

Reserves Contributions

Introduction

Reserves contributions are collected from land owners through consent conditions when resource consents are approved. Their purpose is to offset the effects of growth, and the Resource Management Act requires them to be spent in reasonable accordance with the purpose for which they were received. If funds collected in growth areas are not spent to develop existing and new reserves in those areas, this can lead to insufficient future facilities for the growing populations. Mangawhai and other Eastern centres are growing and Council needs to ensure there are green spaces and room for outdoor activities.

Council is using the LTP process to consult on a proposed new Reserves Contributions (use of) Policy. The proposed policy aims to more closely align funding generated by growth, with projects focused in the areas where that growth is occurring. It has three key components –

1. The district is divided into four catchments described as –
 - Dargaville and Surrounds,
 - Maungaturoto, Paparoa, Tinopai and Surrounds
 - Kaiwaka and Surrounds
 - Mangawhai and Surrounds
2. 80 percent of the funds collected in each catchment is allocated to that catchment
3. A contestable fund for local communities and Council's Parks and Reserves Team (including the three Park Committees) to apply for funding from the reserves contributions pool.

Issues

The existing Reserves Contribution (use of) Policy has a 60%:40% split between spending in the catchment where it was collected (60%) and spending on reserves of district significance ("Priority Parks" (40%)). Two of the Priority Parks (Kai Iwi Lakes (Taharoa Domain) and Pou Tu Te Rangi/Harding Park) are in the lower growth catchment of Dargaville and Surrounds. The current accumulated reserves funds in this catchment is \$222,000, with historical collection of between \$12,000 and \$88,000 per annum. Reserves contributions may not be able to continue to be used as the sole source of funds for implementation of the reserve management plans in these reserves. Options to deal with any shortfall include –

- slowing the implementation of the RMP to match receipt of contributions; and/or
- use an alternative source of funds.

Two major alternative sources of funding are:

- ratepayer funding through general or targeted rates; or
- debt with servicing costs covered by rates or future reserve contributions.

The draft budgets detailed in this document are based on the existing policy split (60:40). The future impact on rates and debt levels of these options for the third year, should the new policy be adopted, is that Council would need to investigate funding options for each project on a case by case basis. Options could include third party subsidies and grants, debt or rates or a combination of all three.

Question: Do you support Council adopting the proposed policy? If so, what option would you support slower implementation of RMPs in priority parks in low growth areas, lower expenditure on reserves in low-growth areas or the difference being covered by increased rates or debt?

Source Documents:

- Existing Reserve Contributions (use of) Policy,
- Draft Reserve Contributions (use of) Policy (and Appendices)