Date: Wednesday 26 March 2025

Development Contributions Policy review 2025 submissions

Online feedback received through AKHaveYourSay website and written, late or secondary submissions.

The feedback below has been created for the purpose of publishing submissions. As such, names, contact information and signatures have been removed.

Development Contributions Policy Review

#1

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed, and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   I don't know

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

   Tell us why

Council is proposing to spend $1.6B in Mt Roskill area for "Transport" projects.

All the projects under this $1.6B are mostly road safety projects like speed table and intersection upgrades.

These projects DOES NOT IMPROVE LAND VALUE even in the long run. Increased safety does not equal increase in land value.

The project is clearly benefitting road users, not homeowners (noting that if such homeowners also use the road, they become a road users too), hence the cost should be fully borne by road users via a Road User charges, not development contribution.

Imposing the costs to road users (including public transport users if necessary) is not only fair, but it aligns with Council obsession with discouraging private vehicle use and increase reliance on public transport , as the more expensive it cost to own a car, the less likely people will have 2+ cars per household.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. **Other feedback**

   Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#2

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Developments should not fall on rates to fund.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Support the need to investment in these areas... although the cost to develop may now be out of reach, meaning the development will not occur and recovery not be met.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

Need to ensure that the mapping is accurate to ensure correct distribution of benefits.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

The allocation to different sized properties may need to be adjusted as dynamics change.

Retirement Villages are wrongly categorised as they now house younger more agile residents.

Development Contributions Policy Review

#3

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Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

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   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Overall Auckland Contribution is too low. Given the nature of intensification within the greater Auckland area and the higher demand on existing services (that need to be upgraded or replaced over time) the DC needs to be higher. As development margins can be high a greater proportion of the development margin should be retained by the council for service upgrades. Council should use a proportion of development spend rather than flat rate, this will account for differing development sizes and future cost increases.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

DC's should be indexed to inflation, automatically increasing each yet to account for cost inflation for services (public transport, infrastructure etc).

Development Contributions Policy Review

#4

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Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   All these costs should be paid for by the developer

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

All these costs should be paid for by the developer

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

All these costs should be paid for by the developer

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

All these costs should be paid for by the developer

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

All these costs should be paid for by the developer

Development Contributions Policy Review

#5

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Important for a greater share of new infrastructure cost gets passed on to developers the people buying the property.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#6

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: WaitÄ kere Ranges

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   I don't know

   Tell us why

   Hard to take this seriously when consents are given for subdivisions which don't have septic provisions Council has lost its credibility

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

I don't Know

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

Again, we have little trust in Council in any respect

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#7

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Submitter details:

Organisation (if applicable):

Local Board: Whau

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   Development contributions should be a lot more

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Other

Tell us why

Development contributions should be a lot more - a bigger increase

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

Development contributions should be a lot more - a bigger increase and should include all areas especially New Lynn and west Auckland

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

All growth related infrastructure costs should be borne by developers NOT ratepayers

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

All costs of new development should be borne by developers NOT ratepayers, throughout the city, especially in west Auckland where existing residents are being built out of their homes and being forced out of their homes.

Development Contributions Policy Review

#8

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Connected Neighbourhoods Trust

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Not enough investment has been made in community infrastructure (e.g. community facilities and parks) for large new residential communities

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Not enough investment has been made in community infrastructure (e.g. community facilities and parks) for large new residential communities such as Whenuapai and Westgate and the huge population growth means that this needs to be allowed for and paid for by the new developments, otherwise local board picks up the strain.

Strongly support new aquatic facility in Inner NorthWest and also funding for Library + Community Centre in Whenuapai however note that community management of community centre in Whenuapai is likely to achieve much stronger outcomes than Council managing that space (Te Manawa has shown this to be the case).

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

Strongly support new aquatic facility in Inner NorthWest and also funding for Library + Community Centre in Whenuapai however note that community management of community centre in Whenuapai is likely to achieve much stronger outcomes than Council managing that space (Te Manawa has shown this to be the case).

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Need to ensure that developers are required to actually enable development of local roads and public transport infrastructure to avoid what has happened in Scott Point where land banking has prevented public transport plans from proceeding

Development Contributions Policy Review

#9

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Submitter details:

Organisation (if applicable):

Local Board: WaitÄ kere Ranges

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#10

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Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

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   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Infrastructure needs to keep pace with development throughout the Auckland Region. This burden should not fall on ratepayers. Council should adopt a user pay system. Development Contribution is a fair and equitable means of funding the infrastructure system in line with development.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

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For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Stormwater/Wastewater infrastructure is a No 1 priority in the Auckland region -

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#11

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Manurewa

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

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   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   how come the high socioeconomic areas get more financial support than the low socioeconomic areas??? can we get some support for the areas that need it like otara/ papatoetoe etc????

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

SOUTH AUCKLAND NEEDS THE SUPPORT MORE THAN HENDERSON.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

whats the rationale for the funding increase?? could the funding stay as the previous budget and use the money from the proposed increase to improve public infrastructure within south auckland??

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

more financial support for public infrastructure improvements for south auckland bc we keep getting left out

Development Contributions Policy Review

#12

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Submitter details:

Organisation (if applicable):

Local Board: Whau

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Because DC have risen significantly in the last couple of years. There should be a cap on how much Councils can charge as DC and should be the same for one or 10 units.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

There is already adequate resources available in developed areas like Mt Roskill and Mangere and no need to increase this.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Too much of an increase will hurt developers and other property owners.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

I think ratepayers and developers are already burdened with too many costs. Not fair. I think the Council can cut wasteful spending on funding useless road humps and island crossings which are excessive. Also planned roadworks to keep the minimum disruption to motorists.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I think it should not increase but be decreased considerably and costs kept fair so everyone can enjoy the facilities including ratepayers and developers. Any increase will be passed on to buyers which will cause further rise in housing builds which are

Development Contributions Policy Review

#13

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Submitter details:

Organisation (if applicable):

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   As a rate payer I agree with the proposed increases to DC to make it fairer. Developers are benefiting hugely from selling many small units built on small pieces of land, and should contribute more towards infrastructure in these areas.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Long-term planning is absolutely essential with forecast population growth. I was shocked to read in your consultation document that current planning law contributes to the problem of infrastructure requirements being implemented out of step with housing development. We live in Hobsonville Point and traffic near Westgate is already pretty awful, so much so that we travel to Albany for some of our shopping needs, as we get there so much more quickly.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

I'm not familiar with Drury so can't comment

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

It seems fair

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I am concerned that developers will protest strongly about the increases, and that our current government, who seems to care far more about NZers at the top of the pile e.g. developers, will in some way prevent your proposal from proceeding. Similarly, I

Development Contributions Policy Review

#14

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

need to share the funding around a bit more

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#15

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Whau

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Developers need to contribute to the added stresses their activities place on infrastructure, especially in green fields developments

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

Huge new developments planned in Avondale and Te Whau will require adequate storm and other water upgrades

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#16

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Higher development contributions should see a lowering of rates in those developed areas so as to offset the reduced requirement of maintenance on infrastructure. Conversely older developed areas require higher rates on existing developments for increased maintenance plus replacement and high development contributions from infill developments to upgrade existing infrastructure to allow good functionality of the infrastructure which i would anticipate would cost more than greenfield development. Allowing infill to diminish existing capacity is very short sighted and all projects whether or not there is capacity should pay for what is going to be required with further infill. Infill as it is being carried out is appalling with what appears to be no consideration of modern good planning where there should be comprehensive planning of large areas being redeveloped not existing single sites.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Taking Drury position in the Mixed zoned area to construct a 15 floor 115 apartment development would cost in development contributions being $90,700per HUE $10,430,500 on say a 1200m2 site equating to $8,692.08/m2 of land area. A site in Henderson of 1191 sold August 2020 for $2,351/m2 for a structure being built of the same size. This had a development contribution of somewhere in the region I understand of $22,495per HUE. It is not possible to finance the additional contributions in Drury of $68,205per HUE being an additional cost to the property of $7,843,575 when the property potentially had a value in relation to Henderson of $2,821,200. This would indicate a shortfall of $5,022,375. Mixed use zoning being close to Transport hubs is intended to promote high rises development. This cannot happen at these figures as there is a negative land cost.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

At these costings it seems to me to be financially not possible to achieve high rise intensive residential development close to the rail. As far as I can see it can only promote if at all extensive development. There is development happening in Drury and

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

There appears to be a political football in play here. The Auckland Council has elected members to govern the council controlled area. It appears central government to a significant extent and via the RMA and Environment Court sets policies that undermine the planning of a well constructed financially viable land development program which has a structure of development that follows a planned sequence. The development of Drury, Paerata, Auranga and probably Drury South should not have occurred as all of these developments to me appear to have put significant additional cost on council resources when a well programed controlled sequential plan would have been more efficient. It would appear we don't need a council planning division if this type of development is to continue. Also proposed Fast Track Winton development at Ardmore. Predominantly Rural zone, class 2 soils, i understand shallow crust stumped peat soil, no services in a flood plain affecting the Papakura Stream. How can that be developed for residential housing etc?

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

It would appear to me that there are unforeseen consequences of financial burden on developments that are needed in terms of intensification.

Development Contributions Policy Review

#17

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Submitter details:

Organisation (if applicable):

Local Board: WaitematÄ

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Yes. Seems fair but it will put the price of houses up. It should be reviewed at regular intervals. Costs always seem to go above budgets and estinmates.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

As above

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

We live in the inner city. It is debatable whether we should be contributing to very outer city developments. We have enough problems with the inner city infrastructure.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

It will push up the cost of building houses.

