

MINUTES

TITLE: Environment & Planning Subcommittee
Development Contributions Reviews - Delegated Subcommittee

DATE: Wednesday, 3 February 2010

TIME: 2.00 pm

VENUE: Council Chambers, Tasman District Council, 189 Queen Street, Richmond

PRESENT: Crs M J Higgins (Chair) and T E Norriss

IN ATTENDANCE: Development Engineer (D Ley), Regulatory Manager (J Hodson), Administration Officer (J A Proctor)

1. NELSON TASMAN HOUSING TRUST, 14 BRAMLEY STREET, RICHMOND APPLICATION NO. BC091078

Ms V J Chisnall, Mr W Ballantyne and Mr K Preston were in attendance for the hearing of a request for a "Special Assessment" of a development contribution levied pursuant to Tasman District Council's Development Contribution Policy.

The agenda contained a report which reviewed the following Household Unit of Demand (HUD) as set out below:

Five water HUDs
Eight wastewater HUDs
Eight roading HUDs
Eight stormwater HUDs

Ms Chisnall introduced herself as a Trustee of the Nelson Tasman Housing Trust and thanked the Subcommittee for the opportunity to present its case. The Trust had already established good working relationships with the Nelson City Council, Canterbury Community Trust and Central Government. The Trust was desirous of a partnership with the Council which may produce a reduction or waiver of Development Contributions (DCs) and a greater understanding of its aim to provide community housing.

The Trust had obtained a \$2.5 million grant for the Bramley Estate development from the Canterbury Community Trust. The DCs equated to around 5% of the project cost which, if imposed, would have a significant impact on the programme and necessitate an increase in rent charged of 5%.

Ms Chisnall continued that the Trust was not similar to the Waimea Village complex as it was a not for profit organisation and was run by volunteers.

Mr Preston stated that the Trust had a good asset base which enabled funds to be raised for future projects, but that it had low reserves and limited resources. The Trust had identified that there was a greater need for this type of community housing within the Tasman District. Mr Preston continued that this project was unusual in that the 100% grant received was a once in a 20 year happening and that Government funding would in future only equate to 50%. It was crucial to develop good working partnerships with councils to enable the Trust to continue with its work.

Mr Ballantyne advised that the proposed DCs equated roughly to the cost of building another unit.

Ms Chisnall stated that the Bramley Estate development offered additional capital security for future projects but that the impact of the DCs had the potential to reduce the number of units built, which in turn would reduce the value of the security pool available.

Councillors stated that the DCs were part of Council's budgeting structure; if waived or reduced, the shortfall would have to be made up elsewhere. In response, Ms Chisnall felt that Bramley Estate was a community facility and that the benefit of having such a development offset the DCs. Mr Ballantyne continued that he was amenable to other developers and ratepayers addressing the shortfall and questioned to what extent the Council was prepared to be involved in a broader level of facilities.

Ms Chisnall advised that the Nelson City Council had written into their policy that the Trust be exempt from DCs and asked that the Tasman District Council considered doing the same.

In response to questioning, Mr Preston advised that rental levels for a two bed unit would be 70 – 80% of the market rate, which currently stood at \$220 – 240 per week.

Councillors were advised by Ms Chisnall that the Trust had received appropriate advice from Council regarding the process involved in requesting a waiver of DCs (Special Assessment) and were satisfied that it had been dealt with correctly.

Ms Hodson advised that there were two opportunities via the LTCCP to request a review of DCs; generally for non residential projects or a "special assessment" for any project, therefore this Subcommittee could make a ruling.

Mr Ballantyne stated that the community housing issue needed to be reviewed at a wider community level and that a good community was one that provided for all.

Councillors stated that it was essential to prioritise development within the District to ensure that crucial facilities were funded appropriately.

Mr Preston confirmed that the grant received from the Canterbury Community Trust included the DCs.

Councillors advised that community facilities within the Tasman District including retirement homes, sport and recreation centres and hospitals had all paid DCs.

Mr Ley advised that there was a need to maintain consistency with DCs. Mr Ley acknowledged that the discussion relating to community housing needed to be held at another forum.

Councillors stated that they would continue to watch the development with interest.

**Moved Crs Higgins/Norriss
EP10/02/01**

THAT the Development Contributions as already assessed be confirmed and that the applicant be advised to make formal application for either a grant or waiver of the charges through the Annual Plan or Ten Year Plan process.

CARRIED

The meeting closed at 2.37 pm

Date Confirmed:

Chair: