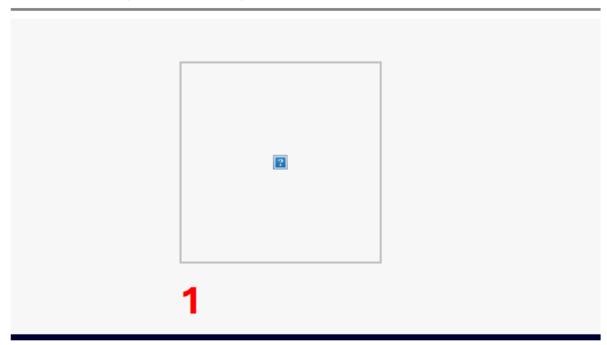
Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 4 November 2024 1:22:29 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

Submission Form through your Make your mark Manawatu website.
First Name:
Last Name:
Contact Number:
Email Address:
My submission is on behalf of an organisation or company. Yes
Organisation or company name:
I wish to request that my name and contact details be withheld from general

publication by ticking this box. Please note that if you wish to speak to your

submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

Council contributions are already so high that it is discouraging the development of land for anything other than high value large properties. If there is any sense each project should have a dynamic assessment of its development contribution based on its impact on the council services rather than a flat fee. This would help to encourage a more cost effective rental pool within Feilding.

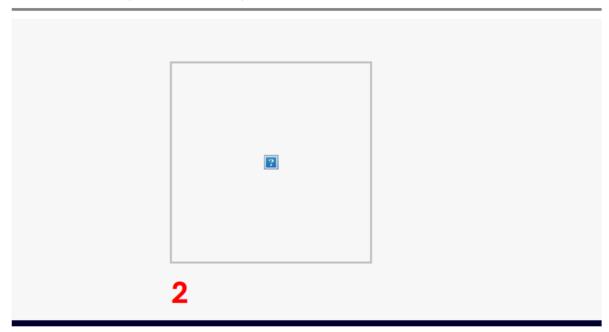
### Any other feedback in relation to the Development and Financial Contributions Policy?

As above, currently many infill projects have very little incentive other than building companies which are able to do the building at a reduced margin. This is the likely reason there are very low numbers of smaller dwellings being built.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 4 November 2024 2:23:33 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:
My submission is on behalf of an organisation or company.
No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Many rate payer's are living on the benefit or a pension and will not be able to sustain the change where council funds part of the costs. I also believe Developers will put pressure and contest their share which could lead to payment delays and higher council management costs to administer and defend their allocation decisions.

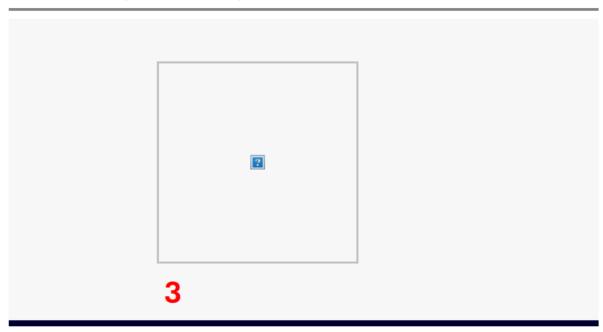
### Any other feedback in relation to the Development and Financial Contributions Policy?

No

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 4 November 2024 2:37:30 pm



### Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

Last Name:

Contact Number:

Email Address:

submission is on behalf of an organisation or company.

No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

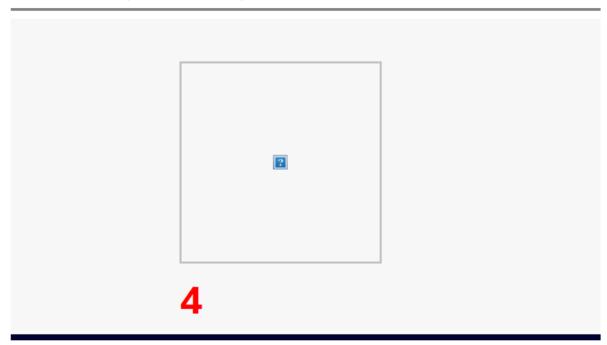
#### The reason why I selected the above option:

It should be shared as this involves the whole district

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 4 November 2024 8:05:27 pm



### Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:	
Last Name:	
Contact Number:	
Email Address:	

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Why would I want to increase my rates so a developer can save money? Seems crazy. My area cannot be subdivided due to newer council restrictions. Therefore under option two I'm only losing money.

### Any other feedback in relation to the Development and Financial Contributions Policy?

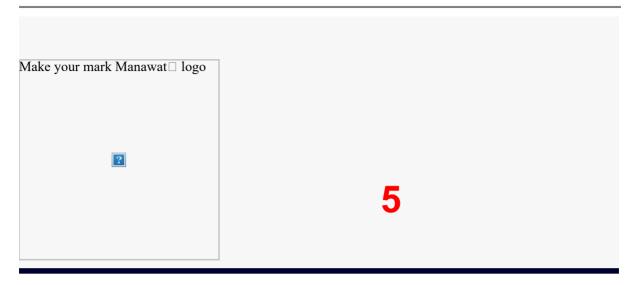
If you made rural residential areas easier to subdivide my mind may be changed.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

From: Make your mark Manawatū
To: MDC Submissions
Subject: Development and Financial

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Tuesday, 5 November 2024 1:01:44 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### First Name:

Peter

#### **Last Name:**

Davis

#### **Contact Number:**

+64274593147

#### **Email Address:**

peterdavis188@yahoo.co.nz

#### My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Option 2 imposes more cross subsidisation on existing ratepayers.

There may be a tangible link between a development and some benefit to some part of the district, but there is unlikely to be a tangible benefit to the whole ratepayer base.

Option 1 remains a good case for user pays.

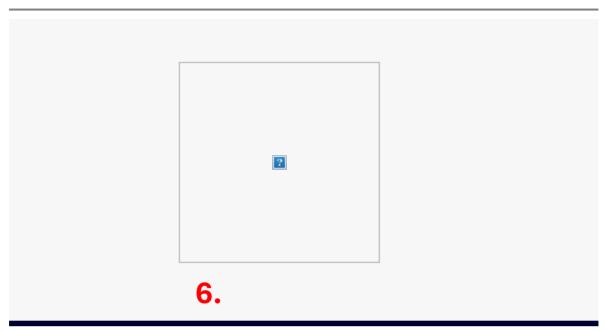
Any	other feedback in	relation to	the D	Development	and	Financial	Contribut	tions
Poli	cy?							

No

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Thursday, 7 November 2024 1:29:31 pm



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Vivienne

#### **Last Name:**

Stanley

#### **Contact Number:**

0272668607

#### **Email Address:**

vivfstanley@gmail.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

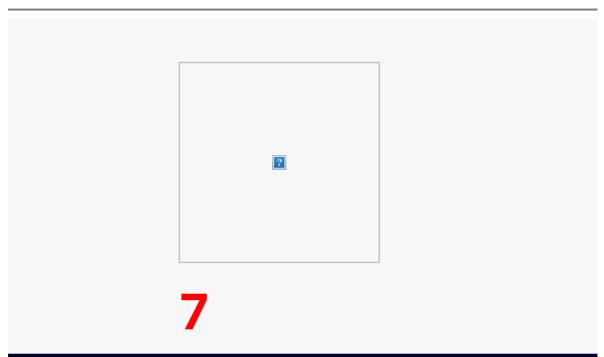
The reason why I selected the above option:

It will help to encourage growth

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Thursday, 7 November 2024 2:59:29 pm



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:

Matt

Last Name:

Blaikie

**Contact Number:** 

0226418386

**Email Address:** 

matt.blaikie@gmail.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

There are only two options provided, but we support neither option, specifically for urban infill areas.

Firstly I would like to point out that the wording around the policy suggests that developers create the demand for the services, that is incorrect. Demand by consumers creates the demand for housing and therefore services. Without demand there would be no development or developers. This was the case for several decades with more sporadic pockets of development being undertaken in Feilding, until the more recent property boom years. This style of language supports the negative rhetoric that developer's sole objective is to make as much money as they can.

We have built specifically for rental, a large number of dwellings in Feilding. The opportunity existed, and still exists (to a point) to create cost effective housing. The less it costs to build, the more we can support affordable rentals, and vice versa. Proposing increases of this magnitude would only give rise to fewer build to rent units being developed, which decreases the available supply and thus induces higher rental rates. Rental rates will need to be higher for those dwellings that are built, to offer a reasonable level of return when considering the feasibility of developing and retaining built units. Net result = more expensive housing for renters.

In addition to this, council fees have continued to increase, as well as council rates which are approaching \$100 per week, per unit. 10-15 years ago the rates were \$50 per week. I would also highlight that just since 2018, if this proposal goes ahead, the contributions would have increased by up to 300%. This leads to a massive flow on effect and sets a high base level of cost for a subdivision / development, and therefore high base level of rent. The cost of developing a single smaller infill section with this increased contribution would sit at around \$150k, with little margin for the developer's time and risk. Multi units might reduce this to perhaps \$120k per section. Feilding is still a low value area compared to others that would more readily be able to support higher costs.

There is also very little in the way of support in MDC policy for smaller unit developments, being more compact dwellings suitable for 1-2 people. In the past other councils have provided for this with lower contribution rates, and/or higher density. With high council rates offering little discount for smaller size; no discount to development contributions; and no consideration for higher density for smaller units, there will continue to be little appetite for development of new smaller sized units. From a rental perspective, people on their own or in smaller groups will continue to have limited options, and at much higher rental rates than what they could be paying.

If you are to continue to financially support greenfields developments, then these should have completely different development contributions to those properties in the older developed town, which are utilising existing roading, water, stormwater, sewer and reserves etc. There are no new roads to be built , no new pipes to be installed etc, just the upgrade of existing services which is spread over a much higher number of housing units, that being the whole existing town.

Therefore the high contributions levied on infill areas can only be seen as a tax, with the funds being used to subsidise greenfields developments or for other purposes.

Lastly, the lack of a streamlined development process for medium density developments (most consents are assessed as being 'non complying') and lower appetite for this than by other councils, means that the viability of projects is considerably lower. There is a greater risk in obtaining consent, and less dwellings possible to be built per site. Adding in the high proposed contributions will only serve to make this worse, with friendlier councils for medium density development such as Horowhenua being more attractive. This is in spite of their also high contributions and similar housing values.

In summary, higher contributions as proposed will lead to higher rents for build to rent units, with fewer dwellings being built given the now questionable financial viability. In its current form, the district plan and rating policies will continue to make development of multi unit infill housing more difficult and expensive than it could be. Smaller housing units while having strong demand from an ageing population that needs smaller housing at affordable levels, will remain almost unviable from a build to rent perspective. Medium sized developments will be undertaken elsewhere where this is more supportive policy and more cost effective opportunities.

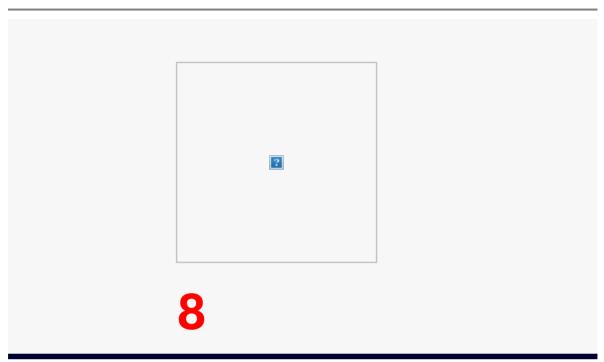
### Any other feedback in relation to the Development and Financial Contributions Policy?

As detailed.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Friday, 8 November 2024 9:14:33 am



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### First Name:

Jody

#### **Last Name:**

Clements

#### **Contact Number:**

0212161234

#### **Email Address:**

jodyclements1999@gmail.com

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

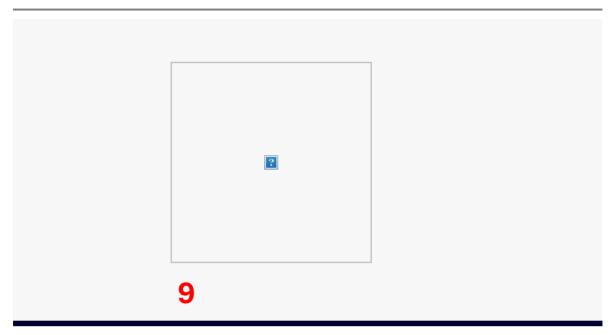
Development of our District benefits the entire community, and not just the developer. As someone who works in the development industry and who is trying to subdivide my own

personal property, I can see how the huge increase in development contributions affects big time developers AND single lot projects on a tight budget. This increase in development contributions will make my personal project unfeasible. As a rate payer, I would rather share these costs with the community as development in turn promotes growth that we can all benefit from.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Saturday, 9 November 2024 10:24:27 am



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### First Name:

lan

#### **Last Name:**

Cook

#### **Contact Number:**

02108606865

#### **Email Address:**

ian.francis@xtra.co.nz

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Growth adds stress to the the towns resource, it increases the traffic on local roads causes delays (which has a cost to travellers) Rather than 100% the contribution should be higher (say 150%) to help upgrade the infrastructure in the future. Growth is good only if the

infrastructure is in place

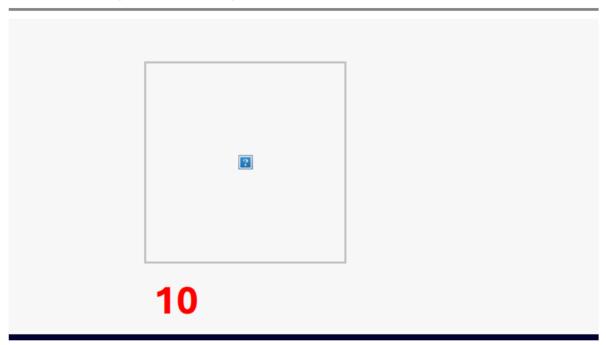
### Any other feedback in relation to the Development and Financial Contributions Policy?

User pays

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Friday, 8 November 2024 5:35:34 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

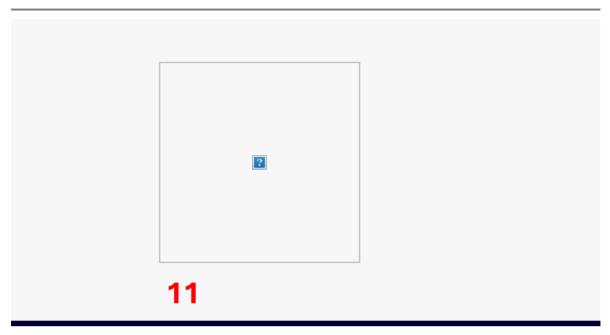
#### The reason why I selected the above option:

As a ratepayer in fldg we are paying enough! Let those who wish to develop pay the full costs associated with their development as the majority of developments are being done by large companies - they take the risk to develop they pay the cost .

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Monday, 11 November 2024 11:56:12 am



### **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name	Fi	rst	tΝ	am	ne	
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Peter

#### **Last Name:**

May

#### **Contact Number:**

0274422768

#### **Email Address:**

peter@buildmanawatu.co.nz

My submission is on behalf of an organisation or company.

Yes

#### Organisation or company name:

Manawatu Building Projects Ltd

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the

renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

Option 2 is the lesser of two very bad options

### Any other feedback in relation to the Development and Financial Contributions Policy?

The cost increases proposed are such that I will have little option but to avoid development in this location.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

From: Lance Berry
To: MDC Submissions
Subject: Submission 2024

**Date:** Monday, 11 November 2024 11:08:02 am

Attachments: Submission 2024.docx

CAUTION: This email originated from outside of MDC's network. Do not click links or open attachments unless you know the content is safe. If in doubt contact the MDC IT Team!

