further works may be required to connect.</p>
7 \ Ub [Y . F Y] g X W d j H k c f _ g g M Y X i ' Y	C d h j c b g U j U j W Y	5 b U n g j g
<p>The capital works schedule has been updated to reflect changes in scope, timing and costs of projects undertaken by Council (historic costs) since 2018.</p> <p>The programme of works has been updated to incorporate Long Term Plan projects from 2021 to 2031.</p>	<p>The proposed schedule reflects the scope, timings, costs and funding allocation splits used in the draft 2021-2031 Long Term Plan. Works related to structure plan and private plan changes that are currently in progress are not included.</p> <p>Council could choose to change capital work programmes accepting that development contribution levies would either increase or decrease as a result, as would the funding contained within Council's 2021-2031 Long Term Plan.</p>	<p>The capital works schedule should reflect the programme of works contained in Council's Long Term Plan and actual spend to date as well as allocate costs between renewal, levels of service and growth.</p> <p>The scope, timings and costs of programmed works along with the associated cost allocations are key inputs for calculating development contribution levies.</p>
7 \ Ub [Y . F Y] g X ^ Y j Y g	C d h j c b g U j U j W Y	5 b U n g j g
<p>The development contribution levies have been revised as a result of updating growth projections and capital works schedule details. A number of charges have j b v v Y U g Y X c f ^ X Y v v Y U g Y X as a result.</p> <p>H \ Y f Y j g X W U F [Y g z f Y U W ^ W h W ! a Y b h U F Y g c k b j b ^ h Y d f c d c g Y X ^ X Y Y c d a Y b h v b b f M i h j c b ^ Y j Y g H U V Y f B d d Y b X j] ^ % "</p>	<p>The method for calculating the proposed development contribution levies is contained within Council's 2021 Development Contributions Policy.</p> <p>Council could choose to adjust development contribution levies by either adjusting the capital works schedule or catchment map boundaries accepting that development contribution levies would either increase or decrease as a result. Changes to work programmes and levies would have a direct impact on the funding contained within Council's 2021-2031 Long Term Plan.</p>	<p>Development contribution levies are calculated by dividing the capital works costs allocated as growth across the number of units of growth. As the growth assumptions, scope, timings and cost allocations have changed, so too have the levies.</p>
7 \ Ub [Y . B Y k 5 d d Y b X j])	C d h j c b g a v a i l a b l e	5 b U n g j g
A new appendix has been developed to provide additional information for showing interest information on Council's capital program and growth data for the various catchments	<p>The PPI Adjustments are calculated on the capital expenditure excluding interest. The new appendix details the costs both before and after interest.</p> <p>Growth figures per catchment have been supplied</p>	This provides transparency around how Council complies with the legislative requirements when applying the PPI adjustments and the growth that Council is anticipating.

SUBMISSIONS CAN BE:

ONLINE:

www.waikatodistrict.govt.nz/sayit



POSTED:

Waikato District Council
Private Bag 544
Ngaruawahia 3742



DELIVERED:

Waikato District Council
Attn: Corporate Planner
15 Galileo Street, Ngaruawahia 3742



EMAILED:

consult@waidc.govt.nz
Subject heading should read:
"Development Contributions Policy –
Submission"



Huntly Office
142 Main Street, Huntly 3700

Raglan Office
7 Bow Street, Raglan 3225

Tuakau Office
2 Dominion Rd, Tuakau 2121

Te Kauwhata Office
1 Main Road, Te Kauwhata 3710

WHAT HAPPENS NEXT?

Council will acknowledge each submission received in writing, either by letter or email.

Following the closing of submissions on 7 May 2021, all submissions will be reviewed. Verbal submissions will be heard and all submissions formally considered at a Council hearing the week beginning 24 May 2021 (or as soon thereafter as possible).

This meeting is open to both submitters and the public to attend.

IMPORTANT DATES TO REMEMBER:

SUBMISSIONS OPEN – 7 April 2021

SUBMISSIONS CLOSE – 7 May 2021

HEARING OF SUBMISSIONS – week of 24 May 2021

If you have any further queries or would like further copies of the policy, please email consult@waidc.govt.nz





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ECM project #

ECM no. #

Submission #

Customer #

Property #

Development Contributions Policy & Appendices 2021

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5` \YUf]b[`k]` WY`YX`cb`h`Y` week of 24 May 2021. `K` ci` X`nci` ``]Y`hc` dfYgYbhnci` f`

g] Va]gg]cb`hc` 7 ci bV]`Uh`h`Y` \YUf]b[3 Yes No

My submission relates to:

Revised catchment maps

Revised capital works schedule

Revised development contributions levies

Revised development contributions policy

Do you support the proposed Development Contributions Policy & Appendices 2021`

Yes, I support it

No, I do not support it

Comments:

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You can complete the submission form online at www.waikatodistrict.govt.nz/sayit

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For more information, visit our website www.waikatodistrict.govt.nz

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The contents of your submission (not including your address and contact details) will be made public through Council agendas and as a result will be published on our website. If you would like your name also kept confidential, please let us know on your submission form.