

MINUTES

TITLE: Development Contributions Levies – Delegated Committee
DATE: Tuesday 30 November 2010
TIME: 9.30 am
VENUE: Council Chamber, 189 Queen Street, Richmond.

PRESENT: Crs T E Norriss and S G Bryant

IN ATTENDANCE: Development Engineer (D Ley), Consultant (J Hodson), Executive Assistant (V M Gribble)

1 **BIOBALANCE LTD, ORION STREET, COLLINGWOOD – APPLICATION NO BC100680 – REPORT REP10-11-05**

The hearing of an objection to Council's development contribution levies under Tasman District Council's Development Contribution Policy.

1.1 **Submission by Applicant**

Mr P Butler was in attendance and tabled and spoke to a submission in support of his application. He sought a review of the total roading contributions charged. The four roading HUDs = \$20,136, but he had also contributed \$18,410 by way of basecourse AP65 backfill to Orion Street services trench and \$15,000 contribution to sealing Orion Street, making a total of \$53,546.

In reply to a question from Cr Bryant, Mr Butler said 12 carparks will be provided on site, but he did not know how the figure was arrived at. He said they have 20 employees, many of which car pool or walk.

1.2 **Officer's Report**

Mr Ley's report reviewed the roading HUD (household unit of demand) as outlined in the building consent and the roading contribution for seal extensions of Orion Street, Collingwood.

Mr Ley said the baseline is that it is an "out of zone" application, in rural, not in the urban area. There is also the issue of dust nuisance on Orion Street. The applicant chose to connect to Council services (roading, water and wastewater), they could have been self-sufficient onsite.

Cr Norriss said while there has been an extension to the services, they have all been paid for by Mr Butler and then there will be connection fees for wastewater and water services on top of that.

Cr Bryant noted that Mr Butler was "first off the block", and asked if any future development occurred would the developers make a contribution towards what Mr Butler has paid for?

Mr Ley said if they chose to connect they would only pay a connection fee.

In reply to a question from Cr Norriss whether AP65 is in Council's engineering standards, Mr Ley said the standards state it is left to the engineer on site to decide if the material excavated is suitable to go back in.

Mr Ley said there is other material in the area that could have gone in, but he does not know if they were given a choice.

Ms Hodson said the size of the building is 20 x 20 metres. She asked where the 12 car parks came from and said Council's parking standards say four car parks would be required for 400 square metre warehouse building.

Mr Butler said the building is at least 50% warehouse. It is not a retail shop, people don't come and buy. He said the same couriers that bring stock also take it out.

Mr Ley said the transportation manager has funds for 50:50 share for seal extensions, with a budget that is not used widely and Orion Street is one job that is now on the books for \$65,000.

Cr Norriss said as a Council we changed our road sealing policy to allow people to do pieces, rather than a full length, because of the cost of doing it.

Mr Ley said there is another subdivision going on in Excellent Street which will upgrade the intersection of Excellent/SH. Council is looking at extending Orion Street further than the frontage of Mr Butler's lot of 280/300 metres approximately.

The hearing was adjourned at 10.50 am.

**Moved Crs Norriss/Bryant
EP10-11-01**

**THAT the Development Contribution Levies Delegated Committee resolves that the roading development contribution associated with BC100680 be reduced from four HUDs to two HUDs.
CARRIED**

**2 KOKCU, 265 QUEEN STREET, RICHMOND – APPLICATION NO
BC100828 – REPORT REP10-11-06**

2.1 Submission by Applicant

The hearing of an objection to Council's development contribution levies under Tasman District Council's Development Contribution Policy.

Mr M Barron was in attendance with Ugur and Hanife Kokcu and tabled and presented the submission seeking a review of the development contributions associated with the application.

Mr Barron said there are no details on Council records of what was in the "brick building" originally.

In reply to a question from Cr Bryant, Mr Barron said the applicants were not applying on that basis, it is a less relevant matter. Development Contributions talk about existing use rights under section e) but the applicants are looking at section f) which is looking at underlying demand on infrastructure. As far as they can tell, there is no growth. It is an established part of town, the infrastructure is mature in that location and there is no intensification of use. Section f) is the applicable issue, not section e). Mr Barron said the development wouldn't have gone ahead with the carpark restrictions under the TRMP. The applicants argued and were supported by TDC officers that it is a counter-productive effect for central Richmond having the site empty. The use is entirely appropriate and is what councillors should be looking at for regenerating Richmond.

Cr Bryant said there are lots of publicly available car parks in Richmond. He asked should there not be a contribution towards them from the development as four onsite car parks is short of what is required?

Mr Barron said it is policy in Richmond to encourage public car parking. He does not think Council can continue with that policy much longer without causing a shift of development away from Richmond.

Cr Norriss noted that since the time of the original building there has been significant infrastructure upgrades which had to be paid for. While it may have been connected and had existing use rights, there is a cost to upgrading it. There are two ways of funding public parking spaces, one is by parking meters which is counter-productive to business, or taking a contribution towards car parking if they can't be provided onsite. We have other public car parks which Council has to fund.

