



STAFF REPORT

TO: Development Contributions Levies – Delegated Committee

FROM: Dugald Ley, Development Engineer

REFERENCE: BC050085

SUBJECT: **DEVELOPMENT CONTRIBUTION HUD CALCULATION – PROGRESSIVE ENTERPRISES – REPORT EP05/10/03** – Report prepared for the 14 October 2005 hearing.

1. PURPOSE

To review the process on the calculation of the Household Unit of demand (HUD) from the above development.

2. BACKGROUND

This development which includes the construction of approximately 1888 m² building and the creation of carparks was previously assessed and the following development contribution allocated:

Water	0 HUD's	
Wastewater	3 HUD's	\$5,580.00
Stormwater	10 HUD's	\$11,400.00
Roading	20 HUD's	\$50,800.00

The above contributions had credits also allocated for payments made at the time of the subdivision consent.

The view of the applicant is that the stormwater should be reduced to one HUD and the roading reduced to 10 HUD's. On 26 August 2005 the Management Team of Council met and agreed to reduce the stormwater HUD by 50% to five HUD's. However, the roading HUD was reconfirmed at 20 HUD's.

3. DISCUSSION

Stormwater

Takaka has a stormwater urban drainage area and is shown on the attached plan. The applicant's site is located within this area. Takaka township in parts has a stormwater drainage system mostly draining road carriageway areas. As no water reticulation system is installed in Takaka, residents are reliant on bore water or roof collection systems.

The majority of roof tank collection systems overflow either to old soak pits or onto the ground and thence finds its way into secondary flow paths and local common private and public drains.

Although not shown in the Annual Plan, Council has allocated \$20,000.00 for stormwater upgrades in 2005 / 2006. Motupipi Street and Willow Street have piped reticulation systems installed outside the two road frontages of the proposed site.

Investigation work (although not committed this financial year) was proposed for the Takaka River gauging and survey work to verify changes, if any, have occurred since a previous report in the 1980's.

Past research has assisted in determining floor heights of new structures in the town since the 1983 flood which swept through the main streets of Takaka. That flood was deemed a 30-40 year event and with climate change data the prediction is that these events will be halved.

The applicant has proposed that this site will discharge its stormwater to soak pits and also has agreement that when the soak pits fail via secondary flow paths, these will discharge to farmland to the east and roadways to the frontage of the site.

Ground water levels in the vicinity of the fire station are approximately 1.5 metres below ground level and were 1.28 metres in January 2005.

Secondary flow paths from Takaka and generally through the town and Council is ultimately responsible for cleaning up after these flood events and proposing new stormwater systems is the long term due to growth.

When calculating the HUD amount originally for 10 HUD, management assessed the area from the existing gravel and grassed area being converted to hard-standing and roofed areas. This area amounted to well over 4500 m².

Although Council has no defined HUD stormwater figure, it is usually related to a typical dwelling where the imperious surface of the house plus paved areas can be approximately 300-400 m². However a figure of approximately $4500 \div 400 = 11.25$. Say, 11 HUD's with the benefit of some sealed/hard surface previously being in place prior to development, a reduction of one HUD be imposed. This resulted in a final HUD amount of 10 HUD's.

In due course the Management Team further reduced this amount to five HUD's following the applicant's submission of 12 July 2005.

It is the opinion of this officer therefore that a five HUD amount fairly and reasonably reflects the potential adverse effect that could eventuate to Takaka should a storm event occur and soak pits not functioning and secondary flow paths being used in road reserve and other areas of the Takaka Urban drainage area.

Roading

The above site of 1888 m² for the building had allocated some 96 car parks and three disabled car parks plus associated access areas.

The applicant in correspondence has mentioned some 1000 expected transactions per day and taking into effect customers that arrive on foot and more than one person per car, an estimate on average of 750-800 vehicles per day is predicted.

Note:

No other use existed on the site prior to development and the existing building in Commercial Street is not proposed to be demolished. Therefore, the existing building in Commercial Street will be used for another growth activity and therefore the new building needs to be assessed as just that, and a HUD amount calculated accordingly.

A typical HUD for a residential dwelling is 10 vehicle movements per day as set out in the LTCCP. The applicant has knowledge that 750-800 vehicle movements per day will be created by this application.

These types of increased movements are the equivalent of 80 (ie $800 \div 10 = 80$) new residential properties. The Management Team concluded that this \$203,200.00 charge would be unacceptable. Note: Council is proposing to spend \$1.8 million over the next few years in Takaka as per the Annual Plan/LTCCP.

The Management Team chose to reduce the amount by 75% i.e. 20 HUD's due to the following assumptions:

1. Good access on to the State Highway network;
2. Seasonal nature of the Golden Bay area.
3. Customers travel to town for other than just shopping at the supermarket.

It is the opinion of this officer therefore that Council has been more than fair and reasonable in reducing the HUD amount by 75% and to further reduce it to nearly 90% is seen as inappropriate in the circumstances..

D Ley
Development Engineer