**12** 

Hi there,

Please find attached amended submission by the Rongotea Community Committee.

Regards

Lance Berry

P O Box 51 Rongotea 4865

Phone 027 4432451 Email: <a href="mailto:lance@lbr.nz">lance@lbr.nz</a>

#### Rongotea Community Committee.

#### To The Manawatu District Council.

This is our submission on the proposed Development contributions involving new subdivisions.

The Rongotea Community Committee held a discussion on the District Contributions and the following was discussed.

We appreciate towns and villages need growth to keep them vibrant and alive.

However, the first question is why do developers put in new subdivisions, the answer is for financial gain.

We also appreciate there would have been a fair bit of creative accounting when working out the proposed costs to suit those concerned.

We oppose the option of rate payers subsidising these developments.

We rate payers have already paid for assets and the upkeep on these, the new proposal asks us to pay again so that others can take advantage of our assets.

It has been said that the intended rate increases to help subsidise the new subdivisions will help create new walkways and green spaces, we would not require extra walkways any green spaces if it weren't for the new subdivision.

We suggest the Council not deviate from its main principles and stay with user pays.

We note Feilding is in the top 3-4 towns in New Zealand with the highest rates this proposal does nothing to alleviate the rate payer burden.

We also note that the first year's rate subsidies are proposed to be \$445,000 which will grow to \$1.2 million with in 10 years.

This is a huge amount of money to ask of the rate payers who are already struggling to make ends meet.

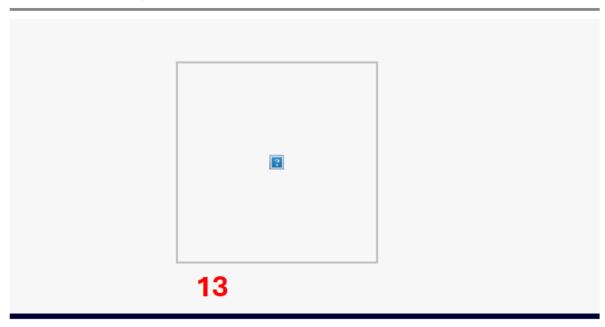
There has to be another way.

These are the feelings of the Rongotea Community Committee

We do not wish to speak at submissions.

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 13 November 2024 10:14:29 am



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

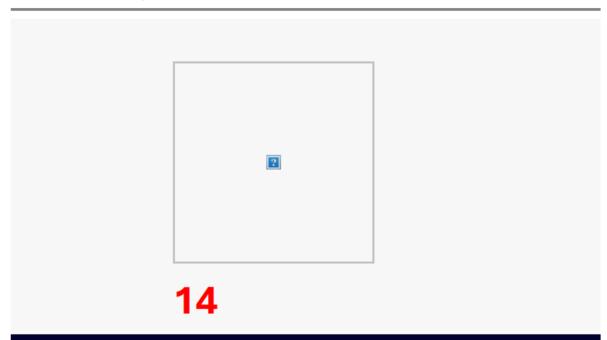
#### The reason why I selected the above option:

It strikes a fair balance for "Sharing" the benefits derived from future development.

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 13 November 2024 10:39:36 am



### Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:	
_ast Name:	
Contact Number:	
Turnil Aulderna	
Email Address:	

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Developers must pay for all costs. Existing ratepayers should never be expected to contribute towards infrastructure development that is required due to development and increased population.

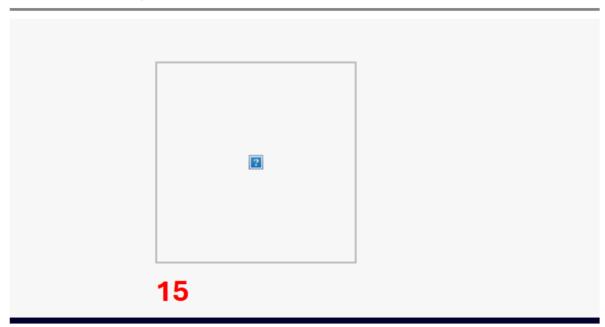
If these developments didn't occur then the capacity of the services such as water in or out would continue to be sufficient as is.

Growth should be limited as the special character of our town is being lost due to the increased population.

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 13 November 2024 11:34:29 am



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:	
Last Name:	
Contact Number:	
Email Address:	

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

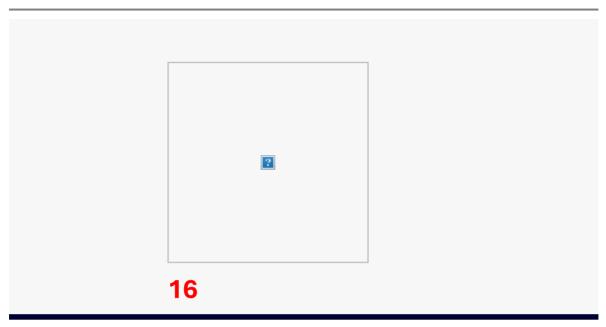
#### The reason why I selected the above option:

I don't see my benefit from paying to subdivide land I have no stake in.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 13 November 2024 4:44:29 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

Pete

#### **Last Name:**

Blythe

#### **Contact Number:**

0212446809

#### **Email Address:**

700nitro@gmail.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

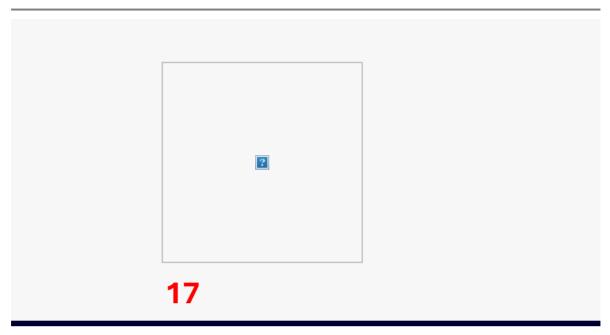
Rate payers are already stressed financially, especially in the current economic

environment. Also, developers seek to gain substantial profits / gains once the development has been signed off.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Wednesday, 13 November 2024 6:49:05 pm



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Linda

#### **Last Name:**

Buchanan

#### **Contact Number:**

0272387667

#### **Email Address:**

iwikchik@icloud.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

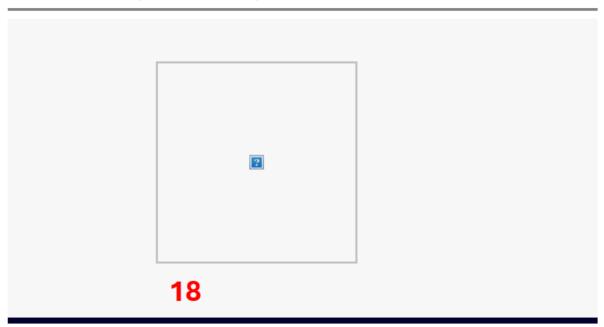
The reason why I selected the above option:

As residents we benefit from any development Council does, not just the new developments. Also with aging infrastructure and facilities there will with time be needs for upgrades that require capital investment. All residents should contribute to that.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 13 November 2024 7:52:26 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Contact Number.
Email Address:

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

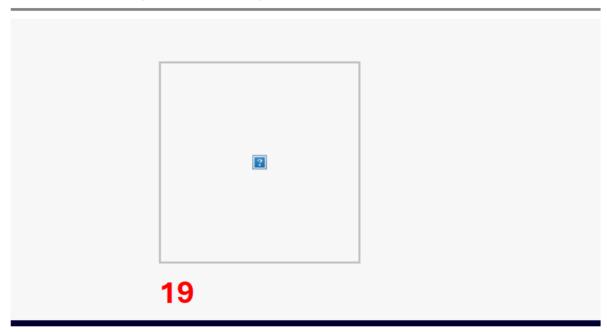
# The reason why I selected the above option:

MDC should already be proportioning LoS in its infrastructure works programmes. Better to start now, than never.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 13 November 2024 8:06:34 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:
My submission is on behalf of an organisation or comp

My submission is on behalf of an organisation or company.

No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

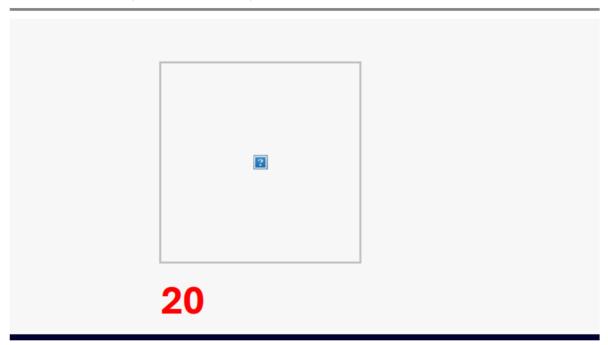
### The reason why I selected the above option:

I don't see why ratepayers should pay any amount for subdividing. How is it going to benefit me or my family?? If people want to subdivide they should pay for 100% of it as they are the ones who are going to benefit from it, I doubt ratepayers will get any money from the lot once it sold or rented

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 14 November 2024 6:19:39 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:
submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

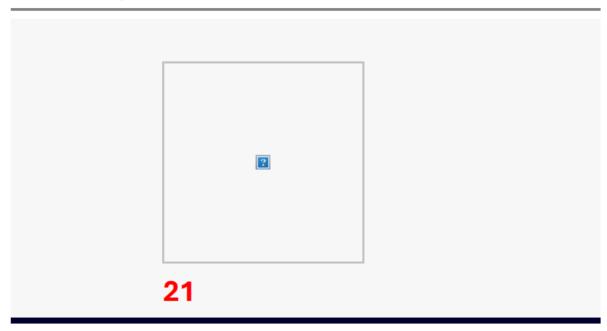
# The reason why I selected the above option:

Minimal benefit to me but potentially extra costs

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Friday, 15 November 2024 9:20:30 am



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

### The reason why I selected the above option:

Ratepayers are already burdened with increases in rates and Council debt repayment. Another charge just adds to this. Council needs to find ways to reduce costs and not expect ratepayers to keep paying more.

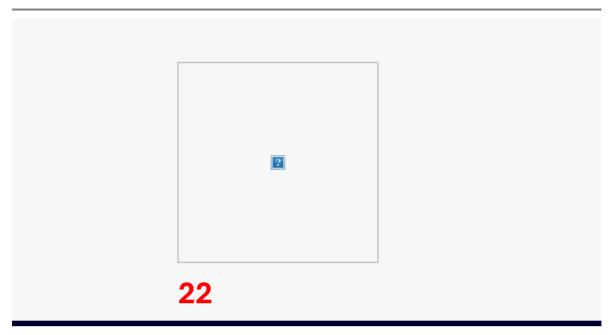
# Any other feedback in relation to the Development and Financial Contributions Policy?

Developers reap the initial benefit and people who buy houses or set up commercial premises receive capital gain and profits. General ratepayers don't get the benefits from the area developed.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Saturday, 16 November 2024 2:57:30 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

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Genna

#### **Last Name:**

Kitching

#### **Contact Number:**

0276806468

#### **Email Address:**

genna@hastingsgroup.co.nz

My submission is on behalf of an organisation or company.

No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

No

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

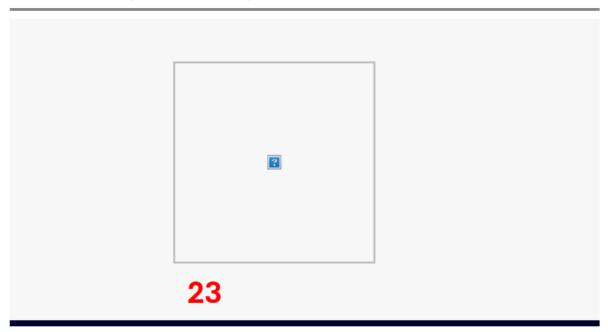
# The reason why I selected the above option:

I think option 1 will discourage growth in our region

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Saturday, 16 November 2024 8:15:26 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:

Last Name:

Contact Number:

Email Address:

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

### The reason why I selected the above option:

Because Option 2 is a flat percentage, it places a disproportionate burden on rural ratepayers who already pay higher rates than those on smaller urban holdings but will likely benefit less from most developments. Even in the case of commercial developments, in most cases, town residents would gain more benefit. If it were a sliding scale or a lower percentage for rural ratepayers, I would be more inclined to consider Option 2. However as it stands, with a forced choice, I select Option 1.

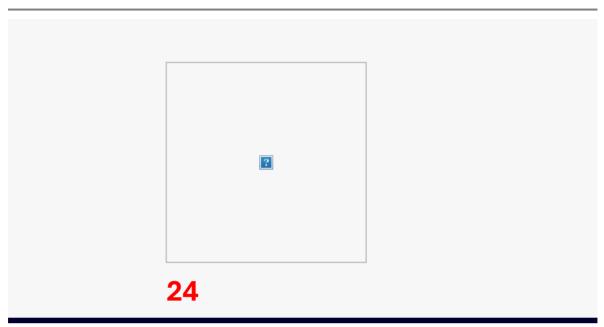
# Any other feedback in relation to the Development and Financial Contributions Policy?

Not at this time

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Monday, 18 November 2024 9:55:32 am



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Jerald

#### **Last Name:**

Twomey

### **Contact Number:**

0211841532

#### **Email Address:**

jeraldtwomey@gmail.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Developers should pay for the infrastructure required, without it being subsidised by

ratepayers. We have some large developments coming to the northern area and this rewards\$ the developers and potentially increases their profit, at the direct expense to the existing ratepayers. There is already an issue of increased stormwater runoff going into the Makino, exacerbating the known flood risk in the town. Ratepayers are now paying for detention ponds that the previous developers should have. Further storm water work has yet to be completed, and the flood protection work is yet to be costed. The irony is that those developments in the north add to the issue, sit further out of the flood risk area and yet those in the higher flood risk areas are being asked to subsidise their development.

Council will collect this revenue regardless of the number of buildings that may or may not be built. In years that the number does not reach the projected build number, then Council will retain excess rate money; while in years that the projected number is exceeded then Council will run a deficit. Making the developer pay ensures that the costs required are met, no excess no deficit.

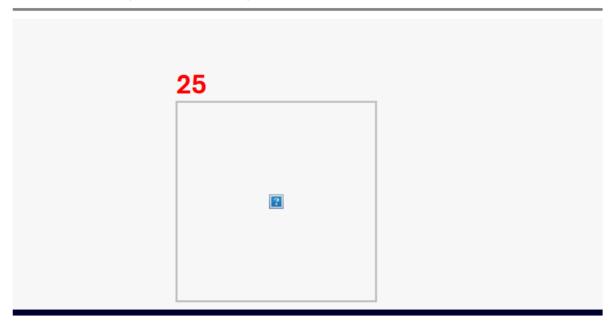
Rates in Feilding are already high due to previous Wastewater infrastructure investment. This seeks to add a further 1% next year, growing to 2 -3% in the future, so that developers are more comfortable.