Development Contributions Policy Review

#18

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Submitter details:

Organisation (if applicable):

Local Board: WaitematÄ

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   The costs will be fairly shared between the developers and ratepayers, whomever benefits most.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Because Auckland is growing this necessitates new projects.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#19

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Submitter details:

Organisation (if applicable):

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   You are pushing up costs on the end purchaser.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#20

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Submitter details:

Organisation (if applicable):

Local Board: Manurewa

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Council needs to ensure that developers are not affecting other neighbours and existing services- e.g.; earthworks being done without ensuring pipework is covered and therefore concrete getting into main water lines and creating blockages upstream from th

Development Contributions Policy Review

#21

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Areas of interest to me

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Not my area

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Not my area

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

N\a

Development Contributions Policy Review

#22

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   developers should pay for all, they make the money out of it

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

developers should pay for all to connect to existing infrastucture

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

my usual developers should pay for but we should pay for improvements to existing network if required

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

developers should be making their own investments in these areas

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

nothing about developers paying more

Development Contributions Policy Review

#23

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: WaitematÄ

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   I believe that development costs could be more than halved if residential rental investment properties paid commercial rather than private residential rates in Auckland. The additional rates collected from re-classifying residential rental investment properties (rental properties) could be collected and put in part towards lowering Contribution Costs below $20,000 per household to below $10,000 or even lower. Rental investment properties in Auckland are business activities since the owners deduct expenses such as interest and declare the income in their tax returns as income. Therefore the Auckland City council should classify them as a business activity also. The same as Airbnb properties let out more than 28 days.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

I think Mangere as a priority area is not suitable unless there is a plan to tear down a lot of properties and rebuild. I think the priority area in South Auckland should either be closer surrounding Sylvia Park or down nearer to Manukau. By building up Mangere which does not have good transport links (no train line) this is causing too much future transport spend. Mt Roskill is nearer to public transport. Tamaki has good space and is on the fringes like inner North West and Drury.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

I believe that development costs for Drury could be more than subsidised by residential rental investment properties (rental properties) paying commerical rather than private residential rates. Development of Drury should not suffer so that rental proper

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale

- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

My main submission is that rental property owners should be paying higher rates since they are a business activity. And their current unjustified rates subsidy should not prevent new affordable cost housing and infrastructure to be built in Auckland. S

Development Contributions Policy Review

#24

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Developers need to pay more to support the communities they create and impact. Profits at the moment for these developers are too high. If they cant afford to pay, we'd rather they didnt develop.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Council should not subsidise these developers, support the increase.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Its a shame this wasnt done earlier but better late than never!

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#25

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Borrow more

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#26

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Rodney

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The DC needs to be the same across Auckland, any increases should have been included in the LTP. What is the point of having a LTP, then making changes? Council knew about the development areas and the costs, the dc should have only been used for the appropriate purpose and if it had been we wouldnâ€™t have any issues now

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

They are areas that need development, but DC should be the same Auckland wide

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

The area needs development, but DC should be the same Auckland wide

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

The DC should be the same Auckland wide

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

The DC should be the same Auckland wide

Development Contributions Policy Review

#27

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   These prices will ofcourse be handed on to an increase in new house prices it is extremely naive to think that these costs will reduce land prices instead of increasing the cost of new house, whoever came up with this outcome is an idiot.

   How much new land is being created each year?? Land is a finite quantity, land prices will never drop over a reasonable time period!!

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

You are crystal ball gazing as to what will be required after the next 10 years, you will also have an enormous new pool of rates in that period, leave the next ten years to be determined a lot closer to their arrival.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

Hand these projects and costs directly to the developers at the time of consent approval. They will complete the works for a fraction of the cost that council incurs due to their much better efficiency at this work than council.

At present council cant ev

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Work out what total funding is required and average this cost over the whole Auckland area or at least dividing it into 3 or 4 sub areas, TAKING INTO ACCOUNT THE XTRA RATES THAT YOU WILL COLLECT FROM THE NE HOUSES BUILT!!!

This will result in a similar increase over the whole area and stop developers avoiding the high cost areas and concentrating on low cost areas which will inevitability occur.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

After central government councils in NZ are the most inefficient controllers of infrastructure expenditure in NZ.

Make developers put in the required infrastructure themselves dont get involved in doing the work, you cant do it efficiently, they will do i

Development Contributions Policy Review

#28

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   The proposed updates to the Contributions Policy 2025 for investments over the next 10 years appear reasonable and necessary to support Auckland's continued growth. The policy aims to fairly allocate infrastructure costs between developers and ratepayers based on who creates the need for and benefits from the investments. Key points in support of the changes include:

   1. The policy reflects updated capital expenditure plans from the recently adopted Long-term Plan 2024-2034, ensuring alignment with the council's latest infrastructure priorities.

   2. It incorporates revised growth forecasts, with Auckland expected to grow by 200,000 people by 2034. This helps ensure the policy is based on current projections.

   3. The proposed changes would increase the average development contribution from $21,000 to $30,000 per household equivalent unit. While a significant increase, this better reflects the actual costs of providing necessary infrastructure to support growth.

   4. Major investments like addressing level crossings in Takanini ($550m) and developing a new town square in Henderson ($12.5m) are included, which will provide important infrastructure improvements.

5. The policy aims to recover $2.3 billion of growth costs via development contributions from $10.3 billion of growth-related projects over 10 years. This seems to strike a reasonable balance between developer and ratepayer funding.

While the increases may impact development costs in the short-term, ensuring adequate infrastructure funding is crucial for Auckland's sustainable long-term growth and livability. The policy appears to take a fair and forward-looking approach to meeting the city's infrastructure needs.

However, I believe the Contributions Policy should consider implementing higher charges for greenfield and rural developments, particularly those not well-served by existing or planned public transport infrastructure. This approach could help:

1.Discourage urban sprawl and incentivise more compact, infill development within existing urban boundaries.

2.Encourage development in areas with better existing transport links and potentially fund improved public transport services to new developments.

3. Promote more sustainable development patterns and reduce overall environmental impact.

4. Ensure developments that require significant new infrastructure investment bear a larger share of those costs.

I suggest incorporating a "location factor" into the DC calculation that considers the development's distance from existing urban centers, access to public transport, and potential impact on traffic congestion. This could be implemented as a multiplier on the base DC rate, with higher multipliers for more isolated or poorly-connected areas.

However, this approach would need careful consideration to ensure it doesn't unduly hinder housing supply or disproportionately impact affordability in certain areas. Perhaps a balanced approach could involve offering DC discounts or incentives for developments that incorporate strong public and active transport elements, even in greenfield areas.

2. Spending in Investment Priority Areas over the next 30 years

We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

I strongly support the proposal to add projects to the Investment Priority Areas (IPAs) beyond the next 10 years. This long-term approach to infrastructure planning and funding is crucial for Auckland's sustainable growth and development. Here's why:

1. Addressing cumulative impacts: The proposed $8.9 billion investment over 30 years recognises the cumulative impacts of growth and ensures that early developers contribute their fair share to long-term infrastructure needs.

2. Fairness in cost allocation: This approach ensures that the costs of infrastructure are distributed more equitably between current and future developers, as well as between developers and ratepayers.

3. Improved planning and coordination: A 30-year horizon allows for better integration of land use and infrastructure planning, potentially leading to more efficient and effective development outcomes.

4. Certainty for infrastructure delivery: By securing funding through development contributions over a longer period, there's greater certainty that critical infrastructure will be delivered when needed.

5. Higher service levels: The proposal to provide higher service levels, such as the improved stormwater system in TÄ maki, is essential. While it may be more costly initially, it's a necessary investment to ensure resilience against climate change and to provide adequate services for intensified development.

6. Avoiding deferred maintenance: This approach helps prevent the common issue of deferring infrastructure upgrades, which often leads to higher costs and reduced functionality in the long run.

7. Supporting strategic growth areas: The focus on IPAs aligns with Auckland's strategic growth plans, ensuring that areas designated for significant development receive the necessary infrastructure support.

While I acknowledge that this will result in higher development contribution charges, I believe this is necessary to ensure Auckland's growth is supported by adequate infrastructure. The alternative â€“ underfunded infrastructure leading to congestion, flooding issues, and inadequate community facilities â€“ would be far more costly in the long term, both financially and in terms of quality of life for residents.

I also support the council's commitment to regularly review and update these plans, as it allows for adjustments based on actual growth patterns and changing needs over time.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

I support the proposed changes to the Contributions Policy 2025 for the Drury area, as they reflect updated assessments and a more comprehensive approach to infrastructure planning. However, I would like to emphasise the critical importance of ensuring ad

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

I support the proposed funding area changes as they appear to aim for a fairer and more precise allocation of growth-related infrastructure costs. These changes are important for several reasons:

1. Improved cost allocation: The new sub-regional funding areas at Paerata, Whau, and the Northwest, along with the new local funding area at Avondale, should allow for more targeted cost recovery that better reflects the specific infrastructure needs of these areas.

2. Fairness between developers: By adjusting neighboring funding areas to accommodate the new ones, the council is striving to ensure that developers in different locations pay their fair share based on the infrastructure demands their projects create.

3. Reflecting IPA investments: The changes to local funding areas to better reflect the distribution of benefits from investments in the Investment Priority Areas (IPAs) is a positive step. This approach ensures that those who benefit most from these investments contribute proportionately.

4. More precise planning: These more granular funding areas should allow for more accurate infrastructure planning and cost projections, potentially leading to more efficient use of resources.

5. Flexibility: The willingness to adjust funding areas demonstrates the council's commitment to adapting the policy as development patterns and infrastructure needs evolve.

6. Transparency: These changes provide greater clarity on how infrastructure costs are allocated, which is beneficial for both developers and ratepayers.

While I support these changes, I would encourage the council to:

1. Regularly review and update these funding areas to ensure they remain relevant as development patterns change.

2. Provide clear communication to developers and the public about how these changes might affect development contributions in different areas.

3. Consider how these funding area changes might interact with other urban planning goals, such as encouraging development in areas well-served by public transport or promoting more compact urban form.

4. Ensure that these changes don't inadvertently create barriers to development in areas where growth is desired, particularly in relation to affordable housing projects.

