

**SUBMISSION ON DRAFT LONG TERM COUNCIL COMMUNITY PLAN
DRAFT DEVELOPMENT CONTRIBUTION POLICY**

wish to talk to the main points in my submission at the hearings to be held between Thursday 25 May and Wednesday 7 June 2006.

MY SUBMISSION REFERS TO:	Full version
I WANT TO RESPOND TO:	Development Contributions
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1. DO YOU HAVE ANY COMMENTS ON THE MAJOR PROJECTS IN OUR DRAFT COMMUNITY PLAN?	No
2. DO YOU HAVE ANY COMMENTS ON GROUPS OF ACTIVITIES (THE ACTIVITIES AND SERVICES THE COUNCIL PROVIDES?)	No
3. DO YOU HAVE ANY OTHER COMMENTS OR SUGGESTIONS YOU WANT TO MAKE?	Please see attachment marked "A".

ATTACHMENT A

SUBMISSION ON DRAFT LONG TERM COUNCIL COMMUNITY PLAN

1. The proposed changes to Development Contributions as contained in Volume 2 of 2 of the Draft Development Contributions Policy are unfair and unjust.
2. The information on which this policy is based is not transparent and the affect it will have on development in the city will be a huge disincentive to any development and will hold back the progress of Christchurch. The policies if adopted will do more than discourage development but I believe will effectively halt development in this city and are therefore not consistent with other policies to encourage development and redevelopment.
3. The new development contributions are not equitable or justified and there has been a lack of consultation with the development community on the proposed effects.
4. The Council has not allowed sufficient time to ensure a proper examination of the policies and effects to ensure a fair and reasonable outcome. The plan process has been inappropriately brief and the documentation difficult to understand.
5. There is no means of ensuring any justification for the proposed increases (and calculations made to the best of abilities lead to massive development contribution increases) which cannot be related back to any causation or plausibility.
6. The combination of the provisions set out in s101 to s105, s201 and in the Schedule have not been met in a plausible or transparent manner and the distribution of costs justified. The validity of the contribution therefore fails to achieve a causal relationship between the development and the contributions required to fund new or upgraded infrastructure and do not follow sound economic theory and practice.
7. The conversion factor for non-residential uses to dwelling equivalents (HUE's) is vague, inaccurate and does not apportion costs in a correct manner. It implies a proportional relationship that does not exist and is not explained in terms of gross floor area to HUE's. This results in development contribution increases of up to thirty times current development contributions for commercial developments, particularly retail.
8. The requirement for payments to be made at resource consent stage is inappropriate as the activities have not taken effect. The policy also contemplates reassessment before any subsequent application but it is unclear whether this will apply to only the additional demand.
9. There is no transition provision. Developments in the pipeline now will be affected by this and there is no transition or policy to introduce these provisions. This is unreasonable and involves elements of retrospective charging which could have severe implications on parties involved in current developments in a near resource consent or building consent stage which is punitive and unfair.

10. There should be provision for remissions from development contributions in appropriate cases as there is now, where developers will make an effective contribution to infrastructure and this should be recognised.
11. The provisions allowing for extraordinary assessments at the discretion of the Council is inappropriate and ad hoc and there is no transparency.
12. The Local Government Act requires development contributions to be assessed in a transparent and fair manner. We see no fairness and transparency in how this matter has been proposed and the twenty – thirty fold increases over existing development levies will stagnate growth in Christchurch. Any reasonable development around the \$10 million mark will be stung by over \$1 million and substantial developments of 10,000 m² - 20,000 m² appear to be liable for between \$3 million and \$6 million which is a total disincentive to any development, with no direct link between the development and the contribution required for upgraded infrastructure. They are not based on any increased demand on the infrastructure caused by the development and there is only a casual connection.
13. The new policies defeat the stated intention “to ensure that the level of contribution does not generally act to discourage development”.