Our town has an higher than average pensioner population (and growing) - fixed income people should not be subsiding others. No one should be subsidising property development. User pays.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 18 November 2024 3:15:32 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:	
Last Name:	
Contact Number:	
Email Address:	

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

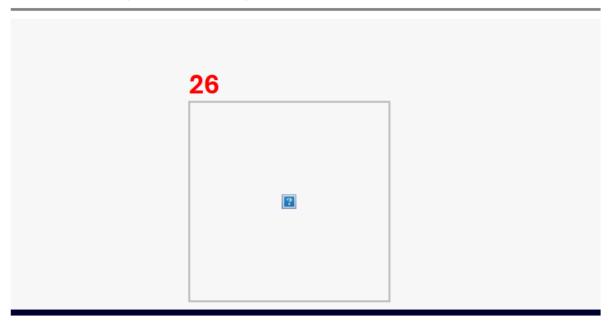
# The reason why I selected the above option:

As stated by council option one will do nothing to encourage development in the Manawatu. Growth benefits everyone.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 18 November 2024 9:20:35 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

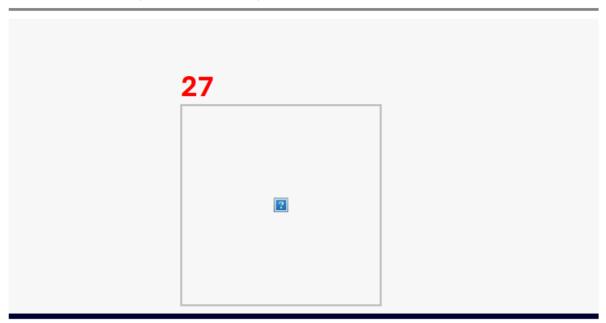
# The reason why I selected the above option:

Don't want to make it prohibitively expensive to subdivide as that will stall in fill housing.

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 20 November 2024 1:05:56 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

Last Name:

Contact Number:

Email Address:

submission is on behalf of an organisation or company.

No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

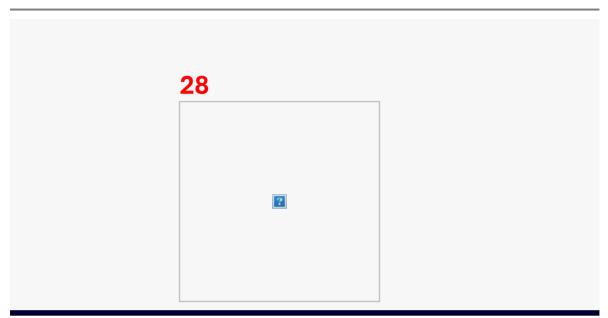
#### The reason why I selected the above option:

Normally I would prefer a fully user-pays system, but the differences between the two options are quite stark in this case and there is a need to encourage growth in Feilding, particularly keeping it affordable for people to subdivide individual sections and encourage infill housing, which is more sustainable, rather than only greenfield growth, which is less sustainable.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 21 November 2024 5:06:43 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

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Kurt

#### **Last Name:**

Fraser

#### **Contact Number:**

0212672944

#### **Email Address:**

kurt.fraser192@gmail.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

# The reason why I selected the above option:

Because there is no option for lesser increase of development contributions. Both of these

options are extortionate but option 2 is the lesser increase to the developer

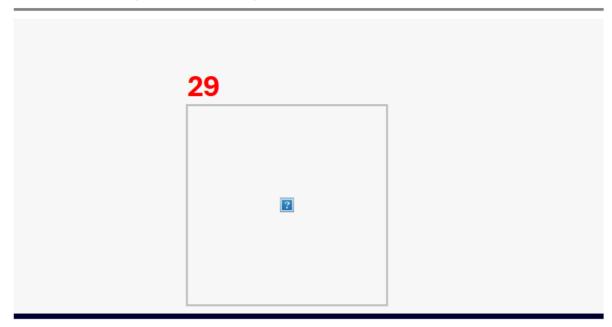
# Any other feedback in relation to the Development and Financial Contributions Policy?

More than 2 options would to choose from could have been possibly more beneficial

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 21 November 2024 5:24:30 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:

Last Name:

Contact Number:

Email Address:

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

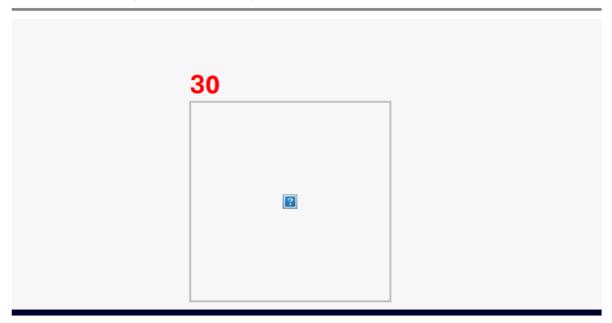
# The reason why I selected the above option:

Lesser cost of the two for developers. Either option WILL have an impact on Feilding growth. Sections will be more expensive, therefore much slower growth for Feilding resulting in less rates or you will put rates up substantially when it is tough enough already!

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 21 November 2024 8:37:29 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:

Last Name:

Contact Number:

Email Address:

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

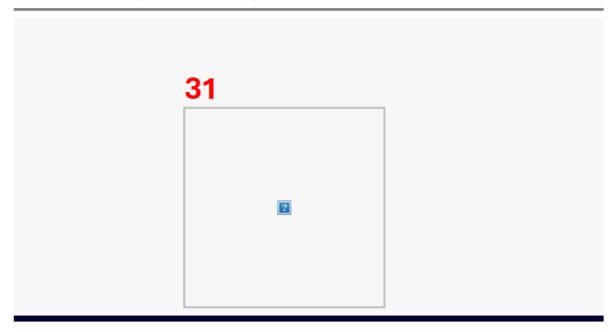
# The reason why I selected the above option:

Because there are only two options and the first one is outrageous

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 21 November 2024 8:44:30 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
_ast Name:
Contact Number
Contact Number:
Email Address:

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

# The reason why I selected the above option:

option 2 is the lesser increase towards the developer and to not discourage further development with these extortionate price increases

# Any other feedback in relation to the Development and Financial Contributions Policy?

No feedback at present however can contribute more after the outcome of these submissions

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 25 November 2024 8:49:27 am

**32** 

# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

Last Name:
Contact Number:
Email Address:

**First Name:** 

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

No

### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

As Rural Ratepayers we paid over \$20,000 for our sewage system, we pay 6 monthly service charges, we provide our own water system. We do not get anything from Council in assisting with this, so see no reason why we should through our rates subsidise those in town and villages being provided with these services

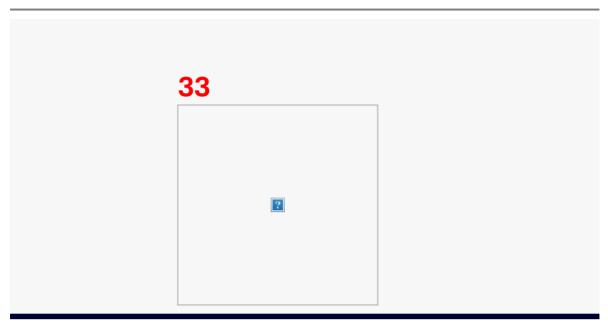
# Any other feedback in relation to the Development and Financial Contributions Policy?

The rate burden on farms is high enough, without council putting extra on

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Thursday, 5 December 2024 8:26:35 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Andrew

### **Last Name:**

McCall

### **Contact Number:**

0278401006

#### **Email Address:**

amickc@gmail.com

My submission is on behalf of an organisation or company.

No

### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Rates are already high and a struggle for most households. Developers should foot the bill

for development, they are hardly properties that existing families and homeowners are able to access. The cost of development is factored into the purchase price. It seems optimistic to imagine that reducing costs to developers, will lead to any savings being passed on to the purchasers of new properties.

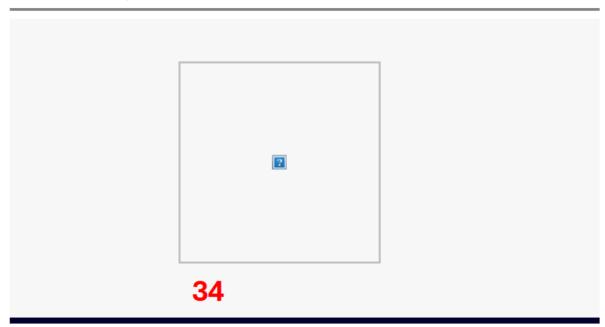
# Any other feedback in relation to the Development and Financial Contributions Policy?

No

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Monday, 16 December 2024 9:51:32 am



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

	1M	



Last Name:



**Contact Number:** 



**Email Address:** 



My submission is on behalf of an organisation or company. No

### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

Development contributions should be paid by developers, not by ratepayers, for several

#### reasons:

Developers and new residents benefit directly from the infrastructure improvements, so they should bear the costs, rather than existing ratepayers who are already contributing to current services.

Developers are incentivised to design projects that minimize strain on infrastructure when they pay for improvements, leading to more sustainable and efficient growth.

Asking existing ratepayers to fund infrastructure for new development is unfair, as they already pay for current services. Developers should cover the costs of their projects.

Without contributions from developers, MDC will raise our rates or divert funds from other services, putting a strain on budgets from already struggling families and potentially meaning our current services are severally downgraded.

Developer contributions encourage responsible, long-term planning, reducing urban sprawl and ensuring development aligns with community goals.

Proper infrastructure investments through developer contributions help maintain or increase property values, benefiting the entire community.

Overall, developer contributions ensure fairness, financial sustainability, and responsible development, protecting the interests of both new and existing residents.

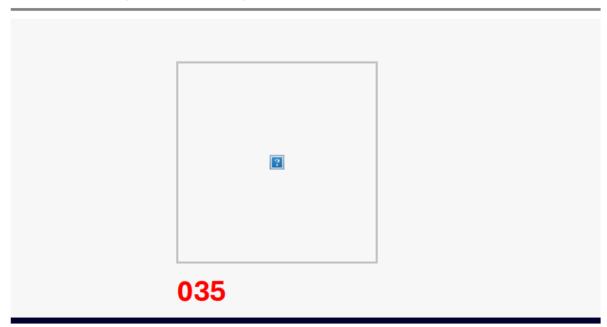
# Any other feedback in relation to the Development and Financial Contributions Policy?

Development contributions should be paid by developers, not ratepayers, because developers directly benefit from the infrastructure and growth they create. This ensures fairness, encourages responsible development, protects existing residents from unfair rate burdens, and helps maintain sustainable local budgets and property values. The people of Feilding are already doing it tough (along with most of the country) so I fear that if the change to DCs goes ahead, when the Feilding ratepayer finds out, it will tarnish MDC in a very bad light and the community will stop trusting us. Yes, you will say 'but we asked for feedback/your submission' but that isn't the point. There has been ONE Facebook post regarding this that quickly got buried in the mess, so who actually saw it? Where else has this been advertised? Why is Council trying to brush this under the rug, away from the eyes of Feilding? If you really cared about the people of Feilding, your preferred option would be for things to remain as they are - if developers choose to go elsewhere, then so be it! They don't deserve to develop our land in Manawatu if they don't want to pay for it. Simple as that. Do the right thing MDC!

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Sunday, 15 December 2024 7:51:36 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company. No

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

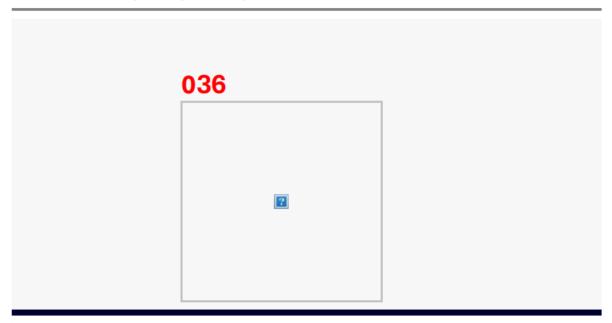
# The reason why I selected the above option:

I should have to pay for a developer to make millions on property.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 16 January 2025 9:57:35 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:	
Last Name:	
Contact Number:	
Email Address:	

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

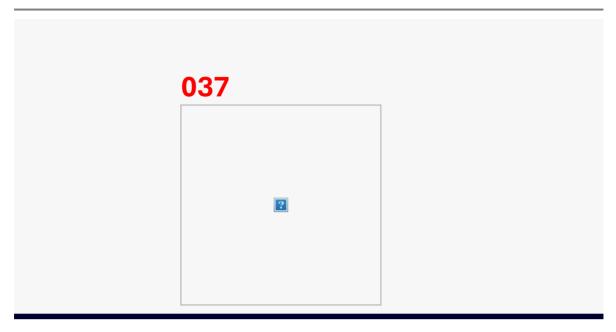
#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 22 January 2025 2:27:31 pm



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Luke

#### **Last Name:**

Doidge-Bailey

#### **Contact Number:**

0276376715

#### **Email Address:**

luke.w.bailey@gmail.com

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

I support Option 2 because it strikes a necessary balance. While it's not ideal for the

community to shoulder the costs of new developments while private developers profit, placing the entire financial burden on developers upfront could make building much-needed housing in our district prohibitively expensive.

Infrastructure resulting from development is a public good that provides long-term benefits to the community. It is reasonable that ratepayers contribute to these costs, as they stand to gain from the enhanced infrastructure and services over time.

### Any other feedback in relation to the Development and Financial Contributions Policy?

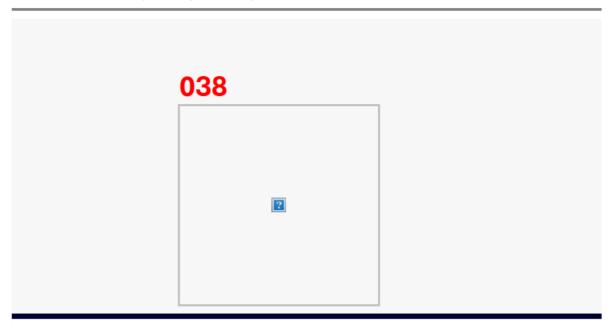
To ensure fairness, I would like this policy to be reviewed in the next Long-Term Plan to assess its effectiveness in stimulating new builds. Additionally, I recommend introducing a mechanism to periodically review the cost distribution to determine whether alternative models—such as an 80/20 split—would be fairer.

This approach would provide the community with confidence that they are not being asked to subsidize wealthy property developers at their own expense, but are instead supporting a balanced and effective policy that promotes equitable growth.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 22 January 2025 5:05:31 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

#### My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

#### The reason why I selected the above option:

I have selected this because you have made no attempt to highlight the type of benefit (examples) the community could potentially recieve from a development.

### Any other feedback in relation to the Development and Financial Contributions Policy?

This exercise is probably irrelevant because MDC seems to always go with their preferred option.

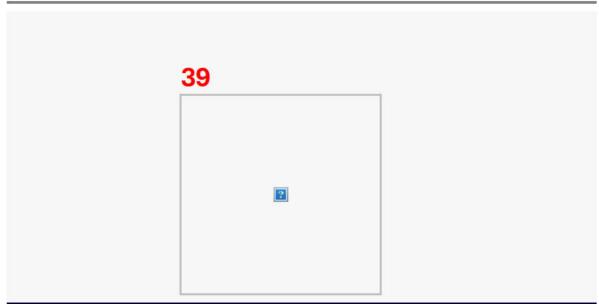
To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

From: Make your mark Manawatū

To: MDC Submissions

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 29 January 2025 10:06:25 am



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company.

Yes

Organisation or company name:

**GL** Corporation

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published

#### within the Council Agenda.

Yes

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

Each new section subdivided benefits all, therefore the costs should be shared.

### Any other feedback in relation to the Development and Financial Contributions Policy?

The council has to examine internal costs of development.

The approved contractors in my view charge extra high costs for their services. We have currently completed a street to be vested to the council for the fraction of price of Ecko place which our new street runs into.