Overall, these changes appear to be a step towards a more equitable and precise system for allocating infrastructure costs related to growth.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

While the proposed Contributions Policy 2025 is a step in the right direction, I believe there are additional considerations that could further improve Auckland's approach to development and infrastructure funding:

1. Differential pricing for greenfield

Development Contributions Policy Review

#29

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Henderson-Massey

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

We have already a huge debt and we should looking the cover those huge debt. I don't think government could hire the people who could do a very good contribution on investment.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#30

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Kaipātiki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Seems Fair, developers need to contribute as they are putting strain on existing infrastructure and profiting from their developments.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Seems Fair large development needed in these area's, so developers need to contribute as they are putting strain on existing infrastructure and profiting from their developments.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Large Infrastructure investment required, so developers need to contribute as they profiting from their developments and existing rate payers should not have to contribute to this cost.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

No

Development Contributions Policy Review

#31

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Kaipātiki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Since the improvement of transport and other facilities will increase value of property developed the costs should be shared by the developer as recent housing developments have been made without considering any required infrastructure (housing without sewage connection in 2024!!! is a SAD example and there are more unfortunately)

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

The requirements for infrastructure and its maintenance will be ongoing

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

NO MORE HOUSING WITHOUT SEWAGE CONNECTIONS!!!

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

targeted funding requires targeted investment

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

We are in desperate need of infrastructure. We are currently wasting funds on re doing works (the same roads) over and over. We require a proper plan with targets and deadlines. Auckland, also known as the city of cones, needs a serious management, reliab

Development Contributions Policy Review

#32

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Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   We need more residential housing. DC discourages building.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#33

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Increasing population numbers in both cities and a country put huge pressure on existing infrusture of which has been paid for by existing generstions often going without to do so. New arrivals and those profitering from rhese arrivals nead to pay for the privilage and not burden those that have paid for and often tried to keep ahead of building this great city

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

We have some of most expensive land anywhere in the world especially in our cities this price runs roughly at double the cost of the actual dwelling since land devopers are more than happy to take huge profits they surely have the resoutce to pay

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Will also assist keeping rates lower as the new infrusture can also benefit existing dwellings

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#34

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Aotea/Great Barrier

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Because no one trusts you to make the right decisions.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Just another reason to extort more money out of the ratepayer.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

Dont care about Dury.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Massive borrowing will be required to realise your vision

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Dont support

Development Contributions Policy Review

#35

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Rodney

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   I support increase so the cost for infrastructure is shared. However, my concern is that the money often â€˜disappearsâ€™ into the big pot and isnâ€™t spent on the area. Riverhead and Kumeu/Huapai have had growth over the last ten years and very little upgrade to infrastructure. The roading from Bringham creek through Kumeu is terrible. And there is no money available to fix.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Other

Tell us why

I do support, but also need to address the lack of infrastructure for Kumeu/riverhead.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#36

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Developers need to pay up front because so many disappear

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

It is a new development and should be payed for by developers as they make the most gains

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#37

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Henderson-Massey

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   Not entirely. Costs still rest too heavily on existing ratepayers. I would like to see figures on how much profit a developer on average makes per dwelling

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Not high enough for developer

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Raise contributions and fir developers and do not give consent if the developer intends to pass these increases on to buyers. At the same time support some sort of national land tax to deter price gouges- both developers and landlords

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Do not consent to ANY developments where sewerage is not complete. Introduce ree planting requirements for developers

Development Contributions Policy Review

#38

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Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   We are being squeezed to the maximum - where do you think most of us will find the extra money? It's a joke. First Covid, then the floods and everything goes up continuously - somehow we are expected to find the extra money and I wonder where from. Middle classes are being financially crippled and the lower classes are finding it almost impossible to just do the basics; like feeding their families and paying rental, mortgage, electricity, water etc...the list goes on and on! I understand that these things need to be done but the government should prioritise only the most essential services and they should find the money. Take it out of the huge amounts we pay to sports people maybe. We already pay enough taxes, GST and hidden taxes in everything we use and buy. You are creating a third world country in NZ; walk around and see how many people are living on the streets or in their cars. It's appalling that this can happen while the rich put up rentals on the multiple houses they own. Tax the rich more - I am sure they won't end up in dire straits if you do.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills,

Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

See above

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

See above

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

See above - it's the same answer from me to all these proposed changes. It's not so much that I totally oppose them but it's how you are intending to fund them that I disagree with.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

As said above, prioritise only the totally necessary or find the funding from the sources I mentioned above.

Development Contributions Policy Review

#39

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Developers should be responsible for ensuring that all Infrastructure is factored into their planning including the cost. The council also needs to be contributing as these new developments will be providing future revenue with rates. These costs should not be impacting current rate-payers who stand nothing to gain except more congestion.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

I don't Know

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

as previously stated the initial cost needs to be factored into the development and not be at the expense of existing rate-payers of the on -going maintenance within those existing areas of Auckland.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

as previously stated. The cost of new Infrastructure required for new developments should be met in most part by the developers. However, the Auckland Council needs to be aware that these new houses will be providing revenue with rates. This should not b

Development Contributions Policy Review

#40

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Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Developers are gaining money from what they do which is fair enough, but they also need to contribute fairly to the impact of what they are doing so people who are not gaining are not unfairly impacted.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

I don't Know

Tell us why

I do think the costs should go up, but some of them are massive jumps, could they go up but to a lesser degree?

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

Drury is close to prime farm land. I see why it is being developed but I think it would be better to develop more Ockham style apartments in inner city suburb areas (well designed ones with good planning, not badly done terrible design cheap ones).

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#41

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Submitter details:

Organisation (if applicable): Stet

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Please increase contributions further

Submission on Development Contributions Policy 2025

shaun@stet.co.nz
021 555 425

About STET Limited

STET is a limited liability company formed in 2011 by Shaun Lee. The term 'stet' comes from the publishing industry and means undo changes. Stet is a social enterprise that supports restoration and conservation projects in New Zealand. Stet is a supplier to Auckland Council.

STET Limited supports Auckland Council's proposal to increase development contributions under the proposed Contributions Policy 2025. As an organisation committed to environmental restoration and conservation, we believe that increased contributions are essential to ensure that the true costs of development, including environmental impacts, are fairly shared.

1. **Environmental Concerns:** Sediment Run-off and Water Quality

Urban development often leads to significant environmental degradation, particularly in terms of sediment run-off. This sediment, carried by stormwater into Auckland's waterways, harms aquatic ecosystems by reducing water quality and disrupting habitats. As development intensifies, this problem will only worsen unless proper infrastructure is in place to manage stormwater and sediment control effectively.

Building site in Glen Innes. Photo Shaun Lee

The proposed increase in development contributions will help fund the necessary stormwater infrastructure to mitigate these impacts. As noted in the Sharing the Cost of Growth document, stormwater investment is crucial for areas like Tāmaki and the Inner Northwest, where development is expected to expand significantly over the coming decades. Without this investment, Auckland's waterways will continue to degrade, affecting both biodiversity and water quality. I am particularly concerned about impacts on benthic ecosystems because sediment chokes the gills of filter feeding animals and smothers photosynthesising plants.

2. **External Costs of Development:** Pollution and Climate Change

Many of the costs associated with development are not immediately visible. Pollution from increased vehicle use, construction activities, and industrial growth can degrade air and water quality. Additionally, the long-term impacts of development on climate change, through increased emissions and reduced green spaces, are not fully accounted for in current pricing models. It is essential that development contributions reflect these external costs, ensuring developers pay their fair share towards the infrastructure needed to mitigate these impacts.

Selfie with arm buried in muck. Photo Shaun Lee.

In particular, as climate change increases the intensity of rainfall, there will be a heightened risk of flooding and stormwater overflows. This makes it even more critical that contributions fund sustainable, long-term infrastructure solutions. The proposed policy rightly includes funding for greenfield areas and more intensive stormwater management in brownfield areas such as Tāmaki. This proactive approach will protect Auckland's residents and ecosystems from the escalating risks posed by climate change.

3. Fair Distribution of Costs

It is unfair for Auckland's existing ratepayers to bear the brunt of these costs when developers and future residents are the primary beneficiaries of new infrastructure. The Sharing the Cost of Growth document highlights that developers should pay for the infrastructure that enables their developments and increases the value of their land. Increasing development contributions ensures that this principle is upheld and that ratepayers are only responsible for their fair share.

STET Limited fully supports the proposed increases in development contributions. These funds are essential to address the environmental impacts of development, particularly sediment run-off, pollution, and climate change. By ensuring that developers pay their fair share, Auckland Council can deliver the infrastructure necessary to support sustainable growth without unfairly burdening existing residents.

Thank you for considering our submission.

Shaun

Director, STET Limited

Development Contributions Policy Review

#42

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Council has taken enough from the past and has not seen much progress and improvement on our city. Council really need to spend our tax payer's money carefully and wisely. Budget the expending to areas really need to improve and make it happen instead of taking more money from people. The more contribution fee will not necessary resolve our city lacking of infrastructure, but will highly likely make the developer cut down the quality of new builds. We don't want see this happen.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is

required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

again, the development contribution from the past taken by council was humongous amount. and yet seen much improvement. This action of taking more contribution fee from the developer, will end up transferring to the home buyers. People will spend more money and get worse quality houses. This is not a sustainable and affordable solution.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

same as above

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. **Other feedback**

Do you have any other feedback on the proposed Contributions Policy 2025?

not support this policy

Development Contributions Policy Review

#43

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Whau

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   10 years is a long time to plan certain aspects

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

I don't Know

Tell us why

10 years is a long time to plan certain aspects

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#44

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Ōrākei

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The Development Contribution rate is increasing significantly and will make projects commercially unviable in areas of the city, thus discouraging investments in to vital parts of the city.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

The thinking is right to consider investment over the next 30 years, however, more thought needs to be considered in how these are to be paid for. collecting this purely through DCs will have a detrimental effect on development.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Minimal increase to existing DCs.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

More Consideration needs to the effect of increasing DC's at this rate. DC's are paid by developers and cannot be funded by the banks like a house build contract. Having such high DC's will restrict the ability of developers to be able to fund developm

Development Contributions Policy Review

#45

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Submitter details:

Organisation (if applicable):

Local Board: Rodney

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   I am looking to put a granny flat on for my mum who can no longer look after herself. This makes it so hard. You need to put thresholds in to help distinguish costs for developers from costs for whaanau trying to take care of their own.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Other

Tell us why

Developers who profit commercially do need to wear costs as opposed to whaanau just trying to help other whaanau have a roof over their head

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

I donâ€™t live there and can not comment

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

I donâ€™t live there so can not comment.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

You need to ensure you donâ€™t make it so only developers can develop land and you exclude shared housing options for whanau.

Development Contributions Policy Review

#46

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Submitter details:

Organisation (if applicable):

Local Board: Ōrākei

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   It makes sense that the Council looks forward and aligns more equitably the anticipated cost recovery more on to those new developments needed. Current ratepayers should not be underwriting the costs of new developments

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

10 years is a short time horizon, I support 30 years, but would like to hear discussion on a 40 or 50 year horizon rather than 30-year. Houses/buildings are suppose to last 50-years, aren't they

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

I trust the council has done a fair job of planning.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

It makes sense to me

Development Contributions Policy Review

#47

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#48

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Submitter details:

Organisation (if applicable):

Local Board: Whau

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   I am concerned that by taking funds for projects that you don't intend to complete until 20 or 30 years later that those funds will disappear.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

The council that receives the money will most likely be composed of different members who may have a different view on how the money, if it's still there, is spent

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

I can support it if and only if the d.c. funds taken are ringfenced in a separate bank a/c to be spent only in Drury.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

Again I support if there is some mechanism by which the funds cannot be spent for any other purpose.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I think the idea to take funds for future projects is flawed unless you can guarantee that those funds are going to be invested in secure high interest bearing bank accounts.

Development Contributions Policy Review

#49

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Submitter details:

Organisation (if applicable):

Local Board: WaitematÄ

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   New building must have accompanying infrastructure built for well into the future. Developers make profits out of developments. But houses and apartments do not stand alone. Essential to their functioning is the water and drainage infrastructure, roading, public transport that they require. Therefore costs of these essentials should be seen as part of any development and the responsibility at least to some considerable extent of the developers. I'm not quite sure why the rate payer should be entirely responsible for the cost of infrastructure as has been the case in the past. Those who make the profits from the development need to pay their fair share.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

For the reasons given in question 1. It is about requiring people making a profit from the development to ensure that development is properly provided with necessary infrastructure.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

As above.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

As above.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I think Contributions Policies - working with developers to ensure that they pay their fair share of

infrastructure costs is essential in the world we live in.

Development Contributions Policy Review

#50

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Council has not released any information to justify at $10k or 33% increase in DC's outside of the IPA's.

   There are natural justice concerns here.

   The inclusion of an additional $20k beyond LTP collection (cumulative 150% increase) has not been detailed on a local suburb / catchment basis and has not been made easily available to the public. There is flawed logic in considering beyond 10 yrs as legislative changes such as MDRS and NPS -UD are created in shorter timeframes and would have a massive impact on long term planning.

   The Council appears to be using DC's to address expensive SW issues when there are cheaper means to address such matters on site. As such there is no connectivity between the Council processes here.

   It is very concerning that the $10k average increased was not disclosed by the DC team in their developer working group consultation meetings.

   Zoning uplift measures and targeted rates would be a better tool than the blunt DC policy as it relates to greenfield developments.

Brownfield and Greenfield schemes should be considered entirely separately.

2. Spending in Investment Priority Areas over the next 30 years

We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Excessive DC's in one area will send development elsewhere and as such the investments sought are either compromised for funding or simply will never eventuate.

It is noted that Kaianga Ora generally has large land holdings in these IPA areas. Is this a means of seeking Govt funding in disguise? Given that K/O's development arm is currently mostly being disbanded, are the sought after infrastructure improvements sought by Council likely to actually eventuate.

Why is there no reference to Papatoetoe and Otara as IPA's given that Watercare have put moratoriums on new connections in these areas? Noting the Watercare have not public released this information but have been suggesting that lodged land use consents be withdrawn and not considered for 10 years plus? Faith in transparency of the system is lacking as a result.

One advantage of the IPA process is that the local community would benefit from any improvements rather than funds mostly going into a central fund which they currently do.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Whilst I question whether the right tool is being used. (Targeted rated, uplift taxes) When upzoning from low cost greenfield land to urban land a massive uplift in value is generated. Greenfields typically are more expensive to service than Brownfield

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Council has failed to provide any accessible detail to the community to justify such matters. It is concerning that it appears that DC's may not be fairly spent in the areas where they are generated from.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

There has been a lack of detailed information provided by Council.

The increase of DC's across the city was not signaled in early working party consultation. As such, we have all been very surprised to find what is in the document albeit with no links

Development Contributions Policy Review

#51

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Submitter details:

Organisation (if applicable):

Local Board: WaitÄ kere Ranges

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   Granny flats for families should be excluded from it to encourage families to support each other and provide extra housing.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

As a house owner and a salary worker, building a granny flat for parents/children should be excluded from it to encourage families to support each other and provide extra housing.

We do not have so much money like developers. we cannot afford to pay increased development fees.

This might push many families to have unpermitted granny flats, which might have a safe impact.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#52

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Kaipātiki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Given population growth and the need to invest in infrastructure and reverse years of minimal investment such a fund is required

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

See above

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

Not a resident there

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#53

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Council should provide more information about the proposed investments (what, where, who, when, how and why) to justify the investment amounts and time frame for DC increase are reasonable.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Forecast the future of 10 years is difficult and the forecast may not be accurate, but as a long term view on the future, it may be acceptable. However, it is much more difficult to forecast what would happen after 10 years. Forecast for 30 years is meaningless.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

Auckland Council please only focus on investments in the coming 10 years.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Auckland Council please provide the public with information about the usage of development contributions ("DC") in the past years (say, past 3 - 5 years), the current status of DC funded investments and outcomes (benefits to the public in Auckland) of the

Development Contributions Policy Review

#54

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Submitter details:

Organisation (if applicable):

Local Board: Ōrākei

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   I trust the council decisions

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

I support the council decisions to have been fully looked into

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

I support the council decisions

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

I support the council

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#55

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   It time for developers to pay their fair share of infrastructure. They constantly want to build on Greenfield areas so they should have to meet the cost of building on Greenfields.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Other

Tell us why

I support this idea only if developers are paying for it.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Drury is an area with limited public service so to put the burden into rate payers is wrong. If developers want to build in Drury they have to meet the cost.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

These areas often are farmland so it only fair developers pay for the public services. I believe also something like a infrastructure fee done in milldale would be great.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I believe the contribution fees should be much more than what is proposed because developments require new investment in public services.

Development Contributions Policy Review

#56

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#57

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Submitter details:

Organisation (if applicable):

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#58

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Houses more expensive

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#59

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Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#60

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#61

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: WaitematÄ

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   DCs should be spent in relation to the developments that are incurring these charges

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Far too vague and open to abuse. You are already targeting levies in specific areas to support and improve infrastructure

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

Can you guarantee that the DCs raised for these projects will only be spent on these projects?

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#62

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Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Limited supply. Cause monopoly to large developer.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Boost supply

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Na

Development Contributions Policy Review

#63

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   New houses impact the old/existing house's service in water, transport, waste water, these funds should be paid by the developers other than existing ratepayer.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

strongly supporting by developer's funding, developer seeks to profit, therefore they should pay for it.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Dury is long-term plan, Northwest funding is paid by developers' RC, this is very good strategy.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

The existing ratepayer within household is burdened by the developer to build some many houses in the community ,to cause traffic jam and so on hassles , why existing ratepayers have to pay for these fee, these fee shall be paid by the developers.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#64

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Ōrākei

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Charges should reflect the long term plan

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Developers should contribute to the cost of infrastucture.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Latest information should be used.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#65

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   I don't know

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   I don't Know

Tell us why

Greenfield development can become a maintenance liability on existing communities, especially those of higher density. I support measures that ensure initial and long-term liabilities are more targeted in greenfield contexts.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

Greenfield development can become a maintenance liability on existing communities, especially those of higher density. I support measures that ensure initial and long-term liabilities are more targeted in greenfield contexts.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#66

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Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   You canâ€™t build a house and factor that cost in and still make money. Did you even speak to a QS to get some costing ideas for a build? It means no affordable housing.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Again, costings. Itâ€™s nuts

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

The land developers should pay and land rates from the extra new houses used.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Literally no one will build new, you would literally loose money.

Development Contributions Policy Review

#67

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Manurewa

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Could be higher to pay more of the cost.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

We have to get much more of the development in these older areas and boost the infrastructure.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Drury should be expensive to reflect the huge extra costs.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I live in Manurewa where huge amounts of infill development are happening piecemeal. Would like to see more resources boosting playgrounds, kids activities etc.

Development Contributions Policy Review

#68

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Stop the unreasonable and ridiculous council fee.

Development Contributions Policy Review

#69

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#70

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Henderson-Massey

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   A growing city needs more dwellings, and if the buyer has to keep paying more for everything, this will put an end to new developments, and then we will be back where it all started in early 2005. More people, fewer houses and rents and prices keep going up. The young and able will simply move to Australia on day one, and that's it. We will fast become a de-growing economy of the South Pacific cause no intelligent person would want to stay back. Why would they? Housing impacts the very survival of a nation, and this short-term price gouging will build us infrastructure or maybe not even build it since we won't need it anymore. What a waste!

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is

required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Do not do anything that will simply come back and bite the nad that feeds it. The current policy will make it nearly impossible to build anything anymore, and the developers, workforce and funding will simply move to other markets where they see a future

Development Contributions Policy Review

#71

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Submitter details:

Organisation (if applicable):

Local Board: Ōtara-Papatoetoe

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   It makes sense if this high amount is charged for developers who end up making money, however for those who just want to build another house on their property for themselves, this is an absurd amount for just making a home for yourself. The cost of everything is so high and there's a shortage of housing so why make it so difficult with this blanket change in cost. The list of things these costs are proposed to be used for seem to be what's in the rates and taxes that are already being paid.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

I don't Know

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Please start thinking about the people living and tyring to make a home for themselves. Stop increasing prices when salaries aren't being increased at that rate and the cost of living is already ridiculous.

Development Contributions Policy Review

#72

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Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#73

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Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   This will increase the total investment of development.

2. **Spending in Investment Priority Areas over the next 30 years**

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#74

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The contribution is very reasonable high already, the property market is very difficult. The government announced to provide the affordable house, this is the opposite.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

It should stay as it is for certain time, at least to wait until the economy is very strong period.

Development Contributions Policy Review

#75

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Submitter details:

Organisation (if applicable):

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   I don't know

   Tell us why

   Seems like a big increase for some.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Too high for what they will get.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#76

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   It completely ignores the Pohutukawa Coast that has and continues to see huge population increase with inadequate infrastructure - one road in and out, and extremely limited community transport and facilities. We are also on tank water, have many areas with no curb and channel and are very much at risk in civil defence situations.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

As above - ignores the needs of the Pohutukawa Coast

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

While this might be adequate for Drury, itâ€™s does not address the Pohutukawa Coast.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

While this might be adequate for these areas, it does not address the Pohutukawa Coast.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

See initial comment regarding needs for Pohutukawa Coast and justifications as to why.

Development Contributions Policy Review

#77

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Submitter details:

Organisation (if applicable):

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Would like to see the Whitford bypass and Clevedon Village public spaces/Clevedon Showgrounds upgrades included in the list of projects proposed to be funded or partially funded by development contributions.

Development Contributions Policy Review

#78

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Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

DC's need to extend to cater for improvements to wider transport networks outside the immediate area to ensure sustained performance levels across the whole area.

We'd like to see more allowance made for parks and recreation, including pump tracks and bi

Development Contributions Policy Review

#79

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Dear Auckland Council Development Contributions Team,

I am writing to provide feedback on the proposed Development Contributions (DC) Policy 2025, particularly regarding the significant increase in DC charges and its potential inequity for developers oper

Development Contributions Policy Review

#80

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   Much of what is proposed to spend DC's on was the same as over the last 10 years. there is no evidence that meaningful progress has been made on that programme.

   A key assumption is that developers will pay less for land as a method funding DC's. This assumption has not been evident over the past 10 years (or previous to that). The only evidence is that all costs to developers (building cost, Council imposed costs, Central government costs through Building Act changes are passed on to the community as a whole in the form of housing inflation.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is

required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Development is not guaranteed to occur as postulated by Council. As a consequence unwarranted expenditure is likely to occur in places where development is not considered by the market to be desirable. The result will be a shortage of housing in areas where market demand occurs. Example is the moratorium on development in Papatoetoe due to failure to recognise Papatoetoe is an area of demand that requires DC's are spent on wastewater. This shows Council and its CCO Watercare is poor at picking development trends.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

Stormwater is an important infrastructure item that needs to be incorporated into physical development. This is a development cost not a Council cost apart from catchment management planning. Developers install infrastructure according to these catchment

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

A key assumption is that developers will pay less for land as a method funding DC's. This may be relevant in greenfields situations where the best economic uplift in the land is through urban development rather than continued rural use. the assumption doe

Development Contributions Policy Review

#81

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Submitter details:

Organisation (if applicable):

Local Board: Rodney

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The cost of housing is already alarmingly high in NZ. These changes would add further costs to the dwellings resulting in house price being pushed high again.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

The cost implications are too high. Most of the people paying for these now may bot be around till these projects are over. Central government needs to cut the wasteful spending and support these projects rather that putting all the costs on household through developers.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Same comments as above. It's not as straight forward to pass the charges to developers.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I don't support these exuberant increases towards developers and construction industry. We already struggle to provide enough housing as is and then asking people to shell out this money is unacceptable. Council needs to look itself in the mirror and cut

Development Contributions Policy Review

#82

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Submitter details:

Organisation (if applicable): Clarks Beach/Waiau Pa Residents Association

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   We support the increases but don't feel they have been attributed correctly in some cases.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

You've addressed the growth at Drury and given a nod to Paerata but ignored associated areas to the west of State Highway 1.

This is highly disadvantageous to the Rural South West and therefore to the Franklin District Board. The whole of Franklin will be impacted by not only the growth of Drury but also further business and commercial growth projected for the whole region. (FLB has these significant numbers.)

Issues:

Recreation. Youâ€™re missing a significant factor: what people do in their discretionary time. Many like to go to the beach.

Clarks Beach is not only a thriving and growing residential area, but also a recreational and tourist destination. Already people from out-of-regions, many of them urban dwellers from urban South Auckland communities, flock to the beach in the summer. We welcome them, but it puts increased pressure on all our facilities. They clog up the roads with their cars, boats and jet skis and overflow the car parks at the reserves and along the roadsides.

Also, the thriving Golf Course has been rated as one of the Top 10 country golf courses in the country and brings many visitors.

Residential: A new sub-division, designated as a SHA, is undergoing construction at Clarks Beach. It will more than triple the population when finished. Currently we are not getting our fair share of the development charges levied against that developer, and more adjoining land is ready to be developed once the economy lifts. Do we continue to miss out? This is patently unfair, and a burden that falls squarely all current and future ratepayers. Itâ€™s also a huge financial burden on the already under-resourced Franklin Local Board.

Transport: You show virtually no allocation for transport and infrastructure for the Rural South West - $1 in $1,000.

Our demographic has changed from a sleepy beachside retirement village to a bustling mixed-age residential area with over half of our people driving out of the community each day to work or school. There are no commuter buses, no water transport, no trains closer than Paerata, Pukekohe and Papakura. Everyone has to drive.

But, the roads are already overloaded. With a projected population of 6500 in coming years we will be in serious trouble. Already, residents are finding the traffic congestion too much, selling up and moving away. Beachside paradise isnâ€™t paradise when you regularly take up to an hour to even reach the motorway.

Summary:

It appears that not only have you NOT allocated an increase on developer contributions for the region, but weâ€™re not even getting what has been generated by local developers. Without extra funding, the burden of providing future Infrastructure, and the risk of undesirable outcomes, will hugely disadvantage this fastest growing Local Board in the Greater Auckland region.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#83

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Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   Support investment in infrastructure in all its forms and consider it a key part of the city.

   However, investment needs to be well thought out, directed and cost appropriate.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

I think that Development Contributions are understandable at a certain proportionate level to assist with the payment of infrastructure and other related services. The significant increase in cost is unsustainable and will have a large impact on projects especially within the identified areas. This will likely halt development on a large number of projects and have a large cost to the construction and associated industry and economy. A more sustainable way to allocate the cost is by a smaller increase in rates throughout the city and removal of unwanted services provided by Council. It may be argued that people in other areas do not want to pay for services in these areas, but for he benefit of the city and the cities working economy (which does affect everyone) it is important not lump these large sums solely on developers.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

I think that Development Contributions are understandable at a certain proportionate level to assist with the payment of infrastructure and other related services. The significant increase in cost is unsustainable and will have a large impact on projects

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Should be revised to place less emphasis on infrastructure payment by way of DC's.

Development Contributions Policy Review

#84

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Submitter details:

Organisation (if applicable):

Local Board: Ōtara-Papatoetoe

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The calculations are not correct. The increased DC will discourage Developments. The funds are not invested in areas where DC has been paid. Take Papatoetoe for example. Huge amount of houses. Huge DC been paid. Infrastructure still bad.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Central government must fund. Targeting only developers with increased DC is not good enough. Increasing rates is the answer.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

That much of increase will see no Developments

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Be fair. Charging developers is easy. However if the developers don't build or get discouraged, there will be no funds. Or the negative effect of this will see the funds council receive will be same as less houses get built.

Development Contributions Policy Review

#85

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Out of affordability it will make house prices to go up

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Out of affordability it will make house prices to go up

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

It will make the house prices to go up plus developer can't afford this kind of money

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

It's out of affordability also this will make house prices to go up

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

No

Development Contributions Policy Review

#86

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Flawed assumptions = 292 m2 per detached. No on-site developer mitigation. 90% ground coverage. Projects not well defined at all. Massive jumps in costs. Is TÄ maki really to have greenfield stormwater?

How can 30 yrs be loaded now when the past estimate

Development Contributions Policy Review

#87

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Submitter details:

Organisation (if applicable):

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   Places like beachlands south need more community facilities and central sports spaces. We feel we are missed off the development area

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Beyond 10 years it's hard to know what will happen. Having some flexibility allows us to move forward without regret spending. Getting more efficient at decision making is better to get jobs progressed quicker.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

Outside my area.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

I would like to see beachlands/maraetai as a fast growth area to have more sports facilities 0lanning. We have already outgrown our ones with 3500 houses soon on the way.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Our tennis club gets no funding as we have no pokies in our area. Our area gets no funding for maintenance where as the fields for sports such as touch football and rugby get theirs through council. Sports which require specialised turds need further supp

Development Contributions Policy Review

#88

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Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

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   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#89

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Papakura

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Itâ€™s not ideal for one generation to pay ridiculous amounts for next three generations. Stop robbing the developers for around hard earned money

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#90

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Submitter details:

Organisation (if applicable):

Local Board: Kaipātiki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The development contributions will not only rise the cost of affordable housing but will also cause many developers to simply, not develope.

   Infrastructure development is needed and should have been a priority of the Auckland City council for many years. The council is now putting their hands in the pockets of developers more than ever before.

   If a block of land can be turned from one house into 8 houses the council will already be better off to the tune of $4000 pa in rates to $32000 in rates. The extra rates should be used to keep the areas parks and footpaths serviceable.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Tell us why

If you want to add to the priority areas you will need to do it yourself. Ridiculous development contributions will not see this happening.

An increase in rates in the area is a more fair option for paying off the infrastructure.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Drury is a green field area and more infrastructure is required by the land developers, it in fill developers.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

This will increase the cost of housing when more affordable housing is required.

The cost of infrastructure is a concern however the hand in the pocket of the developers will mean no more development or an increase in the cost of housing. Developers donâ€

Development Contributions Policy Review

#91

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Submitter details:

Organisation (if applicable):

Local Board: Henderson-Massey

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The increased costs are not reflective of what goes back into the city

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

The increased costs to these areas make it absolutely unaffordable

For any houses to be built

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Enough houses are being built to support this

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#92

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Manifestly unfair to punish a short term window of developers to pay for a generation (or more) of costs of develolment

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Will stop development in these areas in their tracks. Did yiu not consult with those doing development in these areas to construct an equitable process?!

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Again, no commercial reality in your decision making process! A short term view that will kill any more development & increase costs exponentially.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Poorly assessed, poorly thought through, ideas by bureaucrats who have no concept of commercial reality! Look at long term benefit look at long term funding streams, look at rating applicable additions (eg Milldale et al).

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Poorly concieved ideas with no reflection of realities of development or long term infrastructure funding.

Development Contributions Policy Review

#93

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Submitter details:

Organisation (if applicable):

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Change in dollar amount is too drastic.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#94

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Howick

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The expected increase in the SW runoff is incorrect and does not consider the most common Onsite SW management system (detention tanks , soakage trenches, recharge pits etc.)

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

The expenses calculation is incorrect and consider far more investment than what is required

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

The spending is not necessary at this stage.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

The funding available is allocated appropriately already

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I would like to add that we need some meaningful investment into infrastructure and not waste millions of dollars on unnecessary stuff such as concrete stairs.

Development Contributions Policy Review

#95

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Devonport-Takapuna

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   1st: There is significant housing shortage in auckland and developer has contributed to build more houses to help to increase the demand. With the DC cost increase, it will make it harder to encourage developer to invest more in building houses.

   2nd : ultimately, developer will pass that extra cost to buyer which will make the houses price in those area increase significantly.

   3rd: investment in those priority area is govt choice and responsibilities. That will therefore benefit eveyso why only developer have to bear further cost for their businesses?

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

As answer in question 1.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

No

Development Contributions Policy Review

#96

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Submitter details:

Organisation (if applicable):

Local Board: Whau

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Itâ€™s not reasonable to increase the DCs by the proposed extents without phasing these in over time.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Spending needs to be spread across the community. Ie papatoetoe as an example, no funding has cause a halt on development due to in sufficient WW infrastructure

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Increases in DCs needs to be phased in.

Development Contributions Policy Review

#97

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Increasing development contributions up to 4 times will not improve the cost of living or the cost of building houses. Therefore this will not contribute to housing more people or development. The shortfall needs to be funded via a different way. The end user will be ones paying a cost as developers only develop for a margin. As costs increase the price required for that margin increases, which increases house prices or developers will leave/hold until it becomes profitable again.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is

required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Providing the necessary infrastructure is important for increasing housing supply.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

Land has largely been purchased by large corporations that purchased future urban land for cheap and can afford to pay for development contributions. These are organizations trying to create their own demand for the land.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. **Other feedback**

   Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#98

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Avant Properties Limited

Local Board: Ōrākei

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   Indifferent. The roading projects in particular will have localised impact only.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

A transition period is needed. The proposed policy introduces a significant sea change that will ultimately result in current residential development projects becoming unfeasible. The proposed steep increase in DCs will undermine its purpose as projects will not come forwards as a result, and no DCs received as a result.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

No strong view on this.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

As above, a transition period is needed to ensure the increased DCs can be sustainably included within development feasibility projections. Significantly increasing costs over a short period of time within a weak sales market will only function to reduce project deliverability.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Support the approach generally as new infrastructure is essential to unlocking sustainable residential growth. However, this must occur in such an abrupt manner that means it cannot be adequately forecast and accommodated within development projects. This

Development Contributions Policy Review

#99

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Te Puru Community Charitable Trust

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   With the increased population the requirements of resources ie roading, water, sewage needs to be addressed and community facilities including sport & recreation are stretched and need funds to attain additional facilities.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

The added projects will cover off the by then needed infrastructure associated. ie, transport, wastewater.

Beachlands/Maraetai is also a targeted development area with the Formosa development and it is essential that investors contribute to the development of required services and roading along with Sport & Recreational space.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

The required stormwater work needs to be worn by developers not passed on completely to ratepayers.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

Services need to support development and shared cost between council, developers and new homeowners.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Developers need to pay to have suitable services, so we don't have the same effects that past developments have caused like the flooding in Mangere

Development Contributions Policy Review

#100

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Clevedon Community and Business Association

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Other

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Other

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Other

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Clevedon is growing. Reticulated wastewater and water are now in place and the residential zoned land on the periphery is being developed. The population will grow by up to 4000 in the coming years. The Franklin Local Board recently approved the Clevedon

Development Contributions Policy Review

#101

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Karaka Sports Park

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#102

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Māngere-Ōtāhuhu

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   These are costs which will be added to new homes. Given recent data, selling is already down and any pressure on sale price will have negative impact on the entire industry. Margins are low to nothing for developers now and builders and developers are going into liquidation. This will just add to the situation.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

We all know that projects are required for future development, however the increased costs has to be managed and proper risk assessed before burdening the entire industry.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#103

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Pukekohe Pythons Sports Club

Local Board: Franklin

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Other

   Tell us why

   On behalf of a sports club that has been fighting for a home in Pukekohe I can't see enough contributions dedicated to the area. Like many areas in Auckland we are not meeting the needs of the community with regards to sports fields. Pukekohe Pythons Rugby League continues to thrive without fair access to suitable facilities, and as the Franklin area grows all sports in the area will struggle to meet the needs of the community to participate in sport and recreation.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

I don't Know

Tell us why

I can't account for the needs of the areas stipulated. However I can for the Franklin area and in particular, Pukekohe. With immense growth over the past 10 years and it not looking to slow down, we need investment into our facilities. The benefit to community to having quality sport and recreation facilities can not be discounted or dismissed.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

Again I can't account for the needs of Drury, but I suspect that this is needed. As per previous comments, the need for quality sport and recreation facilities for this part of Franklin is a priority to me.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

This sees appropriate for the needs of these communities.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I am writing on behalf of the Pukekohe Pythons Rugby League Club to emphasize the critical need for further investment in the Belmont (Papahua) Development Sports Park in Pukekohe. Our club has been advocating for a dedicated home ground in Pukekohe for o

Development Contributions Policy Review

#104

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Council - Resource consent

Local Board: Ōtara-Papatoetoe

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

   It is about time that a major change in the value of contributions was made. For many years developments have been unfairly benefiting at the expense of the Rate Payers. It is good that this will lead towards user pay principles.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Support

Tell us why

Intensification means stress on all services and facilities provided by the Council because of huge increase of people in those areas. The current systems are not designed to cater for such large population.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Support

Tell us why

There is a need for upgrading of all services to meet the demands in those areas for the present and future as well. Some of those areas are subject to flooding and need major upgrading of the SW drainage to help alleviate flooding etc.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Support

Tell us why

Where new or additional infrastructure is needed there should be different values for the contributions so that the Rate Payers do not have to shoulder the burden.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Council should also look at expenditure related to Esplanade Reserve/Strips and foreshore maintenance etc. which will include cleaning of beaches, construction/repair of seawalls, retaining walls and access as well.

Development Contributions Policy Review

#105

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Submitter details:

Organisation (if applicable): Metlifecare Limited

Local Board: Waitematā

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

SUBMISSION ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To:	Auckland Council Contributions Policy team Freepost Number 182382 Private Bag 92300 Victoria Street West Auckland 1142
Name of Submitter:	Metlifecare Limited
Address:	C/- MinterEllisonRuddWatts PO Box 105 249 Auckland City, 1143 [redacted]

Submission on Auckland Council's Draft Development Contributions Policy 2025

1. Introduction

1.1 This submission provides feedback on Auckland Council's (**Council**) Draft Development Contributions Policy 2025 (**Draft Policy**) by Metlifecare Limited (**Metlifecare**) and Metlifecare Retirement Village Limited (**MRVL**).

1.2 Metlifecare and MRVL appreciate the opportunity to provide feedback on the Draft Policy.

1.3 Metlifecare was established in 1984 and is a leading owner and operator of retirement villages across New Zealand. Metlifecare continues to grow its portfolio of 42 retirement villages across the country. In the Auckland Region alone, Metlifecare owns and operates 23 retirement villages and Auckland continues to be an area of high demand for retirement living facilities.

1.4 Metlifecare's retirement villages provide vibrant and fulfilling lifestyles and outstanding care to almost 7,000 New Zealanders. Enabling older persons to move to a retirement village also supports both the housing market (by returning larger homes to the market) and efficient use of infrastructure (as persons living in retirement villages have a lower demand on infrastructure).

1.5 To help meet the demand for additional retirement villages in Auckland, MRVL owns land in Pukekohe and Whenuapai for new retirement village developments:

(a) Pukekohe Retirement Village will provide for approximately 260 residents in 166 independent living villas and a premium homestead-model care home with 44 beds. Resource consent was obtained in 2023 and construction is to commence in 2026, and opening expected in 2028.

(b) Whenuapai Village will provide approximately 142 independent villas and apartments and a 48-bed premium care home. Resource consent is still required for this project, and it is anticipated that the village will be completed in 2030.

1.6 In this submission, Metlifecare and MRVL:

(a) oppose the introduction of a new requirement for development contributions to pay for infrastructure over a 30-year timeframe in Auckland's Investment Priority Areas (**IPAs**), including for the Inner Northwest (which applies to Whenuapai Village);

(b) support the separate development types for retirement units and aged care rooms, while seeking an amendment to the units of demand for aged care rooms to better reflect actual demand;

(c) seek amendments to the Draft Policy to encourage on-site sustainability investments that will reduce the demand for new infrastructure or infrastructure of increased capacity; and

(d) that increases in development contributions are to be transitioned over a period to avoid material adverse impacts on project feasibility.

1.7 We expand on these points below.

1.8 Metlifecare is also a member of the Retirement Villages Association of New Zealand (**RVA**). Metlifecare has reviewed a draft copy of the submission on the Draft Policy prepared by the RVA and supports the matters addressed in that submission.

2. Requiring development contributions paid for the next 30 years in the Auckland IPAs is contrary to the purposes and principles of the Local Government Act and creates uncertainty and inequity

2.1 In the Draft Policy, Council have adopted a new policy direction, shifting from requiring contributions to fund projects approved in the LTP over a period of 10 years and expanding this by forecasting capital expenditure over a 30-year horizon in the Auckland IPAs to charge for projects beyond those approved in the LTP. The Auckland IPAs include:

(a) the Inner Northwest (at Red Hills, Westgate and Whenuapai); and

(b) the Auckland Housing Programme (**AHP**) areas of Tāmaki, Māngere and Mt Roskill.

2.2 Under the Local Government Act 2002 (**LGA**), development contributions recovered by territorial authorities must represent a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.[1]

2.3 The principles for preparing a policy or requiring development contributions include:[2]

(a) development contributions should only be required if the effects or cumulative effects of development will create a requirement to provide new or additional assets or assets of increased capacity;

(b) that over-recovery of costs allocated to funding is to be avoided;

(c) contributions should be determined according to, and be proportional to, the persons who will benefit from the assets provided as well as those who create the need for those assets;

(d) development contributions must be used for or towards the purpose of the activity or group of activities that they were required;

(e) territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why; and

(f) contributions should be predictable and consistent with the methodology and schedules of the territorial authorities policy.

---

[1] Section 197AA Local Government Act 2002.

[2] Section 197AB(a)-(f) Local Government Act 2002.

2.4 Metlifecare and MRVL consider that this new policy approach will be contrary to the purposes and principles of the LGA and will lead to inflated development contribution charges, uncertainty and inequity.

2.5 Projects to be financed beyond the LTP timeframe have not undergone public consultation, feasibility studies, technical assessments or in-depth planning. There is no confidence or guarantee that those projects will be technically feasible, approved, fully financed and ultimately delivered. This means there are no checks and balances for those projects and no information around their full scope, technical constraints, cost and budgeting, or certainty of delivery.

2.6 It is difficult to see the direct causal nexus between a development to be undertaken in 2025 and a capital project that is not going to be delivered until 2045 (or later).[3] In the Inner Northwest, the average development contribution per HUE is increasing from $25,167 to $98,000, nearly 4x the current cost.[4] This is a sharp increase on contributions specified in the 2022 – Variation A Development Contribution Policy (**Current Policy**). Approximately $27,000 of the increased contribution is for development proposed within the Long-Term Plan period of 2024-2034, but $71,000 is proposed for investments beyond that period.[5]

2.7 Transport projects in the Inner Northwest funding area include lane upgrades, new roads and intersections which will not be delivered until 2054.[6] The Whenuapai Library and Community Centre is also not expected to be delivered until 2040. The methodology used to arrive at the estimated costs for these projects consist of adding the base cost, contingency, other cost allowances and escalation expected to reflect the expected price at the time of delivery.

2.8 Based on the information available, it appears that a significant part of the costs for projects beyond 10 years is for contingency and escalation costs that arise from projecting development costs over a longer time period.

2.9 Developers are therefore facing a significant increase in development contribution charges, largely based on the delay to provide the infrastructure, and without receiving any benefits from the infrastructure until (or if) it is delivered.

2.10 Introducing development contributions for projects forecasted over a 30-year horizon is contrary to the proportionality principle. As an example, if redevelopment of a 2025 new build is required in 50 years' time, developers will be charged contributions for infrastructure that will not be delivered until more than halfway through the lifespan of the building. This is unfair and inequitable, as the developers who bear the cost of contributions will not benefit from this investment in the short-medium term, and contributions will outweigh any eventual benefit received.

2.11 It is noted that any development contributions not attributed towards the capital expenditure of infrastructure projects specified in the Draft Policy must be refunded. However, with contributions required over a 30-year period, it will become increasingly difficult to track where funding is appropriated or identify when a refund is due, exacerbating the lack of transparency and unfairness for developers, and the Council's compliance with the LGA.

2.12 It is appreciated that Auckland City requires significant investment in infrastructure to support growth. However, projections of capital projects over a 30-year period is uncertain and unreliable. If infrastructure is considered necessary to service growth over a period longer than 10 years, then the LTP should provide for those projects over a consistent and appropriate time frame.

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3 *Neil Construction Limited v North Shore City Council* [2008] NZRMA 275, at [120].

4 Auckland Council Contributions Policy 2025 Consultation Document (September 2024) page 5.

5 Ibid, page 5.

6 For example, projects include: Brigham Creek Road -Tamatea Ave to Kauri Road; Key Collector Rd Network through Whenuapai North: Totara Rd and Kauri Rd; Northside Drive West from Fred Taylor Dr to Stream and Intersection upgrade on Trig Road/ Brigham Creek Rd.

2.13 Providing for all capital projects for which development contributions are to be levied in the LTP would ensure that the Council's development contribution policy will comply with the purpose and principles of development contributions in the LGA.

2.14 Metlifecare and MRVL seek that the 30-year policy be rejected and the Draft Policy be amended to remove all projects that are not within the LTP.

3. The separate development types for retirement units and aged care rooms are supported, but the units of demand for aged care rooms needs amendment to better reflect actual demand

3.1 Retirement villages are a unique type of built development and have characteristics that distinguish them from other residential development. Retirement villages generally contain a mix of residential units and aged care rooms to ensure the continuity of care as residents can no longer live independently without assistance.

3.2 Retirement villages typically have lower occupancy rates, provide their own recreational and community facilities, and generate significantly less vehicle traffic (outside of peak commuter times) compared to other residential typologies.

3.3 Units of demand must be attributed to particular types of development on a *consistent and equitable basis* to meet the requirements of Schedule 13(2) of the LGA. A comprehensive review of the units of demand has not been undertaken since 2009.

3.4 In the Draft Policy, community infrastructure, transport, and stormwater costs are all recoverable through development contributions for both 'aged care room' and 'retirement unit' development types. The separate identification of these development types is supported.

3.5 However, the units of demand for an aged care room is 0.1 HUE per room for community infrastructure and 0.2 HUE per room for transport; and the unit of demand for a retirement unit is 0.3 HUE for transport. These units of demand do not reflect the demand that these residents have on community or transport infrastructure.

3.6 In terms of community infrastructure, a unit of demand of 0.1 HUE would suggest that a resident in an aged care room would have 10% of the demand on community infrastructure compared to a family living in a medium sized detached house (of 100-249m^2).

3.7 Residents that move into in aged care rooms require varying levels of service from rest home through to hospital level care. The care homes also come with their own communal facilities such as a café or outdoor garden areas where aged care residents can socialise with their families or visitors. It is uncommon for aged residents to travel outside of the village with their visitors.

3.8 The transport unit of demand for an aged care room is 0.2 HUE and retirement unit 0.3 HUE. This would suggest that a resident in an aged care room would have 20% of the demand on transport infrastructure compared to a family living in a medium sized detached house (of 100-249m^2), and each retirement unit 30% demand on the transport network. As above, this does not reflect actual demand on transport infrastructure.

3.9 Reductions in the units of demand for community facilities and transport are supported by the economic report prepared by m.e consulting on behalf of the RVA and submitted with the RVA submission.

3.10 Metlifecare and MRVL seek that:

(a) the separate development types for retirement units and aged care rooms are retained;

(b) the units of demand for aged care rooms be amended to provide for Community infrastructure at 0.0 HUE per room (reduced from 0.1 HUE per room) and for Transport at 0.1 HUE per room (reduced from 0.2 HUE per room); and

(c) the units of demand for retirement units be amended to provide for Transport at 0.15 HUE per room (reduced from 0.3 HUE per room).

4. The Draft Policy should encourage on-site sustainability investments that will reduce the demand for new infrastructure or infrastructure of increased capacity

4.1 Metlifecare and MRVL engages with industry stakeholders, including the New Zealand Green Building Council (**NZGBC**) and the Energy Efficiency and Conservation Authority to support climate initiatives and outcomes. Metlifecare recently opened the Weiti Care building at the Gulf Rise Village in Auckland's Red Beach which is the first care home in New Zealand to be certified as 6 Green Star by NZGBC. A further five care homes under development are also on track to be awarded 6 Green Star certification.

4.2 Investment in sustainable design, including rainwater catchment and reuse, that reduces the demand for new infrastructure or infrastructure of increased capacity should be supported and recognised in the Draft Policy.

4.3 As an example, despite the Pukekohe Village being outside an IPA, the proposed increase in stormwater development contributions is estimated to increase from $62,258 to $536,550 (based on an ISA of 50% of the site area). An increase of nearly 9 times.

4.4 It would be better to encourage developers to invest in sustainable infrastructure on their sites which reduces the need for public infrastructure. Currently, the Draft Policy does not clearly provide for any adjustment for the change in demand due to on-site sustainability investment. This should be clearly encouraged in the policy, and when provided, taken into account in the development contributions payable.

4.5 Metlifecare and MRVL seek that:

(a) the Draft Policy be amended to encourage developers to incorporate sustainable infrastructure in a development to reduce the demand for new infrastructure or infrastructure of increased capacity; and

(b) provide that any on-site investment in sustainable infrastructure that reduces the demand below the applicable unit of demand in the policy, will be accounted for in the assessment of development contributions payable.

5. Increases in development contributions must be transitioned over a period to avoid material adverse impacts on project feasibility

5.1 Before a new retirement village development or extension to an existing village can proceed the commercial feasibility of the development must be assessed and approved. The time between the purchase of the land, obtaining resource consent, and undertaking construction can span several years.

5.2 MRVL's feasibility assessment for the Pukekohe and Whenuapai villages took into account the Current Policy, and did not anticipate the substantial increase in development contributions now proposed under the Draft Policy.

