

Council Briefing Meeting Minutes

Date: Thursday, 2 July, 2020
Time: 9:00 a.m.
Location: Council Chamber
Forum North, Rust Avenue
Whangarei

In Attendance

Her Worship the Mayor Sheryl Mai
(Chairperson)
Cr Gavin Benney
Cr Vince Cocurullo
Cr Nicholas Connop
Cr Ken Couper
Cr Tricia Cutforth
Cr Jayne Golightly
Cr Phil Halse
Cr Greg Innes
Cr Greg Martin
Cr Anna Murphy
Cr Simon Reid

Not in Attendance

Cr Shelley Deeming
Cr Carol Peters

Scribe Sue Reid (Democracy Adviser)

1. Apologies

Apologies were received from Crs Shelley Deeming and Carol Peters for absence and from Cr Phil Halse (early departure).

Her Worship the Mayor convened the Briefing at 09:00 and handed over to Mr Simon Weston (General Manager – Infrastructure).

2. Reports

2.1 LTP - Development Contributions

Ms Lynne Dahl (Development Contributions Team Leader) began the presentation which covered the history of Development Contributions and how they work. This included Activity Management Plans, the Long Term Plan and development contributions funding.

She explained the legislation under the Local Government Act, alternative funding sources and said development contributions are seen as a fair way of distributing costs and benefits.

Ms Alison Thompson (Manager – Infrastructure Development) explained the charge calculation methodology and the formula used which complies with the Local Government Act. She said the formula is complex but fair and works hard to make sure the funding costs are allocated through the nine steps to those who would benefit most. She said on occasion developers do ask for detail behind the calculations and these are provided as Council works carefully with experts to make sure the development contributions are fair and reasonable.

Ms Dahl continued with the presentation and highlighted indicative residential household unit charges and commercial charges. She said that every council has a different asset base and growth prediction and each council does their own calculations to fit their plans and these cannot be compared.

She outlined how Council can work with developers and suggest how they structure sub-divisions and payment plans. Ms Dahl said they were looking for feedback from Elected Members but were not anticipating any major changes to the policy. Development contributions were factored into project management.

Questions and comments from Elected Members:

- There was a query around when boundary changes are made and infrastructure moves to a different ward and whether the original ward are still paying for that infrastructure with development contributions. Referring to Springs Flat, Ms Dahl said the ward are still paying because the majority of costs are regional, with most of it being for playing fields. She said that parks development contribution charges are divided for everyone to pay regionally and a smaller part of that charge is assessed to the catchment. Ms Dahl said that each activity has different catchments. Mr Simon Weston (General Manager – Infrastructure) explained that when projects are identified on the development contributions schedule you can have a look at which catchments they fall into but a lot are district-wide or service-wide catchments. Funding needs to be provided in the Long Term Plan for neighbourhood reserves so development contributions can be put within the catchments they fall under.
- In response to the charge calculation being complicated, Ms Dahl said development contributions are looked at as a whole and collectively at each stage. She explained this around any upgrades that are required as a consequence of growth, for example wider pavements, libraries and sports fields.

- There was discussion around neighbourhood reserves and budgets and more effective urban design in sub-divisions around connectivity and an integrated approach to stormwater.
- In response to a query about rates and development contributions, Ms Dahl explained that rates generally cover operational funding and development contributions only cover projects that are there for the growth of the community, for example bigger roads, water or wastewater treatment because of more people connecting into it. They identify a percentage of the project that is attributable to growth.
- Ms Dahl was asked how they measure that development contributions are working and she said it is an acceptable amount that can be borne by the developer and they test against other councils. Mr Weston said that if it was unreasonable, Council would be challenged in court.
- In response to a comment that stormwater was the weakest link, Mr Weston said development contributions have to deal with growth, not backlog.
- Development contribution credits in the CBD were discussed with the demolishing of buildings and whether there is a possibility to ringfence the CBD in relation to development contributions. Ms Dahl responded that this would have to be a political decision. Mr Weston said the decision for Council would be to ask if it creates additional demand and, if so, somebody has to pay for it.
- Public transport service is provided by Northland Regional Council and bus shelters are provided by Whangarei District Council.
- The schedules come out of the Long Term Plan projects and a decision has to be made at an asset management level, then a Long Term Plan level for any funding to end up in those schedules.
- Ms Dahl was asked if projects which have been in the Long Term Plan could be looked up and amounts of money that have come from development contributions could be identified for a specific area. Ms Dahl said they could look at parks for the last five years (smaller discrete catchments rather than district wide) and see how much money has been put into projects.
- There was some discussion around scrapping development contributions, whether this had any impact on growth and that development contributions were a crucial funding to help and make sure infrastructure is big enough for growth.
- Environmental standards were discussed and Ms Thompson said they were looking at better outcomes for this as part of development contributions.

3. Closure of Meeting

The briefing concluded at 10:36.