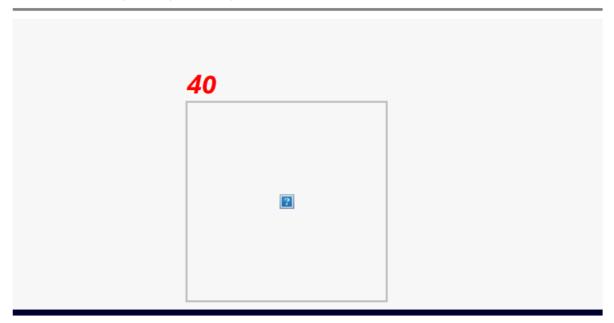
### I would like to speak to Council in person about my feedback on Thursday 5 December 2024.

NO

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms-new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms-new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Friday, 7 February 2025 9:56:35 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:	
Last Name:	
Contact Number:	
Email Address:	

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

Developments increase the rate payer base enabling greater future rate revenue. If development contributions are too high, developers will look to cheaper councils.

### Any other feedback in relation to the Development and Financial Contributions Policy?

Calculating a "fair" amount to charge as the development contribution is problematic in itself. The assumptions used in the calculation will vary with each individual perspective on the matter.

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

From: John Key

To: MDC Submissions

**Subject:** FW: Proposed Development and Financial Contributions Policy

**Date:** Tuesday, 11 February 2025 9:04:03 am

Attachments: Submission.pdf

CAUTION: This email originated from outside of MDC's network. Do not click links or open attachments unless you know the content is safe. If in doubt contact the MDC IT Team!

41

#### Re. Proposed Development and Financial Contributions Policy

I attach submission on the above.

Yours faithfully

**J W Key** | Principal | John W Key Barrister-Solicitor **P** +64 6 323 4563 | **F** +64 6 323 7914 PO Box 392, Feilding 4740

Email: john@keylaw.co.nz



# **Development and Financial Contributions Policy Submission Form**

Pe	rsonal Contact Details
01.	First Name: Required
	John
02.	Last Name: Required
	Key
03.	Contact Number: Required
	(06) 323 4563
04.	Email Address: Required
	john@keylaw.co.nz
05.	My submission is on behalf of an organisation or company.
Sel	ect one answer only
	) Yes
(e	<b>Y</b> No
06.	Organisation or company name:
ger you	I wish to request that my name and contact details be withheld from neral publication by ticking this box. Please note that if you wish to speak to resubmission at the hearing your name (but not your contact details) will be blished within the Council Agenda.
	Yes



### Consultation

Select one answ	er only
	Developers would continue to pay 100% of the costs of future hrough development contributions.
Option 2: would par future council	Developers would pay the growth component, and ratepayers y the renewals and increased levels of service component of each project.
9. The reasor	n why I selected the above option:
the Local G	t completely reflecting Council's obligations under overnment Act 2002, it does more accurately reflect ations than Option 1
	eedback in relation to the Development and Financial olicy?
	olicy?
ontributions P	olicy?
ontributions P	olicy?
ontributions P	olicy?



#### Speaking to your submission

12. I would like to speak to Council in person about my feedback on Thursday 5 December 2024.

If checked, a Council Officer will contact you to notify you of your presentation time.

'			
Yes			
100			

Privacy Statement: All submissions are treated as public information and are included in papers available to the public and media, and on our website.

#### Did the Presentation to Council on 4 July 2024 mislead Council as to funding of growth infrastructure?

The Presentation to your Council on 4 July 2024 included the following statement:

The key purpose of the Development Contributions Policy is to ensure that growth, and the cost of infrastructure to meet the growth, is funded by those who cause the need for that infrastructure.

This statement would leave Councillors with the impression that infrastructure growth is to be funded 100% by those who cause the need for the infrastructure. That I submit does not reflect the legal position.

Section 197AA of the Local Government Act 2002 provides as follows:

The purpose of the development contributions provisions in this Act is to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

"a fair, equitable, and proportionate portion" does not equate to a 100% share.

Potter J in the High Court decision in *Neil Construction Limited & Others v North Shore City Council* [2008] NZRMA 275 stated at paragraphs 279 and 220

- [279] The Council is required by \$77 to assess the benefits and costs of identified reasonably practicable options in terms of the present and future social, economic, environmental and cultural well-being of the district. It is required by \$101(3) to consider community outcomes, the distribution of benefits, the inter-generational principle, the exacerbator pays principle and again, costs and benefits and the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.
- [220] Resolution of the economic efficiency: causation versus benefits debate is reached by a proper interpretation and application of the relevant provisions in the Act. The causative approach adopted by the council has excluded appropriate consideration of and allowance for distribution of benefits between the community as a whole, is inconsistent with the council's obligations under the Act. The council has accordingly, erred in law.

In essence the presentation to your Council reflects a "causative approach" excluding appropriate consideration of and allowance for distribution of benefits between the community as a whole.

Does the draft policy reflect your Council's legal obligations under the Local Government Act 2002?

Clause 100 of the Draft Development and Contributions Policy includes the following:

100. Council plans to incur \$55.1M (before interest costs) on infrastructure partially or wholly needed to meet the increased demand for community facilities resulting from growth. This includes works undertaken in anticipation of growth, and future planned works. Of this cost, 100% will be funded from development contributions.

This statement contemplates that the \$55.1M planned to be incurred on infrastructure is to be 100% funded from development contributions. The 100% development contributions funded work is stated to be partially or wholly needed to meet the increased demand for community facilities resulting from growth. Development contributions cannot fund that part of infrastructure costs that is not incurred as a result of increased demand resulting from growth.

<u>Does the cost of capital expenditure to be funded by Development Contributions in Schedules 2 and 3 reflect Council's legal obligations?</u>

Without having information as to how the various costs to be funded by development contributions have been arrived at it is difficult to provide a proper response. That being said I highlight the following:

Aorangi Street Upgrade – 100% to be funded from development contributions Churcher Street reconstruction – 100% to be funded from development contributions

Without knowing precisely what this upgrade and reconstruction involve, it would appear that there is a renewals and increased level of service component which Council's website state is to be paid by ratepayers under Option 2.

At page 56 of the proposed policy there are listed 15 Parks and Reserves Growth Items to be funded 100% by Development Contributions. Again I do not have the detail as to the precise nature of those projects. However, assuming that the projects benefit the community as a whole, is the Council intending to prohibit existing residents from enjoying the projects funded 100% by development contributions?

#### What is the financial impact of Option 2

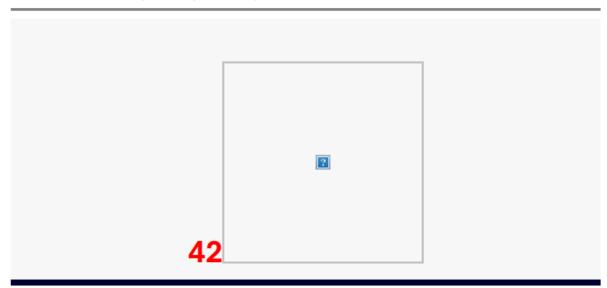
The present policy came into force on 1 July 2023. Council just over 15 months later (3 October 2024) is proposing development contributions increases of 44% in the Feilding urban areas and 37% in the Feilding intensification area.

Ultimately it is the homeowner that pays not the developer (just like the United States consumer with President Trump's tariffs). As is stated in The Treasury's Cabinet Paper of 16 October 2019:

23.3 **Homeowners** face higher upfront costs when purchasing a new home as the lump sum nature of the DC means that it is added to the cost of a section. While the nominal incidence is on the person developing the section, the economic incidence is borne by the purchaser/owner of the new home.

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 12 February 2025 7:10:22 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:
My submission is on behalf of an organisation or company. Yes
Organisation or company name:

Narley Construction Ltd

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

The reason I have selected option 2 is because I believe that as developers we shouldn't have to pay 100% of the future project costs. How you can even remotely think this is an option is imaginative option. You will make any form of development moving forward a very unfeasible business option for us as rising engineering costs and compliance costs from you have already skyrocketed.

#### Any supporting documents you wish to add.

Development\_Contributions\_Submission.pdf

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

#### **Development Contributions Policy Submission**

It is a very disappointing proposal of such an increase in development contributions. Our understanding is that this proposal has been formulated as a result of Council's prediction of growth in our region and in turn requiring developers to fix Council's financial misjudgements.

Given the two options, being

 Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions;

or

 Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project

#### Option 2 would be our choice

The growth of our district benefits the entire community, therefore it should be distributed between the entire community. Circulating part of the cost increases amongst ratepayers would also allow for Council to begin recouping costs immediately.

However, we believe neither options are particularly desirable.

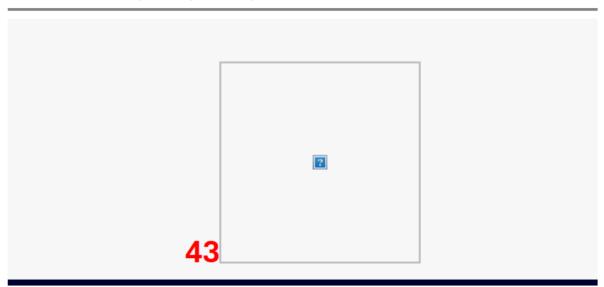
Consideration is needed around timing of when development contributions are to be paid, as this determines whether extensive fees can be immediately recovered e.g. in the sale of the land; or whether this is a cost that will need to be held throughout the duration of the development.

Submitted by: Narley Construction Ltd

**Dated:** 12/02/2025

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Wednesday, 12 February 2025 9:25:28 pm



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:

My submission is on behalf of an organisation or company.

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

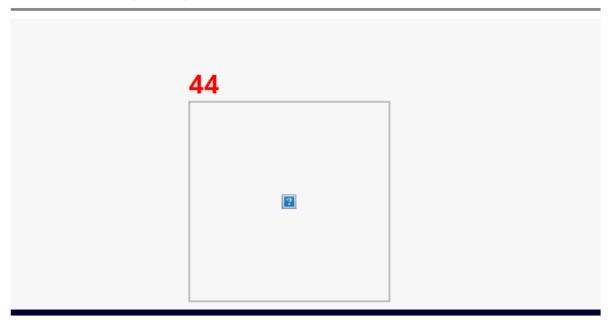
#### The reason why I selected the above option:

While planning for development/expansion of the town, costs (to Developers) need to be kept at reasonable levels. This makes undertaking such works viable. The council needs to balance such charges to individuals/developers against future income via rates. The figures for option 1, increase figures of close to 100% for just unreasonable, and so adjustment of fees must be in line with general rate (MDC) movements or even CPI where possible. Huge upward fee movement will, in my opinion, just drive away the quality exansion that is helpful to our community.

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 13 February 2025 10:13:23 am



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Gary
Last Name:
Thomson
Contact Number:
Email Address:

My submission is on behalf of an organisation or company.

Yes

Organisation or company name:

Churcher Investments Ltd

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published



Yes

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

I oppose both proposals

### Any other feedback in relation to the Development and Financial Contributions Policy?

See attached submission document

Any supporting documents you wish to add.

Development Contributions increase submission final.pdf

I would like to speak to Council in person about my feedback on Thursday 6 March 2025.

Yes

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

Submission to Development Contributions Policy

#### **Background**

This submission is made by myself in the capacity of Managing Director of Churcher Investments Ltd and on behalf of the company Shareholders and Directors.

Churcher Investments Ltd (CIL) was formed to purchase and develop a property at 162 Port St East, Feilding and has subsequently purchased and is in the process of developing a property at 134 Port St East, Feilding. At the completion of these developments we will have provided approx 57 sections and constructed two small roads to contribute to the growth of Feilding.

In previous years I was a Director of several property development and building companies which undertook several small developments in Feilding in the early 2000's prior to moving to the East Coast of Australia to work for several major building and development companies undertaking substantial developments throughout the eastern cities of Australia. I feel this experience qualifies me to be able to make informed comments on the latest DC proposals.

My fellow Directors of CIL are well experienced builders in the town and surrounding area and I believe they are also making submissions to this policy on behalf of the companies they are representing.

I have a number of concerns regarding the proposal to increase substantially the development contributions as outlined and will list them below.

#### List of concerns

#### **Limited scope of options**

It is very poor that the Council has only put forward a very limited choice of two options, both being major increases that are well above any inflation and/or CPI increases. This tells me that Council is determined to substantially increase the DCs" come what may" and has adopted a "cost plus" mentality rather than explore other options that could well be available. Given the scope of the increase and the limited choice given out for consultation I am inclined to label this whole process as a sham as it seems there will be an" over the top" increase as soon as this process is over. The process does however give us the opportunity to make a submission so at least you will know our thoughts.

I am dismayed that Option one is even offered. Very few if any other councils in New Zealand place this burden on "developers" in reality mostly residents upgrading or new entrants to the town. Is it because the current rates in Feilding are already regarded as excessive.? There are already items in the rates that are shared by all but not used by all. ie Library and pool.

#### Future development bears brunt of cost. ie who really pays

I was of two minds as to even making a submission considering CIL has obtained development consents for all our current Feilding land holdings thereby fixing DCs at the current rate plus any CPI adjustments. I would assume the majority of larger developers in the precinct 4 area have also done this therefore who will pay the new fees?

The new fee burden in the short term will fall primarily on infill developers or longer term residents within the established residential area who may not yet even be considering "carving off the back yard" to create an extra site for a retirement fund or similar. I would think they would be shocked when presented with a list of Council fees including either of the proposals plus the other associated fees etc Council imposes upon such an undertaking and I see this as a major deterrent to promoting infill subdivision which is one of the council's aims.

It is also misleading to state in your proposal that "developers" pay given that the end user is the one primarily paying as the contributions will be so high they will have a material effect on the prices asked for the section.

Given there are a large number of consented developments in precinct 4 resulting in a current oversupply of sites I assume it will be some time before any "new" developments occur. Any new developer to town having to pay the new fees will be at a significant cost disadvantage to current developments until market forces determine that it will be economic to develop any greenfield land. By my current calculations with either of the new fees it would be uneconomic for us to undertake any further Greenfield development within the Feilding area and I am sure any "new developers" will also come to this conclusion.

Last year I entered into negotiations to purchase a further development block in precinct 4 which would yield a significant number of sites for the town and provide the company shareholders with significant ongoing work once we completed our current projects.

Given the proposed increases in DC's I am thankful that negotiations stalled as these fee increases and the current conditions now make that development uneconomic. It is not even worth us landbanking the site for future development as there are plenty of opportunities elsewhere.

I see the new fees creating an anchor to infill development and certainly Greenfield development within Feilding and imposing a burden on new residents to the town which will definitely constrain growth.

#### Cost plus mentality of Council

In all of the supporting evidence accompanying the two proposals all I see is a cost plus mentality with regard to the pricing proposals.

Our dealings with Council are akin to dealing with a two headed monster. As we have put proposals forward and developed the two properties at 134 and 162 Port St Feilding we have been very pleased with the progressive attitude of Council regarding looking at concepts "out of the box" and allowing developments to be undertaken that bend the plan rules but allow for diversity in housing density and type. (both of which we see as beneficial for the town") That's the good head.

We experience the bad head when we come to dealing with Council throughout the development. We are constantly amazed by the levels of bureaucracy, requirements of paperwork and the layers of cost imposed on us by various Council departments to get the most simple of tasks done. Ultimately each item resulting in a fee to move forward. We feel like an ATM for council. All of these fees and form filling results in significant delays and much increased costs for us and ultimately the new residents who transact with us. We feel the Council invents processes and fees to take a bit more from us. I am not saying this occurs all of the time but when it does it is costly, time consuming and grossly inefficient. We believe this inefficiency is well represented within the cost of the Development Contributions.

My point here is that rather than adopting a cost plus attitude to DCs and other fees we see very little in the way of promoting cost and workplace efficiency to bring down these high fees charged and proposed by Council.

#### Effect on our business decisions re Feilding

As mentioned above either of these increases by my calculations will make any "new" development within Feilding uneconomic as a rule of thumb.

Given the proposed increase I will be advising the other company Directors to move our Capital away from Feilding to other more development friendly areas that given current market conditions would enable us to make an economic return. **Our capital and development intentions are not constrained by the MDC boundaries.** 

Combined effect of DC and Rates policy detrimental to future development consideration in Feilding I must mention that whilst the proposed DC increases are a deterrent it is doubly so in combination with the Councils attitude to contiguous developed bare sites. Most Councils in NZ give rates relief to

contiguous developed bare sites within a development owned by the same owner. Not so here in Feilding. This is a major deterrent for us to develop a site through to title and hold to build houses or just have a supply of titled sections to offer for sale. The holding cost due to the rates burden is too significant here whereas other Councils realise the benefit to the buying public and offer rates relief. This combined with the new proposed DC's in just another nail in the coffin.

#### In Conclusion

We oppose both of the proposals.

We believe they will constrain advancement and growth in the town.

We believe other options exist including Council becoming cost and process efficient.

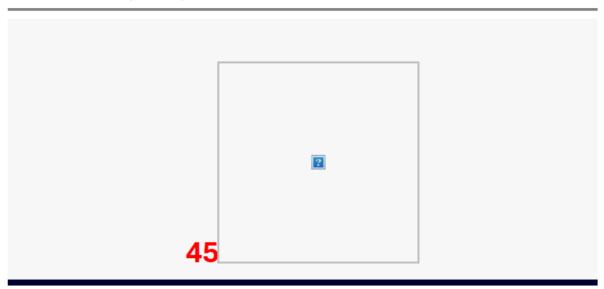
Kind regards

#### **Gary Thomson**

On behalf of Self and Churcher Investments Ltd

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 13 February 2025 10:52:34 am



## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Email Address:
My submission is on behalf of an organisation or company. Yes

Organisation or company name:

pak design

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

The growth of our district benefits the entire community, therefore it should be distributed between the entire community. Circulating part of the cost increases amongst ratepayers would also allow for Council to begin recouping costs immediately.

### Any other feedback in relation to the Development and Financial Contributions Policy?

This is a very serious issue that needs full attention and consideration by Council in all aspects, particularly in relation to costs, timing, how infrastructure aligns with future demand, how we arrived here as a community and how to prevent it from reoccurring

To view all of this form's submissions, visit <a href="https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33">https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33</a>

To: MDC Submissions
Subject: Development and Financial Contributions Policy Submission Form Form Submission
Thursday, 13 February 2025 1:11:37 pm

46

From:

Make your mark Manawatū

## Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
ast Name:
Contact Number:
Email Address:
My submission is on behalf of an organisation or company
/es

Organisation or company name:

**Humphries Construction** 

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published



Yes

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

Please see attached

### Any other feedback in relation to the Development and Financial Contributions Policy?

Please see attached

Any supporting documents you wish to add.

Development and Financial Contributions Policy Submission..pdf

To view all of this form's submissions, visit https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

#### Development and Financial Contributions Policy Submission

It is disappointing that we have been faced with the proposal of such a colossal increase in development contributions. Our understanding is that this proposal has been formulated as a result of Council's inaccurate prediction of growth in our region, causing a quandary, and in turn requiring developers to remedy Council's financial misjudgement.

Given the two options, being

 Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions;

or

 Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project

#### we would be favourable of option 2.

The growth of our district benefits the entire community, therefore it should be distributed between the entire community. Circulating part of the cost increases amongst ratepayers would also allow for Council to begin recouping costs immediately.

However, we believe neither options are particularly desirable.

Consideration is needed around timing of when development contributions are to be paid, as this determines whether extensive fees can be immediately recovered, e.g. in the sale of the land; or whether this is a cost that will need to be held throughout the duration of the development.

A concern that we have is that the scale of this proposal and the utmost hinderance that it will have on development, could result in developers leaving the district for more feasible opportunities which can still be achieved in nearby areas. The adverse effects this scenario would have on our community is dispiriting for those who have collaborated with council for many years in aiding the growth of our community. It would be unfortunate to witness this regression.

This is a very serious issue that needs full attention and consideration by Council in all aspects, particularly in relation to costs, timing, how infrastructure aligns with future demand, how we arrived here as a community and how to prevent it from reoccurring. The crash was very predictable.

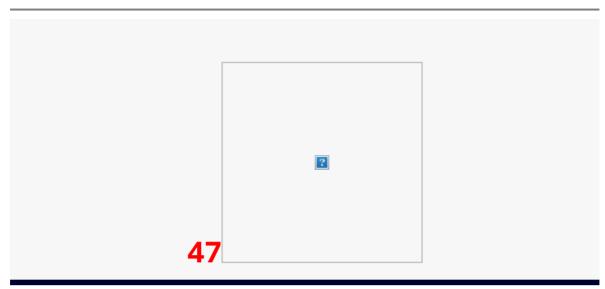
Submitted by:

Dated:

13<sup>th</sup> February, 2025

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

Date: Thursday, 13 February 2025 1:12:30 pm



## **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### First Name:

Chris

#### **Last Name:**

Tombleson

#### **Contact Number:**

0273057698

#### **Email Address:**

chris@onslowconstruction.co.nz

My submission is on behalf of an organisation or company.

No

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

It is my belief that the ratepayer is the beneficiary/user of the infrastructure the costs relate to and should therefore cover the service expenses of the infrastructure.

### Any other feedback in relation to the Development and Financial Contributions Policy?

I believe the scale of the increases is drastically outside of what is in the best interests of the growth and development of our community.

#### Any supporting documents you wish to add.

• DC\_Submission.pdf

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Chris Tombleson

45 Fry Rd,

Halcombe,

4777

Ph 027 305 7698

E chris@onslowconstruction.co.nz

**Subject: Development Contributions** 

To whom it may concern,

I am writing to formally oppose the scale of the proposed increase in development contributions within the Manawatu District. While I acknowledge the need for sustainable infrastructure funding, I believe this increase is poorly planned and will have negative consequences for the district.

My objections are as follows:

#### 1. Lack of Competitive Development Contributions

The proposed increase places the Manawatu District at a competitive disadvantage compared to surrounding districts, where existing MDC development contributions at \$26,000 are already on the high end of the scale. For example, there are no development levies in Rangitikei District, approximately \$15,000 in Palmerston North, \$26,000 in Horowhenua, and \$15,000 in Whanganui.

An increase of 104% seems absurd and would seem indicative of grossly flawed planning and/or foresight that is likely to drive developers to neighbouring districts, resulting in a loss of potential investment and growth opportunities within the Manawatu district.

#### 2. Loss of Rates Revenue

If developers opt to subdivide in other districts due to excessive development contributions, the Manawatu District will suffer long-term revenue losses from rates. This loss of income may outweigh any short-term financial gains from increasing contributions, ultimately placing additional strain on existing ratepayers to fund essential services.

#### 3. Lack of Transparency in Allocation of Funds

There is insufficient clarity regarding how the additional funds collected from

increased development contributions will be allocated.

Ratepayers and developers deserve transparency in understanding where their contributions are being spent and whether they are directly benefiting the community.

I would anticipate that the immediate burden on infrastructure due to additional dwellings would be on the three waters: wastewater, stormwater, and water supply systems. Based on the information available on the MDC website, the three water components make up 42% of the rates cost.

Assuming a conservative figure of 100 new dwellings in 2025 as indicated by the data presented at the MDC meeting on July 4, 2024, and annual rates of approximately \$3,500.00 rates revenue from this would amount to an **increase** of \$147,000 annually or \$1.47 million over 10 years for the three waters alone. If we imagine this as a compounding revenue increase including an annual 3.3% rates increase this becomes \$9 million over 10 years which one would assume covers running costs of the existing infrastructure.

If we assume the same 42% proportion and 3.3% annual increase for the proposed development contributions allocated to the 3 waters, this contributes a further \$26.6 million over 10 years.

I would like to see increased transparency around the allocation and/or planning of improvements to the infrastructure that these funds are required for.

#### 4. Failure to Explore Alternative Revenue Streams

The council has not adequately explored other viable revenue streams, such as water metering, which could provide sustainable funding without discouraging development. In addition to increasing revenue, metering water usage may also reduce the burden on stormwater systems, as land users look to collect and store rainwater. Furthermore, targeting high-burden users of the water systems for price increases could help ensure a fairer distribution of costs while incentivising more efficient water use. Implementing diversified revenue sources would ensure a fairer and more balanced approach to funding infrastructure.

5. Negative Impact on the Residential Construction and Development Sector Increasing development contributions will further restrict growth in the residential construction and development sector, which is already facing challenges due to high interest rates and elevated construction costs. Additional financial burdens on developers and homebuilders may slow down new housing projects, exacerbating reduced economic growth which has been cited as one of the key drivers of the proposed increases.

#### 6. Questioning the Accuracy of Beneficiaries of Increased Contributions

At the MDC meeting on July 4, 2024, the following point was presented: "This is consistent with our general approach in the LTP, where we have decreased the cost burden on ratepayers, shifting it more onto users/beneficiaries of services." This phrase in itself is contradictory in that the ratepayers are in fact the end users/beneficiaries.

Given these concerns, I urge the council to reconsider the proposed increase and explore more sustainable and competitive alternatives. A well-balanced approach that encourages development while ensuring fair cost distribution will ultimately benefit the long-term growth and prosperity of the Manawatu District.

With regard to the 2 options presented to us for consultation being:

• Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions;

or

• Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project;

I would support option 2, however as I have made clear above I believe the scale of the increase is drastically outside of what is in the best interests of the growth and development of our community.

I appreciate the opportunity to provide this submission and would welcome further discussion on this matter.

Yours sincerely,

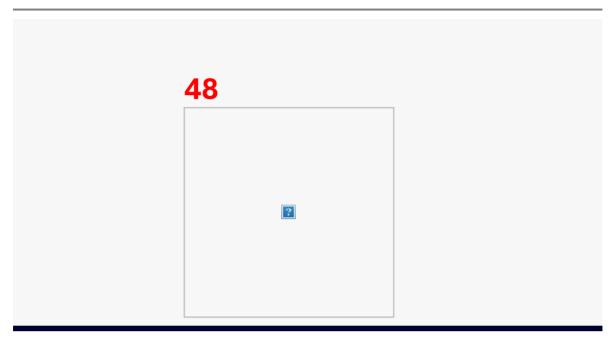
Chris Tombleson 027 305 7698

From: Make your mark Manawatū

To: MDC Submissions

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Thursday, 13 February 2025 2:20:25 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### First Name:

Jeremy

# **Last Name:**

Shearman

# **Contact Number:**

0275662833

#### **Email Address:**

jerry.shearman@ceda.nz

My submission is on behalf of an organisation or company.

Yes

# Organisation or company name:

**CEDA** 

# My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the

renewals and increased levels of service component of each future council project.

# The reason why I selected the above option:

CEDA supports the councils position because it helps keep development affordable and encourages growth, although it does shift some of the financial responsibility to ratepayers to reflect the wider community benefits they receive.

# Any other feedback in relation to the Development and Financial Contributions Policy?

The options for developers across NZ is competitive, and they have choices as to where they will invest. This is in part the cost, but also how they feel engaged with, how transparent the process is, timeliness of decisions, communication, and other challenges the either perceive or that are real. So what we do outside of this policy setting in the Invesment decision and process is also important.

# I would like to speak to Council in person about my feedback on Thursday 6 March 2025.

Yes

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# **SUBMISSION**



TELEPHONE 0800 327 646 | WEBSITE WWW.FEDFARM.ORG.NZ

To: Manawatu District Council

Submission on: Draft Development and Financial Contributions Policy 2025

Date: 13 February 2025

From: Federated Farmers of New Zealand

Ian Strahan

**PROVINCIAL PRESIDENT** 

Manawatu -Rangitikei Federated Farmers

Address for Service: Peter Matich

**REGIONAL POLICY TEAM** 

Federated Farmers of New Zealand

P 0800 327 646

E policy@fedfarm.org.nz

# SUBMISSION TO THE MANAWATU DISTRICT COUNCIL ON THE DRAFT DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY 2025

#### 1. Introduction

- 1.1 Federated Farmers welcome the opportunity to comment on the Manawatu District Council's Draft Development and Financial Contributions Policy 2025.
- 1.2 Rates and other local government fees and costs make up a significant portion of farm business expenses. As a result, Federated Farmers are very concerned with the transparency of overall cost of local government to agriculture.
- 1.3 Of particular interest to Federated Farmers are those activities which deliver value to the rural rate payers of the Manawatu District.
- 1.4 Federated Farmers wish to be heard in support of our submission.

#### **Submission**

# 2. Key Recommendations

- That the cost of new development should in the first instance be a cost borne by developers of that development, either directly as a requirement to construct such items prior to completion of development, or indirectly through payment of appropriate development contributions or financial contributions.
- The Council should not require rural development to pay any cost towards reserves or transport infrastructure that does not directly serve or benefit such rural development. In this regard it is not clear what the \$1,096 for 'reserves' or the \$5,939 for 'transport infrastructure' that is applicable to 'rural and villages' in the draft policy is to be used for. As it is not clearly obvious which reserves or transport infrastructure that 'rural and villages' development get a direct benefit from, such amounts should be deleted from the policy.
- The cost of new urban/suburban community facilities, reserves, water supply and wastewater disposal services, and roads and transport infrastructure required to service the new development that for practical reasons cannot be recovered through development contributions or financial contributions, should be funded from a targeted rate on those properties that receive direct benefits or have a direct need for such services, and not from any general rate.
- That the Council adopt the maximum amount of 30% of total rate revenue allowed to be allocated to the UAGC under section 21 of the Local Government (Rating) Act 2002 where all rateable properties get a benefit from Council services.

# 3. DEVELOPMENT AND FINANCIAL CONTRIBITONS

3.1 The only regulatory controls the Council can potentially use to recoup funds for infrastructure and roads within the district are either through rates, development

- contributions under the Local Government Act 2002 (LGA), or financial contributions under the Resource Management Act 1991 (RMA).
- 3.2 The cost of any new community facility, infrastructure or roading that is required to service new development which is not funded directly by the developer (i.e., as a development cost overhead), or through Council collection of development or financial contributions, usually ends up being directly or indirectly funded through Council rates.
- 3.3 Federated Farmers are concerned that the cost of new development should in the first instance be borne by developers as a cost of doing the development. This is particularly the case for the cost of any new community facilities (e.g., neighbourhood parks), three waters infrastructure, or roading/transport infrastructure that is required to service the new development. This cost can be passed onto all subsequent owners as part of the overhead cost of new development. It is a premium that all purchasers of new development should expect to have to pay.
- 3.4 In instances where it is not practical for a developer to undertake construction of facilities or infrastructure prior to finishing construction of all works for the new development, then Federated Farmers say that the Council should ensure that all costs associated with this (i.e. the development-related costs) are paid by the developer by way of appropriate financial contributions (imposed as one or more condition(s) of consent) or by way of an appropriate development contribution set out under the Council's development contribution policy. This is because we believe Council services and facilities should be funded through a *user pays* principle. The developer can then pass on these costs to prospective owners/investors/purchasers for the new development.
- 3.5 In instances where it is not practical for the developer to pay directly for new development nor to make a payment for a Council-imposed financial or development contribution, then the Council could look at setting a targeted rate (or set of targeted rates) payable by the property owners of the new development. However, such costs should not end up being apportioned to the general rates that all ratepayers must pay, if the facilities, services, or infrastructure that are required for the new development are of no benefit to all ratepayers.
- 3.6 The Council should not require rural development to pay any cost towards reserves or transport infrastructure unless it is for new community services or transport infrastructure required to service the new development. In this regard it is not clear what the \$1,096 for 'reserves' or the \$5,939 for 'transport infrastructure' that is applicable to 'rural and villages' in the draft policy is to be used for. As it is not clearly obvious which reserves or transport infrastructure that 'rural and villages' development get a direct benefit from, such amounts should be deleted from the policy.
- 3.7 If, on the other hand, new development in rural areas or in villages requires (say) a new neighbourhood reserve or a new road or the widening or upgrading of an existing road, we agree that it would be appropriate to require a development contribution or an appropriate financial contribution for such, that is concomitant with the cost and benefit of such reserve or road upgrading for the new development, if the developer isn't going to pay for the cost of such new reserves or road upgrading directly.