Mr Barron said the LTCCP says development contributions are not the tool to fund the cost of maintaining the infrastructure or improving levels of service.

Cr Norriss said maintenance and upgrades forced by requirements for extra capacity is not classed as general maintenance.

Mr Barron said the applicants would not be arguing this if they believed there was growth. The suggestion here is that there is no growth over and above what was there previously.

1.2 Officer's Report

Mr Ley spoke to his report which reviewed the development contributions associated with the application.

Mr Ley said if the existing use rights philosophy was changed, he would change his view and recommendation. He acknowledged the work the owners have done and said Council officers are pleased with the way the building will look and it will be an enhancement to the Richmond CBD.

Cr Norriss asked how did Council come up with the arbitrary two years for existing rights? It could have been 4, 6 or 8.

Mr Barron said the Resource Management Act sets two years. His personal opinion is that there is no logic for that.

Mr Barron said it was at least 18 months for his clients to go through the planning process.

Mrs Kokcu said the previous owner demolished the building and it took a long time to negotiate the purchase of the site.

Mr Barron said if it was contiguous with the previous building there would not be development contributions to pay. He believed the situation is covered under section f) in the LTCCP. Notwithstanding that, the clients have been unable to develop the site within two years, part of which is because of the extended process to develop a good building design. This is the sort of development that needs to be encouraged in Richmond. A lot of these burdens make it too hard for small developers.

The hearing was adjourned at 11.33 am.

Moved Crs Norriss/Bryant EP10-11-02

THAT the Development Contribution Levies Delegated Committee resolves that development contributions associated with BC100828 be reduced as follows:

- a) roading development contribution be reduced from two HUDs to nil;**
- b) wastewater contribution be reduced from two HUDs to one HUD.**

CARRIED

3 SPRIG & FERN TAVERN, 191B HIGH STREET, MOTUEKA – APPLICATION NO BC100367 – REPORT REP10-11-07

The hearing of an objection to Council's development contribution levies under Tasman District Council's Development Contribution Policy.

3.1 Submission by Applicant

David Barrett and Peter Fry were in attendance and tabled and spoke to their submission which sought a review of the wastewater and roading HUD (household unit of demand) amounts as outlined in the building consent application.

Cr Bryant asked about parking on the neighbouring property.

Mr Barrett said the neighbour has indicated she wants to talk about leasing the car parks.

Mr Fry said a lot of their clients walk and cycle and they have installed bike stands. He said the car parks in Deck's Reserve and Wallace Street are devoid of cars during the Tavern's opening hours.

Mr Barrett suggested that the building has been there a long time and had been paying rates already that would have contributed to infrastructure costs. It has never had the ability to offer car parks and never will.

Cr Norriss said development contributions and HUDs for car parks are to provide car parking district-wide and under Council policy that is why they are so-called "free". The

other alternative is to have parking meters which would not be a popular move. He asked how many people would arrive by way of car.

Mr Barrett said a traffic engineers report for the Richmond Sprig & Fern said 33% walked. He would like to think being close to residential areas, a fair amount of the patrons would walk. Some of them would be tourists.

Mr Fry said a lot of people walk to the tavern but it is early days of the business.

1.2 Officer's Report

Mr Ley spoke to his report contained in the agenda which reviewed the wastewater and roading HUD (household unit of demand) amounts as outlined in the building consent application.

Mr Ley clarified that urinals are classed as a pan for the purposes of working out HUDs.

Cr Norriss questioned Mr Ley about existing rights on the property.

Mr Fry said the building had previously been used as a bakehouse and a gymnasium.

Mr Ley said he was not aware that the building had been used as a gymnasium and would need to look at the file.

Mr Barrett said the café was established in about 1988 but did not know about the gymnasium but thought it was for a similar length of time. The upstairs now is a mezzanine floor of half the area, furnished with lounges.

Cr Norriss asked for information on Nathan Gibbs' activities in the building previously. There was an existing bar/café prior to Sprig and Fern.

Mr Barrett said from their perspective the main thing is how much more pressure they were putting on infrastructure given the opening times and given the building is the same footprint. The developer was happy to provide additional bike racks. Angle parking on Wallace Street could provide more car parks if that was an option.

Mr Barrett asked why if a renovation is over \$50,000 it triggers development contributions.

Ms Hodson said as long as it is a change of use it triggers development contributions, regardless of how much the building consent is worth.

The hearing was adjourned at 2.15 pm.

**Moved Crs Norriss/Bryant
EP10-11-03**

THAT the Development Contribution Levies Delegated Committee resolves that development contributions associated with BC100367 be reduced as follows:

- a) roading development contribution be reduced from two HUDs to one HUD;**
- b) wastewater contribution be reduced from two HUDs to one HUD.**

CARRIED

Date Confirmed:

Chair: