# **Consultation Document**

# **Proposed new**

# **Development Contributions Policy**

Kaipara District Council would like to hear your views on a proposal to replace the **Development Contributions Policy 2024** with a new Policy.

#### Key dates:

Submission period	3 - 23 June 2025
Hearings	3 July 2025
Deliberations	23 July 2025
Decision of Council	TBC August /September



#### Proposal

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# Introduction

#### Growth

Kaipara's population is forecast to continue to grow, with a further net 2,747 new residents expected by 2034 and a further 7,297 by 2054. Providing infrastructure such as water and wastewater services, community facilities, stormwater systems, and transport networks, to support this growth is a key function of Council.

Rapid growth is creating substantial demand for infrastructure investment in Mangawhai and other areas in the district. This includes private plan changes outside the scope of the current Operative District Plan and Council's Infrastructure Strategy. Significant investment in infrastructure is required to cope with the cumulative impacts of growth expected over the next 30 years.

The infrastructure Council provides not only enables development to occur (through the provision of services such as transport and stormwater) but also ensures communities have access to services and other community facilities that Kaipara people expect.

#### **Funding growth infrastructure**

Development contributions (DCs) are charges that recover from new developments an appropriate share of the cost of this investment in infrastructure. The amount to be paid by new development is determined by our Development Contributions Policy (the Policy). This Policy ensures the cost of a new infrastructure is fairly shared between developers and ratepayers based on who causes the need for and who benefits from the investments.

Council funds this infrastructure investment through a mix of rates, central government grants and development contributions paid by developers.

The Council's financing and funding capacity to support growth with infrastructure is limited and we need to prioritise our investment.

### **Reasons for the proposal and how we got here**

S102 of the Local Government Act 2002 (LGA) allows Council to have a range of financial policies, including a 'Development Contributions Policy' (Policy) to charge developers a proportion of the infrastructure projects required to service or provide for the new developments. These can include increasing capacity of already existing infrastructure or new infrastructure projects.

Section 106 of the LGA provides for specific matters and contents in the Policy, including compliance with the matters set out in section 201 to 202A.

Due to the level of developments our District has been experiencing, in late 2024 Council requested a comprehensive review of the current Policy.

The Findings Report provided to the February 2025 Council meeting found:

- The Policy is underperforming and struggling to achieve its statutory purpose or objectives.
- The methodology requires review and updating to ensure that the Policy is equitable, transparent and predictable.
- The Policy form is impeding useability, application and implementation of the Policy.
- The Policy's current schedule of assets is outdated and without updating, may jeopardise the predictability of funding and legal compliance.
- There are equity issues with the current Policy.

At the <u>March 2025 Council meeting</u>, Council considered a range of reasonably practicable options and determined to replace the existing Policy with a new Policy due to the range and scale of proposed changes required to address the identified issues.

Before finalising this new Policy, we want to know your views.

## What we are proposing

The proposed new Policy:

- ensures the DC charges recover an appropriate share of the costs of investment in infrastructure from new developments
- ensures the cost of new infrastructure is fairly shared between developers and ratepayers, based on who caused the need for and who benefits from the investments
- sets out the costs to be recovered and how these are translated into DC charges in different catchments
- provides transparency and certainty for Policy users by including 'additional information', DC processes and methodology used for DC calculation and growth assessments for projects listed in the Policy's Schedule of Assets
- aligns the Policy with neighbouring councils
- strengthens the circumstances and criteria for entering into development agreements or providing remissions
- includes an updated Schedule of Assets based on the 2034 population growth and household forecasts.

# What are the key impacts of these proposed changes?

The proposed new Policy wording will have a different "look and feel" compared to the current DC Policy but will hopefully be a more user-friendly document. Most importantly, the document and will result in DC price increases for most areas. However, it also introduces new methods of calculating charges based on Gross Floor Areas (GFA). This is particularly important for commercial operations where there may be some impacts on infrastructure.

DC funding is intended to ensure all developers, over the entire development period, pay a fair share towards the cost of the infrastructure required to support growth in these areas. The revenue raised will ensure ratepayers are only asked to meet their fair share of the costs and provide greater certainty that key infrastructure is delivered. Without this funding the burden of providing such infrastructure and risk of undesirable outcomes will fall on the remainder of the district's ratepayers and future residents.

The following tables set out the current DC charge, the proposed DC charges and a comparison table showing the differences between the current and proposed charges. As shown below, all areas except Baylys Beach are set to increase and some areas more significantly than others.

# **Comparison tables**

#### **Current DC charges**

Location	Community	Roading	Stormwater	Wastewater	Water Supply	Total \$
Baylys Beach	1,239	139	27,183	0	0	28,561
Dargaville	1,239	139	1,064	8,119	1,389	11,950
Kaiwaka	1,239	12,739	3,490	1,698	0	19,166
Maungatūroto	1,239	139	9,237	7,347	4,133	22,095
Mangawhai	1,239	12,739	1,827	41,897	0	57,702
Te Kōpuru	1,239	139	0	0	0	1,378
Glinks Gully	1,239	139	0	0	0	1,378
Ruawai	1,239	139	0	0	0	1,378

#### Proposed DC charges

Location	Community	Roading	Stormwater	Wastewater	Water Supply	Total \$
Baylys Beach	1,554	342	12,476	0	5,264	19,636
Dargaville	1,554	342	436	24,939	5,264	32,535
Kaiwaka	1,554	16,289	5,281	21,416	124	44,664
Maungatūroto	1,554	342	0	4,308	45,080	51,284
Mangawhai	1,554	16,289	222	46,397	124	64,586
Te Kōpuru	1,554	342	0	0	124	2,020
Glinks Gully	1,554	342	0	0	124	2,020
Ruawai	1,554	342	0	0	124	2,020

#### Comparison

Location	Total \$ Draft DC	Total \$ current DC	Difference \$	Impact
Baylys Beach	19,636	28,561		decrease
Dargaville	32,535	11,950	20,585	increase
Kaiwaka	44,664	19,166	25,498	increase
Maungatūroto	51,284	22,095	29,189	increase
Mangawhai	64,586	57,702	6,884	increase
Te Kōpuru	2,020	1,378	642	increase
Glinks Gully	2,020	1,378	642	increase
Ruawai	2,020	1,378	642	increase

# Tell us what you think

#### How to give us your feedback

You can submit your feedback in writing and select to speak to your feedback at the proposed hearing in July. Staff will be in touch to arrange this with you if you indicate you'd like to speak.

#### Written submissions

You can provide us with a written submission. There are a few options for how you can do this:

Online	Complete this form online: www.kaipara.govt.nz/haveyoursay
In person	Drop your submission form to either Council office - 32 Hokianga Road, Dargaville or The Hub, 6 Molesworth Drive, Mangawhai
By mail	Send your submission to: Submission for the Development Contributions Policy Kaipara District Council, Private Bag 1001, Dargaville 0340
Email	Email us at: <u>haveyoursay@kaipara.govt.nz</u>

#### What will happen with your feedback?

All feedback received will be provided to Council. Staff will also review and analyse the feedback received and provide this analysis to the hearings panel. You will have an opportunity to present your feedback to the hearing panel.

Council will then deliberate on all the information provided and make a final decision on the proposed policy.

# **SUBMISSION FORM – Development Contributions Policy**

Thank you for taking this opportunity to comment, we welcome your feedback.

#### Please enter your details below

First name(s):	_Last name:
Postal address:	
Mobile: Othe	r phone:
Email:	
I am writing this submission: as an individual	on behalf of an organisation
Organisation name:	

#### **Tell us in writing**

Be sure to get your written comments to us by **Monday 23 June 2025.** You can provide your comments on the next page and follow the instructions below on how to get them to us or choose one of the ways listed below to make your submission.

#### How to get your feedback to us

Online	Complete this form online: www.kaipara.govt.nz/haveyoursay
In person	Drop your submission form to either Council office - 32 Hokianga Road, Dargaville or The Hub, 6 Molesworth Drive, Mangawhai
By mail	Submission for the Development Contributions Policy Kaipara District Council, Private Bag 1001, Dargaville 0340
Email	Email us at: <u>haveyoursay@kaipara.govt.nz</u>

Would you like to speak to your feedback at a hearing? Yes No Hearings will be held 3 July 2025.

#### Join Kaipara District People's Panel!

As a member you will be asked periodically to complete short surveys, as well as to participate in other consultations Council is undertaking in the future.

I would like to join the People's Panel: Yes No

#### Points to remember when making a submission.

- Please tick the box of your preferred option and print clearly. The form should be easy to read and be understood and may need to be photocopied.
- We will acknowledge every submission received. Please ensure that you provide appropriate contact details for this. Emails are our preferred form of communication.
- All submissions are considered public under the Local Government Official Information and Meetings Act. Your name and feedback will be available to Elected Members and the public via our reports and website. All other personal details you provide will remain private. Your submission will not be returned to you once it is lodged with Council. Please keep a copy for your reference.

Please tell us what you think about the proposed Development Contributions Policy. Please provide any clause numbers where relevant.