#### **UAGC**

- 3.8 Where Council services or infrastructure are used equally by all property owners, Federated Farmers strongly supports use of the full 30% of total rate revenue allowed to be allocated to a Uniform Annual General Charge ('UAGC') under section 21 of the Local Government (Rating) Act 2002 where rateable properties get a benefit from Council services. Where council services are in large part used by people, a uniform per-property charge at least ensures that all property owners make some reasonable contribution toward the cost of such services.
- 3.9 Use of the UAGC strongly influences the distribution of rates across properties in a district or region. Its effect is to rectify the impact of property value rates on higher value properties, while ensuring lower value properties pay a little more. Owning a farm is not a good reason to pay hundreds of dollars towards (for example) the local library, when urban residents nearby are paying in the tens of dollars. That just is not rational, let alone fair, and in no way complies with good taxation principles.
- 3.10 A significant trend in rating policy at many councils in recent years is a reduction in the level of the UAGC. This is usually dressed up as an "affordability" or "ability to pay" issue for urban ratepayers. However, even a small UAGC reduction shifts more rates burden onto higher value properties such as farms. It is also true that low-income families have a higher tendency to rent their homes, so any cut in the UAGC on their behalf directly benefits their landlord.
- 3.11 Where a Council is aware that they have not reached their maximum 30% UAGC allowance and choose not to rectify the situation then they are actively choosing to disadvantage groups such as the farming community.

### **Targeted Rates**

- 3.12 Where rates are not able to be apportioned to a UAGC, or where services are only supplied to particular properties (for example: connections to sewerage disposal or public water supply) Federated Farmers support targeted rates.
- 3.13 The cost of particular services can be targeted to those that benefit for example hospitality businesses can pay a targeted rate for tourism promotion, or a farmer can pay a targeted rate for pest management in rural areas. Rates collected on a targeted rate should be used for that particular purpose.

## 4. FEDERATED FARMERS OF NEW ZEALAND

4.1 Federated Farmers of New Zealand is a primary sector membership organisation representing farming families and rural businesses throughout New Zealand. The economic importance of the agricultural sector to New Zealand's economy is well recognised. Its direct and indirect contribution to New Zealand's economy is about 15% and land-based primary sector exports comprise about 70% of New Zealand's total exports. Any regulation or additional cost which affects farm businesses also has the potential to impact on the New Zealand economy.

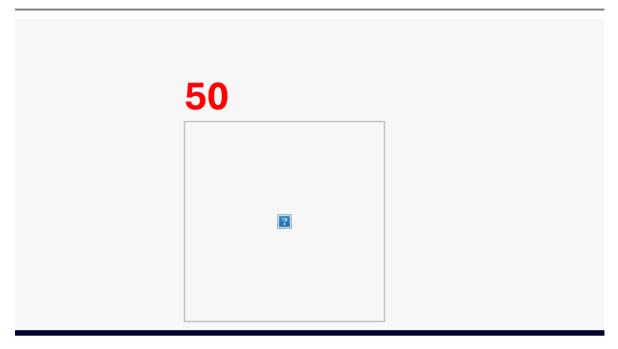
## **Submission Ends**

Federated Farmers wishes to be heard in support of this submission

From: Make your mark Manawatū
To: MDC Submissions

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Thursday, 13 February 2025 11:39:27 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Megan

#### **Last Name:**

McLeay

## **Contact Number:**

0273939905

#### **Email Address:**

MDRandR@proton.me

My submission is on behalf of an organisation or company.

Yes

# Organisation or company name:

Manawatu Residents and Ratepayers Association

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your

submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

Yes

## My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

## The reason why I selected the above option:

Development and Financial Contributions Policy

Manawatu District Ratepayers and Residents Association (MDR&RA) Submission

Thank you for the opportunity to submit on this proposal. The Association is opposed to the recommendation that Option Two be adopted.

Ratepayers have already had their rates increased this year, any further increase is unwanted and unwarranted. Council was aware of this proposed policy change in April 2024 but chose not to include it in the ten-year plan consultation process where it would have been subject to scrutiny alongside other matters. Why did Council not do so? Council needs to show a lot more constraint with its spending and reign in costs. Council, chose to wait, now expecting ratepayers to pay more than they thought they would be from 2025 onwards.

Option one is preferred as Developers and property owners should be the ones paying, not existing rate payers. Renewals and increased levels of service for developments will not benefit existing rate payers. Option Two seems to indicate that "spreading the cost" is fairer and Developers will be happier to "stay in the game".

Has Council considered a third option? There are some Councils in Auckland that levy 1% off the sale of new houses (people selling to make capital gain/profit). This seems a far more equitable and fairer way of covering off development costs and increased levels of service. The Association would support this move if considered.

Megan McLeay

Chairperson

Manawatu Residents and Ratepayers Association.

# Any other feedback in relation to the Development and Financial Contributions Policy?

As above

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https://makeyourmark.manawatudc.govt.nz/index.php/dashboard/reports/forms\_new/data/33

#### **REASON**

Our rates are already high. Please don't put them up further. Feilding has a high proportion of retired ratepayers and a lot of households are struggling financially.

I understand your reasoning that we need to create growth in the District. But the ones who make the money from developing new subdivisions and selling the properties are the developers, and they pass on their costs onto the land purchaser, so they should be paying 100% of the costs for Development and Financial Contributions. Developers are never going to be out of pocket!

I feel Option 2 reasoning is flawed: because when more people move into new homes built or new businesses this increases the number of ratepayers and rates income for council, so why put a % onto every existing ratepayer?? Will you reduce our rates by this % once there is sufficient coverage by additional ratepayers, very unlikely? Current ratepayers are already paying for the services they receive, why should they pay for services they will never receive.

Your comment in Our District News - "This decision affects the growth of our District and ultimately who is financially responsible". I do not believe each and every ratepayer is financially responsible for our Districts growth.

## You also quote

"We have identified future council projects that provide additional services required to support growth in our District. We would assess each of those projects, and determine how much of each project benefits the developers (the growth proportion). We would also assess how much of each project benefits the wider community (through increased service levels or renewed assets)." Council need to be more transparent and show how the wider community benefits from this? What growth projects? And if these "growth projects" are based on a new subdivision or new industrial area, then the general ratepayer does not benefit, only those living or owning business there. So surely this should be a targeted rate and not a general rate. And any renewal on existing assets/services was only necessitated by the development in the first place.

This needs to be user pays which is the Developer, or a targeted rate. Please be fair on your ratepayers MDC.

I wish my information to be redacted.



I do not want to speak to my submission.

Submission – MDC Development Contributions Policy

Wayne Christensen

P.O. Box 100

Feilding

office@woodlands.nz

14/02/2025

Given the 2 options put forward by the council I urge consideration to option Two.

Development is a very risky undertaking, and we have seen section prices decrease by 17% and very few sections are selling at present. This combined with a 44% proposed increase in Development Contributions will mean that fewer developers are prepared to take the risk.

At present other towns around us do not have development contributions and I am aware of two large development companies that have purchased land for subdivision in neighboring towns due to better financial opportunities and support from councils.

Growth is vital for any town; Council needs to attract development whether Residential and Business. Without this, there is no growth, a very basic calculation.

Option Two will ensure developers are still willing to take the risk, and new homeowners, prospective business, will not be priced out of the area.

Regards

Wayne Christensen

**Submission: MDC Development and Financial Contributions Policy** 

From: Developers Group

Keith Tunnicliffe, Wayne Christenson, Hamish O'Brien, Adam Dekker, Jeff Lane

Date: 13 February 2025

#### **Submission**

The Developers Group "DG" hereby formally record their disappointment at any increase to the Development Contributions "DC" and the decision-making by Manawatu District Council "MDC" that has led to this situation.

It has been made clear to the DG that MDC are not entering into the submission process on the basis that the Option 1 or 2 amounts are open for negotiation. MDC have indicated that they are unable to debate there being no increase to the DC's, so the status quo is apparently not an option. On this basis the DG hereby submit in support of **Option 2: Developers pay the growth component, and ratepayers pay the renewals and increased levels of service component of each future council project.** 

The DG request full reporting of all DC spending and collection going forward; this should be published not less than quarterly.

The DG also request that the MDC team up with developers to put in place an advisory board; its role to ensure investment decisions and the recoup of costs is market lead, fair and transparent.

## **Supporting Comments**

Time erodes lessons from the past and this current situation at MDC provides a prime example. The DG hereby wishes to remind everyone that back in the 1970's and 80's, the then Feilding Borough Council declared that council should never be involved in land development; it was not its purpose, and the ratepayers should not be burdened with the risk associated with land development. They had just been badly burnt. The MDC has again made the decision to enter the development space, albeit constructing roads and services on land it does not own.

The MDC supplied financial data show that the DC's collected for the period from 2011 to 2021 were not sufficient to adequately fund the upgrade of existing and downstream infrastructure to support development; being the works that the DC's were created to fund. This was a period of never-before-seen growth for Feilding and the wider Manawatu, led by private sector development.

The financials supplied by MDC report an average of \$1.1m per annum collected in DC's for the 10-year period from 2011/12 to 2020/21; however this lifts to \$1.8m per annum for the 10-years from 2023/24. Notwithstanding this historical revenue stream and deficit, MDC embarked on a spending program over the 3-years from 2021/22 to 2023/24, spending \$22m with additional borrowings of more than \$14.5m.

Councillor Colin McFadzean stated that we have arrived at this position because of the underfunding of DC's, however the financial data provided suggests this is not a historic issue but the result of uncontrolled spending over the past 3-5years. With several experienced businesspeople elected on Council, a cursory eye over budgets, actual costs and DC revenue should have resulted in adjustments before being over \$14.5 in debt.

The MDC has funded roading and services on private property to create subdivision it wants based on its planning desires. In some cases, MDC has overridden private developer/landowner subdivision applications to pursue what MDC determined to be best for the district and we assume all ratepayers in the long term. It however failed to undertake a basic business study for this investment and put in place no measures to recoup the spend from the benefitting landowners. The result has seen a lucky few landowners receive significant free gains in their property values, with a massive negative return to the DC fund.

The MDC has also purchased land and is constructing two stormwater detention ponds in Maewa (Precinct 4). To quote MDC: "these ponds will ensure stormwater from neighbouring developments is effectively managed, so that it does not impact downstream communities". Despite this works being solely to enable the development of Maewa/Precinct 4, MDC has as above failed to apply this cost across the benefitting land and has granted consent for the development of several hundred sections at the current DC figure. According to MDC provided figures this is less than 50% of the DC required for cost recovery. This has resulted in a massive capital transfer to the original landowner and has MDC are now demanding private developers and ratepayers with no connection to Maewa fund the bulk of the shortfall.

The timing of the MDC's spending on these development projects is unfortunate. Developers have an understanding of the market risk involved, this differs from consultants with no skin in the game. The experienced development community could see the risk of a significant market slow down and would not have accelerated spending as the market crash was happening. Developers also understand the costs and establish the recovery required before committing to projects. The MDC should in the future work closely with developers and consult developers before spending decisions are made, particularly as historically all funding is from developers.

The DG notes that a significant component of the works undertaken and funded by DC's has a wider community benefit. The Maewa/Precinct 4 detention ponds are an example with the "area around the ponds to be planted and shaped to be enjoyed by the community through a public access walkway". This clearly highlights the Option 2 approach as the only financially equitable option. The alternative is for the investment to be restricted to only the core infrastructure required to service the development with the significant investment on nice-to-have public recreation areas etc removed.

#### Summary

The MDC should not be actively involved in development. DC's should be solely utilised to fund downstream infrastructure and upgrades required to support actual growth. The DC fund is provided by private developers/ratepayers and should not be used by MDC to fund new projects, such as Precinct 5 and the Precinct 4 new greenfield roading/services.

The MDC needs to involve the professional development community in growth decision making and utilise the skills and experience available.

Unfortunately, we are in this situation, and we need to act with wisdom to avoid a total slowdown in development. We must learn from the mistakes and find a way to keep moving forward in a constructive manner.

In the circumstances, Option 2 is the correct option to adopt. It introduces an element of fairness and acknowledges that some of the benefits of development are attributed to the wider community. Option 2 has the benefit of providing some immediate revenue to service the debt the MDC has run up, with significant revenue under the increased DC charges unlikely in the near future.

#### Development and Financial Contributions Policy Submission

It is disappointing that we have been faced with the proposal of such a colossal increase in development contributions. Our understanding is that this proposal has been formulated as a result of Council's inaccurate prediction of growth in our region, causing a quandary, and in turn requiring developers to remedy Council's financial misjudgement.

Given the two options, being

 Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions:

٥r

• Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project

#### we would be favourable of option 2.

The growth of our district benefits the entire community, therefore it should be distributed between the entire community. Circulating part of the cost increases amongst ratepayers would also allow for Council to begin recouping costs immediately.

However, we believe neither options are particularly desirable.

Consideration is needed around timing of when development contributions are to be paid, as this determines whether extensive fees can be immediately recovered, e.g. in the sale of the land; or whether this is a cost that will need to be held throughout the duration of the development.

A concern that we have is that the scale of this proposal and the utmost hinderance that it will have on development, could result in developers leaving the district for more feasible opportunities which can still be achieved in nearby areas. The adverse effects this scenario would have on our community is dispiriting for those who have collaborated with council for many years in aiding the growth of our community. It would be unfortunate to witness this regression.

This is a very serious issue that needs full attention and consideration by Council in all aspects, particularly in relation to costs, timing, how infrastructure aligns with future demand, how we arrived here as a community and how to prevent it from reoccurring. The crash was very predictable.

Submitted by:

Dated:

[NAME] Adam Dekker [DATE] 14.02.25

**Submission: MDC Development and Financial Contributions Policy** 

From: Jeff Lane - TPSNZ

Date: 14 February 2025

#### **Submission**

I submit in favour of **Option 2: Developers pay the growth component, and ratepayers pay the renewals and increased levels of service component of each future council project.** 

A significant amount of the spend/projects funded and proposed to be funded by Development Contributions ("DC's) are based on the Manawatu District Council "MDC" view that these projects are beneficial to the prospects for Feilding/Manawatu. Precinct 5 is a prime example. This investment by MDC is not to support growth created by the private sector but is a targeted investment with the aim [one assumes] of creating future opportunities for the region. Such investment is intended to provide benefits for the region and therefore the funding burden should be on all ratepayers; it is unfair to burden only the private developers with this.

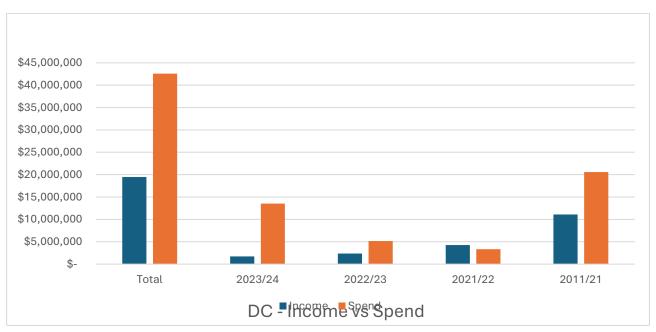
I submit that Option 2 is the only fair and equitable option for the MDC to adopt. I however question the methodology used to establish the split between private developers and ratepayers, and propose that further work and consultation is required to ensure this allocation is fair.

The non-disclosure of spending funded by DC's has long been a frustration. The financials and project detail released with this consultation is the first time [that I'm aware] information has been publicly disclosed. I request full reporting of all DC spending and collection going forward; this should be published not less than quarterly.

I also request that the MDC team up with developers to put in place an advisory board; its role to ensure investment decisions and the recoup of costs is market lead, fair and transparent.

#### **Supporting Comments**

MDC have provided the DC income and expenditure from the past 13-years. I have consolidated this to analyse in the spreadsheet attached. I have not broken down the spend going back beyond 3-years, as the data provided has grouped spending from 2020/21 back making this impossible to do. The below graph shows DC income vs spending for the past 3-years and for the 10-years prior.



What do these numbers tell us:

First, that there has been an explosion in council spending. Over half the total spend for the past 13-years has occurred in the last 3-years, with over **30% of the total spend in the last year alone**. The MDC have borrowed over \$14.5m in the last 2-years alone.

Second, a DC income vs spend deficit of just under \$9.5m existed for the 10-year period to 2021.

Third, the average DC income for the 13-year period is just under \$1.5m per annum.

This raises simple questions, including:

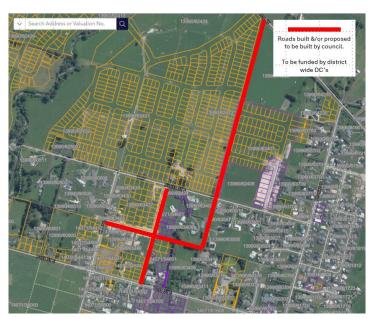
- Why was the DC deficit not acted on and adjustments made in the 10-years to 2021?
- Why did the MDC accelerate spending from 2022 despite already being \$9.5m in the red?
- How was the MDC planning to fund the \$22m spending program it committed to over the past 3-years?

The MDC must have known what its planned spending was, and the DC fund was already \$9.5m in debt as at 2021. If the MDC had addressed the DC issues at this time and advised that DC's were going to need to significantly increase; the market would have adjusted to reflect this. The reality is that the MDC has hidden the DC fund deficit from the market and as a result development land sales have not reflected the actual cost to develop. This has resulted in development land being overvalued.

#### **Precinct 4**

The MDC position is that growth works are to be funded by DC's. This has been an accepted policy as far as upgrades to existing facilities to accommodate new developments is concerned. I think we all accept and understand that upgrades such as what has occurred in Pharazyn St, Port St etc need to happen and should be funded from DC's. However, the DC fund source has been 100% developers [not ratepayers] and we should have been consulted prior to council moving into investing in new roads and services and running up significant debt. MDC has never sort a mandate from the development community to invest millions contributed to fund the infrastructure upgrades required to support new development, into new greenfield roads and services on private land.

The below map shows the greenfield roads/services [not upgrades to existing] undertaken or proposed by the MDC.



From the supplied financials I have broken out the Precinct 4 Past & Future spend based on proposed Option 2.

	Funded by De	Funded by Development Contributions			Funded by Rate Payers			
	Past Spend	Future Spend	Total	Past Spend	Future Spend	Total		
Water	\$ 938,236	\$ 398,371	\$ 1,336,607	\$ -	\$ 41,565	\$ 41,565		
Stormwater	\$ 1,217,042	\$ 1,030,363	\$ 2,247,405	\$ -	\$ 137,374	\$ 137,374		
Wastewater	\$ 1,101,177	\$ 526,351	\$ 1,627,528	\$ -	\$ 57,729	\$ 57,729		
Roading	\$ 2,131,229	\$ 3,739,737	\$ 5,870,966	\$ -	\$ 1,007,940	\$ 1,007,940		
Parks & Reserves	\$ -	\$ -	\$ -	\$ -		\$ -		
	\$ 5,387,684	\$ 5,694,822	\$ 11,082,506	\$ -	\$ 1,244,608	\$ 1,244,608		

#### This shows:

Spend in Precinct 4 on private land (excluding upgrades to existing roads): \$5,387,684

Total Proposed Precinct 4 - expenditure by MDC on roading/3-waters on private land:

\$12,327,114

The spend on private land to date equates to 25% of the spend over the past 3-years.

MDC did not need to spend on these new greenfield roads/services to support private development(s), it chose to dictate the nature of development in this location. In some cases, MDC has overridden private developer/landowner subdivision applications to pursue what MDC determined to be best.

If the MDC simply allowed the development of this location to be private developer lead, the \$14.5m debt incurred over the past 3-years could have been reduced by 37%.

By spending on greenfield roads and services on private land, the MDC is using private developer contributions made to support their development(s) and has effectively gone into competition with developers using their money.

This again raises simple questions, including:

- Why are developers funding the construction of roads and 3-waters services on private land?
- Why did the MDC embark on this spend when the DC fund was already \$9.5m the red?
- Obviously the spend on these roads and services has to be recovered; Why did MDC not put specific targeted DC's on the benefitting land to recover the investment?

#### **Precinct 5**

I personally submitted against the use of DC funds for the proposed investment in Turners Road/Precinct5 when it was proposed back in the 2018 LTP. The project scope and spend proposed were not to support private development consented or proposed in this location. Like the above new roads, it appeared to be MDC simply giving a free carry to some and expecting the rest of the development community to pay for it.

In the 2018 LTP the MDC presented a funding requirement of \$1.3m.

The below map shows the extent of works completed to date on Precinct 5; approximately 250m of road has been constructed from the Kawakawa Road end.



From the supplied financials I have broken out the Precinct 4 Past & Future spend based on proposed Option 2.

Precinct 5 - Turners Road	Funded by Development Contributions			Funded by Rate Payers			
	Past Spend	Future Spend	Total	Past Spend	Future Spend	Total	
Water	\$ 1,154,948	\$ 575,468	\$ 1,730,416	\$ -	\$ 559,160	\$ 559,160	
Stormwater	\$ 1,971,497	\$ 1,723,866	\$ 3,695,363	\$ -	\$ 191,540	\$ 191,540	
Wastewater	\$ 225,702	\$ 597,066	\$ 822,768	\$ -	\$ 149,266	\$ 149,266	
Roading	\$ 3,320,105	\$ 1,205,166	\$ 4,525,271	\$ -	\$ 1,205,166	\$ 1,205,166	
Parks & Reserves	\$ -	\$ -	\$ -	\$ -		\$ -	
	\$ 6,672,252	\$ 4,101,566	\$ 10,773,818	\$ -	\$ 2,105,132	\$ 2,105,132	

#### This shows:

Investment in Precinct 5 – Turners Road construction to date (Past Spend): \$6,672,252

Total Proposed Precinct 5 – Turners Road funding: \$12,878,950

A projected presented by MDC at a cost of \$1.3m in 2018, has increased by 990%.

The numbers provided show the spend on roading alone for the initial 250m was \$3.3m or \$13,200/m. There is approximately 900m of road to be built to connect with Turners Road. As highlighted in the table above, MDC have advised the spend required on roading to complete this is \$1.2m or \$1,333/m (10% of the roading cost for the 250m built to date).

The spend on Precinct 5 to date equates to 30% of the spend over the past 3-years.

As with the greenfield roads and services in Precinct 4, the MDC did not need to spend on Precinct 5 to support private development(s), it chose to invest in this location to try and promote growth and future opportunities for the region. It can be argued that this does benefit developers but equally it benefits all ratepayers and the funding burden should be shared on this basis.

If the MDC simply allowed the development of this location to be private developer lead, the \$14.5m debt incurred over the past 3-years could have been reduced by 46%.

The questions Precinct 5 raises, include:

- How has the cost associated with this project increased by almost 1,000% since 2018?
- Why did the MDC embark on this spend when the DC fund was already \$9.5m the red?
- How was/is the DC fund going to recoup this investment?

### Summary

The MDC should not be actively involved in development. DC's should be solely utilised to fund downstream infrastructure and upgrades required to support actual growth. The DC fund has been provided by private developers and should not have been used by MDC to fund new projects, such as Precinct 5 and the Precinct 4 new greenfield roading/services.

The decision by MDC to undertake greenfield development in Precincts 4 and 5, has according to the financials supplied resulted in a combined spend to date of just over \$12m. This represents 83% of the debt run up by MDC over the past 3-years. Based on the numbers provided by MDC, the final cost to complete these projects is over \$25m.

I expect that the above costs may include some required downstream infrastructure, such as the Maewa stormwater ponds, however notwithstanding this, the DC funds debt position and funding requirement would be in a much different position if the MDC hadn't embarked on these greenfield developments.

The reality is that the MDC has embarked on a policy to drive development in both Precinct 4 and 5 to align with its objectives for these areas. I'm not saying that these objectives are necessarily wrong, however the fact is that the investment by the MDC was to drive outcomes that it must believe provides long term benefit to Feilding and Manawatu. The funding of such investment cannot fairly be lumped with private developers and should be funded by all ratepayers.

The MDC decision to take all DC's collected across the region and spend these only on Precinct 4 and 5, is clearly unfair to growth outside of these areas. Growth in locations such as Halcombe, Rongotea and Colyton are contributing significantly to the DC fund, however no provision is being made to provide for the downstream infrastructure to support the growth in these locations.

In the circumstances, Option 2 is the correct option to adopt. It introduces an element of fairness and acknowledges that some of the benefits of development are attributed to the wider community. I propose that the funding split between developers and ratepayers under Option 2 requires further work to fairly and equitably fund some investment decisions.

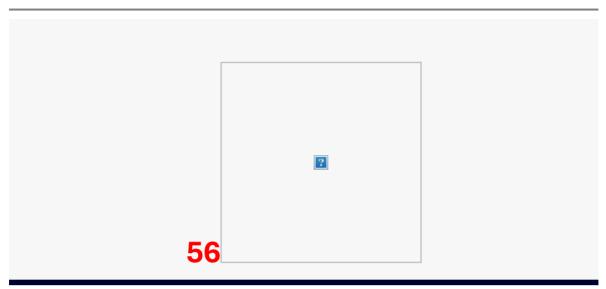
# Attachment: Development Contribution Revenue vs Spending – 2011 to 2024

Activity	Full Year Actuals 2023/24	Full Year Actuals 2022/23	Full Year Actuals 2021/22	Total	Total 2011/12 to 2020/21
Development Contributions	\$1,734,154	\$2,371,078	\$4,278,522	\$19,473,185	\$11,089,430
Roading Activity	\$621,869	\$796,701	\$1,290,140	\$5,800,407	
Feilding Stormw ater	\$394,783	\$612,414	\$1,079,562	\$3,732,326	
Feilding Wastew ater	\$237,162	\$356,157	\$645,080	\$3,515,873	
Feilding Water Supply	\$112,569	\$189,181	\$585,367	\$3,025,628	
Parks and Reserves	\$367,772	\$416,624	\$678,373	\$3,398,951	
Project Spending					
Roading Activity	\$3,156,942	\$1,570,779	\$1,392,795	\$8,390,618	\$2,270,102
Feilding Stormw ater	\$5,533,540	\$1,538,100	\$557,994	\$18,992,024	\$11,362,390
Feilding Wastew ater Feilding Water Supply	\$907,134 \$1,905,622	\$648,703 \$465,457	\$860,805 \$335,005	\$6,148,759 \$4,147,283	\$3,732,118 \$1,441,198
Parks and Reserves	\$2,012,807	\$919,691	\$201,518	\$4,893,767	\$1,759,75
Combined Spending	\$13,516,045	\$5,142,730	\$3,348,117	\$42,572,451	\$20,565,55
Spend vs Income (Borrowing)	-\$11,781,891	-\$2,771,651	\$930,405	-\$23,099,266	-\$9,476,129
Percentage Spend:	32%	12%	8%		
Percentage Spend last 3-years:	52%				
Analysis of DC income DC's received over past 13-years: Avg. DC's per annum:		\$19,473,185 <b>\$1,497,937</b>			

From: Make your mark Manawatū
To: MDC Submissions

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Friday, 14 February 2025 3:15:31 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

# First Name:

Robin

#### **Last Name:**

Patterson

#### **Contact Number:**

042338458

#### **Email Address:**

robin-p@slingshot.co.nz

# My submission is on behalf of an organisation or company.

No

# My preferred option is:

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions.

# The reason why I selected the above option:

"Growth is good for the district – it brings vibrancy, economic benefits and allows us to spread costs over more people." ?

Minimal additional vibrancy per section. What economic benefits and cost-spreading? - a tiny reduction in the rates that the rest of us pay, but that is swallowed up by the additional vehicles to damage roads and crowd them (try crossing North Street five minutes after schools come out!), additional trolleys crowding the supermarkets, more people who could damage library books, more risk of sewage and stormwater overflows, and more residents who paid the best part of a million dollars for their property and pester the district council staff complaining that they want better service for the allegedly very high rates they pay. So the existing ratepayers get little or no benefit or even effective disbenefit because of the newbies. The newbies can be thankful that the additional cost to them was a one-off and they won't be forever subsidising subsequent newbies.

# Any other feedback in relation to the Development and Financial Contributions Policy?

I've not looked into the details of how you set the current area-wide charges, but I hope they cover the real costs.

In my 15 years as chief administrator of subdivision applications in Porirua City we had carefully targeted charges based on the facilities that properties actually could use. Everyone contributed to the sewage treatment plant, but, for example, only the land between Plimmerton and Pukerua Bay paid (or was going to pay) for the 1970s-vintage sewer and water extensions to Pukerua Bay that were part of the amalgamation agreement. A council takes a risk: if a new system will serve much undeveloped land in future, the ratepayers will carry holding costs until that land is developed, and any slowdown in growth will worsen that. In the above example, the expected growth between Plimmerton and Pukerua Bay did not start until about 40 years after the services were installed. Beware of over-optimistic urban growth predictions!

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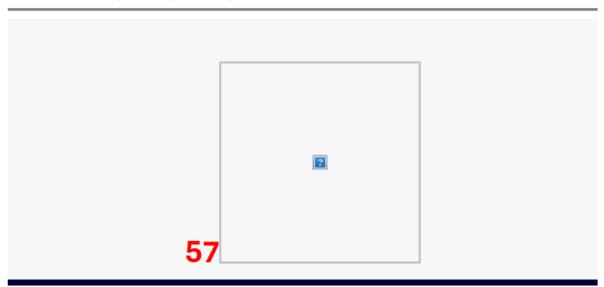
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From: Make your mark Manawatū

To: MDC Submissions

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Friday, 14 February 2025 4:20:23 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

First Name:
Last Name:
Contact Number:
Forcil Address
Email Address:
My submission is on behalf of an organisation or company. Yes
res
Organisation or company name:
Classic Group

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

# My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

The reason why I selected the above option:

See attached

Any other feedback in relation to the Development and Financial Contributions Policy?

See attached

Any supporting documents you wish to add.

• KMS-585968-13-39-1 Letter\_providing\_feedback\_on\_DC\_consultation-\_Signed.pdf

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160 17th Avenue, Tauranga South, Tauranga 3112

classicgroup.co.nz 0508 4 252 774

Manawatū District Council 135 Manchester Street FIELDING 4702

Send by email only: <a href="mailto:submissions@mdc.govt.nz">submissions@mdc.govt.nz</a>

14 February 2025

Dear Sir / Madam

#### RE: FEEDBACK ON DRAFT DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

1. This letter provides feedback on behalf of the Classic Group on Council's draft Development and Financial Contributions Policy (2025) (**draft Policy**).

## Introduction and background

- 2. The Classic Group of companies includes Classic Builders and Classic Developments. Classic Builders is one of the largest residential home builders in New Zealand. Classic Developments is the development arm which undertakes a variety of commercial and residential developments throughout New Zealand. The residential development undertaken includes a combination of greenfield, brownfield redevelopment, medium density, and retirement villages. The Classic Group of companies started and have their head offices in Tauranga, and now operate nationwide.
- 3. Through their developments the Classic Group has been at the front line of efforts to address the current housing supply crisis occurring in New Zealand. In October 2021, the Classic Group entered into a partnership with the NZ Super Fund, Kaha Ake (Stronger Together) (**Kaha Ake**), in order to use the Fund's scale and capital to increase housing supply in New Zealand and meet the demand for housing. Addressing the crisis requires more than just building dwellings, with the creation of high quality urban environments and enjoyable places for people to live also considered by the Classic Group to be a key factor.
- 4. Within the Manawatū district, Kaha Ake is developing Awa Park which is a masterplanned lifestyle concept spanning approximately 90 hectares in the heart of Fielding, and 15 minutes north of Palmerston North City. Awa Park is a strategically rezoned area of Fielding that is earmarked to accommodate the majority of Fielding's residential growth over the next two decades.
- 5. Classics Group and Kaha Ake are well placed to provide feedback on the draft Policy given their active role in development within the Manawatū district, and also across the country.
- 6. It is understood that the draft Policy is based on the Council's 2021 policy, which was consulted on as part of the 2021-2031 Long-term Plan consultation process. The background documents state that the "general form of the policy remains unchanged, however changes to the content have been made which reflect the current economic conditions and most recent growth forecasts". Consultation is being undertaken because a significant increase in the development contribution fees is proposed and potentially increases in rates.

- 7. Alongside the draft Policy, MDC is seeking feedback on the following two options:
  - **Option 1**: Developers would continue to pay 100% of the costs of future projects through development contributions; or
  - **Option 2**: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project. This is MDC's preferred option.
- 8. To put these options in context as they relate to the Fielding Urban Area:
  - 8.1 The current development contribution for a standard property is \$26,342;
  - 8.2 Under Option 1 this would increase to \$53,770 (104% increase);
  - 8.3 Under Option 2 this would increase to \$38,000 (44% increase).

#### Feedback

- 9. It is well understood and supported by Classics / Kaha Ake that well planned growth has many positive outcomes for communities, and the required infrastructure to support the development that drives growth is critical, including good quality transport, three-waters, parks/reserves and community infrastructure.
- 10. Development contributions are a tool commonly used by councils and authorised under the Local Government Act 2002 (LGA) to enable territorial authorities to recover a portion of the cost of growth infrastructure from developers. Section 197AA of the LGA allows councils to recover a fair, equitable and proportionate portion of the total cost of capital expenditure required to service growth over the long-term by charging development contributions. MDC currently funds growth related water, wastewater, stormwater, transport and reserves infrastructure from development contributions (but does not currently fund community infrastructure using development contributions).
- 11. Classics is concerned at a high level about the cost impact on developers of the increases proposed under Options 1 and 2. We note that MDC could additionally explore different funding and financing options, such as targeted rates or special rating areas for specific projects benefiting the wider community. While the proposed increases will not apply to the Awa Park development<sup>1</sup>, Classics does share concerns expressed by other developers within the district about the proposed increases.
- 12. From a developer's perspective, it is critical in the development planning phase to have certainty as to the likely costs associated with any development, including infrastructure costs. This is consistent with the requirement under s197AB(1)(f) that development contributions should be predictable and consistent with the methodology and schedules of a policy. If development contributions are significantly higher in a particular area or district, this may disincentivise development in that region and slow-down growth.
- 13. Significant and sudden increases in development contributions introduce uncertainty, making it difficult for developers to assess project feasibility. Without cost certainty, developers may reconsider investment in areas with unpredictable charges. We encourage MDC to consider staged increases or linking fee adjustments to clear infrastructure delivery milestones to provide greater predictability
- 14. Rising development contributions increase costs for developers, which ultimately get passed on to homeowners through higher section and housing prices. Given broader market challenges, including escalating construction costs and rising interest rates,

<sup>&</sup>lt;sup>1</sup> This because the resource consent applications for the remaining stages have been lodged and accepted by Council, therefore clause 26 of the DC Policy 2023 applies, and development contributions will be assessed under the Policy in force at the time the application for resource consent was submitted.

further cost burdens risk reducing housing affordability and slowing uptake. If development contributions become too high, this could:

- 14.1 Increase section prices, making it harder for first-home buyers to enter the market.
- 14.2 Reduce demand for new housing, slowing the uptake of council-planned infrastructure.
- 14.3 Create financial feasibility issues for developers, delaying or cancelling projects, ultimately impacting MDC's long-term growth projections.
- 15. MDC should carefully balance infrastructure funding needs with housing affordability objectives to avoid unintended consequences for market viability.
- 16. In conclusion, while it has concerns about the level of increases proposed, Classics considers option 2 is preferable because it proposes a lower increase in development contributions and shifts some of the infrastructure costs to ratepayers. This reflects the wider community benefits they receive from the projects delivered. This would be consistent with the purpose of the draft Policy which "is to ensure that a fair, equitable, and proportionate share of the cost of that infrastructure is funded by development".
- 17. Classics do not wish to be heard in relation to this feedback.

Yours faithfully

Steve Cutfield

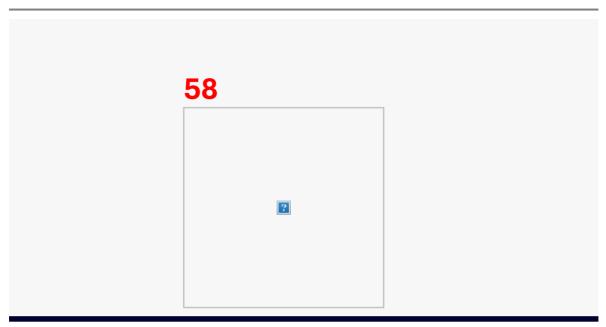
General Manager, Classic Developments

From: Make your mark Manawatū

To: MDC Submissions

**Subject:** Development and Financial Contributions Policy Submission Form Form Submission

**Date:** Friday, 14 February 2025 4:27:31 pm



# **Development and Financial Contributions Policy Submission Form Form Submission**

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

#### **First Name:**

Nathan

#### **Last Name:**

Wycherley

#### **Contact Number:**

021832143

#### **Email Address:**

nathanwych92@gmail.com

My submission is on behalf of an organisation or company.

Yes

# Organisation or company name:

Sovereign Group Ltd

### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

### The reason why I selected the above option:

Much of what I state is included in some form in the consult document. I just want to point out the most important facts to consider when decision making.

Option 1 will restrict, if not stop, future development. the costs of development have become too high, and the section prices are not increasing in line with the increasing costs.

Developments are becoming uneconomical. Don't forget all developers are facing the same cost increases councils are facing for infrastructure. By doubling up these increases, future developments will likely stop as projects become unfeasible. If the councillors support option 1, then we can conclude they support very expensive sections.

Furthermore, the Contribution fee proposed under option 1 will make the fees charged one of the highest in the country while the ratepayers sit with one of the lowest recent rate increases. The proposed fees will make developments in Feilding unattractive. In fact, I have already heard other developers looking elsewhere to purchase land for development outside of Feilding.

Option 2 (if any) is the only option to consider if you want to set Feilding up for continued growth in the future. And growth is very important to maintain life, culture and economic vibrancy in a town. Growth allows a town to afford all the amenities we all so enjoy. Without growth, a town slowly dies.

Also many of the infrastructure projects proposed will benefit the wider community such as combining upsizing projects with renewal projects, thus sharing the costs. There will be roading upgrades, new public reserves and pathways which can be enjoyed by all. Development helps local economies and ratepayers. why shouldn't the cost be partly applied to ratepayers.

Finally the report states a disadvantage of option 2 is ratepayers share the cost. the use of the word disadvantage is unfair. As above Feilding rate increases were low plus Feilding residents will share some of the benefits of growth project. why shouldn't the cost be shared with ratepayers?

# Any other feedback in relation to the Development and Financial Contributions Policy?

Have councillors looked at more effective solutions for projects to achieve the objectives? In business we cannot just on charge costs. We must look for more cost-effective solutions. It may be the different project allowances is for a Gold standard, easy to get solution. But with a bit of time, looking around, acceptance of a lesser standard (e.g. a Toyota rather than Audi), they may achieve the same objective at a much lower budget.

The council have built the roads for Turoa and Echo landowners at little to no cost to the landowners. They pay the same contributions, maybe less. Why should other landowners and developers have to cover the cost of these roads effectively subsidising their development. This cost should be shared by the ratepayers. And why don't other landowners get roads built for by the council?

Why add interest as well on delayed payment of DC's (clause 79)? Yearly adjustments are fair enough. A contribution shouldn't be required to be paid until the actual unit of demand comes into effect. The unit of demand only comes into effect once a house is built by which time the contribution should be well paid, specially in the case of a subdivision where contribution fees are paid before titles are released. The charging of interest before extra demand has been placed on services is unfair.

Include an option to approve and vest a development but delay the payment of contributions prior to title release. As above the extra demand is not required until a house is built so why should the contribution be paid early?

The timing of some of the projects of the future asset schedules needs to be reviewed. E.g. services for Roots St (Turoa to Pharazyn) are planned for 29/30 whereas services for Roots St (Echo to Turoa) are planned for 36/38. but some of the services need to be completed in the Echo to Turoa section before the Turoa to Pharazyn section.

Why is the Roots St (Turoa to Pharazyn section) not being built sooner? Much of the land on Roots St between Pharazyn and Parkside is already fully developed and all the contributions paid. If the contributions of all these landowners have all been paid, and they have, is not fair then that this section of the Roots St be upgraded now as promised many years ago to all the property owners?

Schedule 3 state assets already built yet some of the assets on the list are not yet built Who is holding the council to Account? Is it nobody? Are they allowed to spend what they like and try charge it on to whomever they will?

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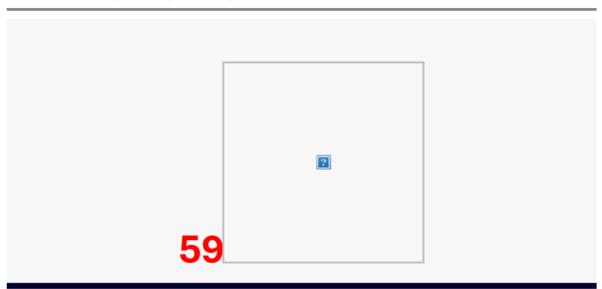
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From: Make your mark Manawatū

To: MDC Submissions

Subject: Development and Financial Contributions Policy Submission Form Form Submission

Date: Friday, 14 February 2025 4:33:43 pm



# Development and Financial Contributions Policy Submission Form Form Submission

There has been a submission of the form Development and Financial Contributions Policy Submission Form through your Make your mark Manawatū website.

**First Name:** 

Hamish

**Last Name:** 

O'Brien

**Contact Number:** 



**Email Address:** 

My submission is on behalf of an organisation or company.

Yes

Organisation or company name:

Ngapaki Property Limited

I wish to request that my name and contact details be withheld from general publication by ticking this box. Please note that if you wish to speak to your submission at the hearing your name (but not your contact details) will be published within the Council Agenda.

#### My preferred option is:

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project.

#### The reason why I selected the above option:

As the ratepayers obtain some benefit from the growth and expansion that comes from work completed by the developers, it seems fair that a portion of the Development Contributions are contributed to by the ratepayer.

# Any other feedback in relation to the Development and Financial Contributions Policy?

To whom it concerns,

Please refer below for a submission made by Hamish O'Brien on behalf of Ngapaki Property Limited (Developer), Neoteric Developments Limited (Developer), Colspec Construction Limited (Builder) and myself personally (Rate payer).

Initial comments are that we do not believe that either option (being Option 1 or 2) is the correct option moving forward. With that said, as this submission is solely about choosing between Option 1 and Option 2, we have selected that we would support Option 2: Developers pay the growth component, and ratepayers pay the renewals and increased levels of service component of each future council project.

In addition to the above selection, we note the following additional information and concerns that we have with the proposed change.

One of our concerns is that we believe that the substantial increase in Development Contributions will immediately hamper the short-term residential growth within the Manawatu District. This comes at a time when it is already extremely difficult to get projects across the line due to the current economic climate, so we believe this will be the tipping point on a lot of future projects. There is also the very real possibility of lost development to neighbouring councils to consider, as they have substantially lower Development Contributions than that proposed by the MDC.

Another concern is that for a number of years from its inception, Development Contributions have been 'enough' to keep up with development and it is only in the last few years (where the council have taken it upon themselves to complete their own developments) where the pot has now run dry, so to speak.

In addition to the above statement, on the council website, it states that 'interest and construction costs have increased significantly over recent years. We need to significantly increase development contribution fees to cover costs'. Whilst we do not dispute that the costs have increased significantly, the increases are far lower than the proposed increase of the Development Contributions +100% in some cases. As our core business is within the construction industry, we believe that we are suitably qualified to outline that whilst costs have increased substantially since mid-2021, the increases are within a range of 30-40%, which is much lower than the proposed increase percentage from council.

Our preference in lieu of such a large increase, would be for the council to look at first how the money is being spent and then work out a way to operate with the funds that will become available (taking into account a smaller increase of say 30 - 40% to sit more in line with the increase of construction costs from mid-2021). This is how a private company would

be forced to work, as they would not have the ability to say, 'increase the price of their product by over 100%', without the fear of complete loss of business.

In conclusion, we believe that both options are a short-sighted fix and further work, and investigations should be completed before a final decision is made. We believe this should be completed with the help of a dedicated focus group (made up of some of the more progressive local developers) to work together and help implement a solution to the Development Contributions shortfall that has a more long-term focus on growth in the Manawatu District.

Regards, Hamish O'Brien

I would like to speak to Council in person about my feedback on Thursday 6 March 2025.

Yes

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### Development and Financial Contributions Policy Submission

It is disappointing that we have been faced with the proposal of such a colossal increase in development contributions. Our understanding is that this proposal has been formulated as a result of Council's inaccurate prediction of growth in our region, causing a quandary, and in turn requiring developers to remedy Council's financial misjudgement.

Given the two options, being

Option 1: Developers would continue to pay 100% of the costs of future projects through development contributions;

Option 2: Developers would pay the growth component, and ratepayers would pay the renewals and increased levels of service component of each future council project

#### we would be favourable of option 2.

The growth of our district benefits the entire community, therefore it should be distributed between the entire community. Circulating part of the cost increases amongst ratepayers would also allow for Council to begin recouping costs immediately.

However, we believe neither options are particularly desirable.

Consideration is needed around timing of when development contributions are to be paid, as this determines whether extensive fees can be immediately recovered, e.g. in the sale of the land; or whether this is a cost that will need to be held throughout the duration of the development.

A concern that we have is that the scale of this proposal and the utmost hinderance that it will have on development, could result in developers leaving the district for more feasible opportunities which can still be achieved in nearby areas. The adverse effects this scenario would have on our community is dispiriting for those who have collaborated with council for many years in aiding the growth of our community. It would be unfortunate to witness this regression.

This is a very serious issue that needs full attention and consideration by Council in all aspects, particularly in relation to costs, timing, how infrastructure aligns with future demand, how we arrived here as a community and how to prevent it from reoccurring. The crash was very predictable.

Submitted by:

Dated:

[NAME] K. Greece [DATE] 14/2/25

PTION 2.