5.3 To provide some context of the increases proposed:

Pukekohe Retirement Village (outside of an IPA)	**Current Policy**	**Draft Policy**
Stormwater	$62,586	$536,550 (an increase of 8.6 times)
Transport	$400,358	$1,006,642 (an increase of 2.5 times)

Whenuapai Retirement Village (Inner Northwest IPA)	**Current Policy**	**Draft Policy**
Transport	$480,760	$2,661,098 (an increase of 5.5 times)
Community Infrastructure	$59,810	$286,140 (an increase of 4.8 times)

5.4 It is noted that the Community Infrastructure charge for Whenuapai is to contribute towards the construction of an aquatic centre, library and community centre – all facilities planned to be located within the Whenuapai retirement village.

5.5 This significant increase in costs places a heavy and unexpected financial burden on developers and may have the undesired effect of delaying or discouraging development to occur. The risk of this is high in the current market and will not support the urgent need to supply affordable housing.

5.6 Any increase in development contributions must be clearly signalled well in advance and be introduced over a transition period to enable increases to be taken into account in development feasibility.

5.7 Metlifecare and MRVL seek that the Draft Policy be reviewed to ensure increases in development contributions are reasonable and phased in over a 5 year period.

6. Summary of relief sought

6.1 Metlifecare and MRVL seek that:

(a) the 30 year policy be rejected and the Draft Policy be amended to remove all projects that are not within the LTP;

(b) the separate development types for retirement units and aged care rooms are retained;

(c) the units of demand for aged care rooms be amended to provide for Community infrastructure at 0.0 HUE per room (reduced from 0.1 HUE per room) and for Transport at 0.1 HUE per room (reduced from 0.2 HUE per room);

(d) the Draft Policy be amended to encourage developers to incorporate sustainable infrastructure in a development to reduce the demand for new infrastructure or infrastructure of increased capacity;

(e) any on-site investment in sustainable infrastructure that reduces the demand below the applicable unit of demand in the policy, will be accounted for in the assessment of development contributions payable; and

(f) any increases in development contributions are reasonable and phased in over a 5 year period.

6.2 Metlifecare and MRVL appreciate the Council's careful consideration of the matters raised in this submission.

Dated this 15th day of November 2024

Counsel for **Metlifecare Limited and Metlifecare Retirement Village Limited**

Development Contributions Policy Review

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Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): KÄ inga Ora â€“ Homes and Communities

Local Board: Waitematā

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

15 November 2024

Auckland Council Contributions Policy Team
Private Bag 92300
Victoria Street West
Auckland 1142

KĀINGA ORA – HOMES AND COMMUNITIES FEEDBACK ON AUCKLAND DEVELOPMENT CONTRIBUTIONS POLICY 2025

Submission emailed via contributions.policyteam@aucklandcouncil.govt.nz

Introduction

1. Kāinga Ora - Homes and Communities ("**Kāinga Ora**") at the address of service set out below provides the following feedback on the Consultation Auckland Development Contributions Policy 2025 ("**DC Policy**").

2. The timely availability of network and social infrastructure capacity is critical for the required housing supply increases across the Auckland Region. Kāinga Ora is one of the largest housing suppliers in the region and changes to the DC Policy may have significant impacts on enabling social, affordable and market housing. This feedback on the DC Policy demonstrates the commitment of Kāinga Ora to working with local government to achieve thriving urban environments for all Aucklanders.

3. Kāinga Ora recognises that the DC Policy sets out charges for developers under the Local Government Act 2002 ("**LGA**") and aims to ensure the cost of infrastructure is fairly shared between developers and ratepayers. The DC Policy proposal adjusts for decisions made through the adopted Long-Term Plan 2024-2034 ("**LTP**"); Future Development Strategy ("**FDS**") and 30-year Infrastructure Strategy, and is based on a 30-year investment programme and growth forecast.

4. The feedback is targeted to those areas of the DC Policy that are of most relevance to Kāinga Ora, particularly in ensuring that the DC Policy could achieve equitable outcomes, i.e. cost of infrastructure is fairly shared in a manner that would avoid anomalies in the allocation of cost between funders.

Background to Kāinga Ora and its interests

5. Kāinga Ora was formed in 2019 as a statutory entity established under the Kāinga Ora Home and Community Act ("**the KOHC Act**"). Under the Crown Entity Act 2004, Kāinga Ora is a Crown Entity and is required to give effect to Government policies. Kāinga Ora has two key roles:

   a. being a world class social housing landlord; and
   b. leading and co-ordinating urban development projects.

6. The focus of Kāinga Ora as a social housing landlord is to provide social housing that matches the requirements of those most in need. As set out in Section 12 of the KOHC Act, the objectives of Kāinga Ora are to contribute to sustainable, inclusive, and thriving communities that:

   a. Provide people with good quality, affordable housing choices that meet diverse needs; and

   b. Support good access to jobs, amenities and services; and

   c. Otherwise sustain or enhance the overall economic, social, environmental and cultural well-being of current and future generations.

7. In addition, Kāinga Ora plays a greater role in urban development throughout New Zealand. The statutory functions of Kāinga Ora in relation to urban development extend beyond the development of housing in some instances, and include the provision of infrastructure, especially the Large-Scale Projects ("**LSPs**") in the Auckland Housing Programme ("**AHP**") (Mt Roskill, Mangere and Tāmaki), supported by the Central Government's Housing Acceleration Fund ("**HAF**"). The fund was established to increase the pace, scale, diversity and affordability of new housing supply for buyers and renters.

8. In September 2022, the Crown and Council signed a Memorandum of Understanding ("**MOU**") setting out how they would work together through their respective delivery

agents to deliver infrastructure in the LSPs (for the purposes of the MOU, Kāinga Ora is the Crown's delivery agent). Kāinga Ora currently has a number of active neighbourhoods within the LSP/AHP areas which are:

- Aurore, Māngere East and Te Ararata (Māngere West) A) in Māngere LSP;
- Waikowhai and Wesley West in Roskill LSP; and
- Glen Innes North West and Point England/ Panmure North in Tāmaki LSP.

9. In support of these active neighbourhoods, Council and Kāinga Ora are working together to plan and deliver the required infrastructure over the next 10 years. Kāinga Ora is leading the delivery and funding of neighbourhood level infrastructure, which would not only support Kāinga Ora housing supply increases, but would also provide broader community benefits through improving existing infrastructure provision. This neighbourhood level infrastructure supplements Council's 10-year investment programme in the LSP/AHP areas of Tāmaki, Māngere and Roskill.

10. In providing feedback on the DC Policy, Kāinga Ora has an interest in working with local authorities to ensure that while the necessary infrastructure is being provided to support the LSPs and wider communities, Kāinga Ora is not being "double charged" in paying both development contributions ("**DCs**") as well as funding infrastructure through the HAF and/or development mitigation requirements under the Resource Management Act ("**RMA**").

Landholdings of Kāinga Ora in Auckland

11. In Auckland, the housing portfolio (excluding community group and transitional housing) managed by Kāinga Ora comprises approximately 31,400[1] properties (being nearly half, of the national portfolio (at 46%). Auckland is a key area for Kāinga Ora, where it provides efficient and effective social, affordable, and market housing that is aligned with current and future residential demand and located within well-functioning and thriving communities.

12. In general terms, housing supply issues have made housing less affordable and as such there is an increased demand for social housing. This is particularly so within the Auckland region, where the public Housing Register has increased by nearly 39.6% – with 5,256 household applications in September 2019 to 7,338 household applications

[1] Managed stock by Territorial Local Authority as at 31 March 2024.
Managed-Stock-TLA-March-2024.pdf (kaingaora.govt.nz)

in September 2024. The housing register shows growing demand for both smaller and larger homes, which the existing Kāinga Ora portfolio in Auckland does not currently meet.

Scope of Feedback

13. The purpose in providing this feedback is to:

    a. Support:

        i. The principle that all developers should pay a fair share towards the cost of the infrastructure to support growth in their areas.

        ii. The delivery of infrastructure in investment priority areas ("IPAs"), which include the AHP, and in taking a longer-term view (30 years) of the infrastructure needed for growth; and

        iii. The investigation of other financing and funding tools, alongside DCs, to fund the growth share of the cost of infrastructure investment.

    b. Seek:

        i. Equitable solutions to avoid anomalies in the allocation of cost between funders;

        ii. Clarification that the forecast yield matches the infrastructure sizing;

        iii. Clarification on the delivery of the proposed programme;

        iv. Alignment of DC programme with current policy settings of the Crown and Council;

        v. Differentiation between cost of growth and improvement in Level of Service ("**LOS**") and certainty in their funding sources; and

        vi. Phasing/timing of DCs increase.

Summary of Feedback

14. The following sections of the feedback are grouped into topics that relate to outcomes sought by Kāinga Ora in specific aspects of the DC Policy.

Equitable solutions to avoid anomalies in the allocation of cost between funders

- ***General***

15. It is not evident from the consultation document that the allocation of cost between causers and beneficiaries had been independently reviewed. In particular, Kāinga Ora review of the consultation document and its supplementary information has identified some anomalies in the allocation. For example, Tāmaki stormwater network programmes do not appear to have accounted for non-growth causes such as climate change and resilience benefits to the existing community of a new reticulated network. Kāinga Ora therefore believes that an independent review should provide confidence direct to the Council, infrastructure providers, developers and public that it is within the legislation and that assumptions are reasonable and equitable as far as possible. Kāinga Ora believes that this needs to be done before the financial forecasts noted in paragraph 22 below could be confirmed.

16. There are two instances where Kāinga Ora directly funds infrastructure to support growth but at the same time are either being required to pay DCs and/or the infrastructure funded by Kāinga Ora is also identified in the DCs programme. Kāinga Ora believes this would cause anomalies in the allocation of cost between Kāinga Ora and other payers of DCs. This "overlapping" / duplication of funding sources is inappropriate. Kāinga Ora therefore seeks that the projects directly funded by Kāinga Ora are removed from the programme of works identified to be funded by DCs in part or in full. In particular:

- ***LSP areas***

17. The DCs programme includes projects Kāinga Ora are currently building or planning to build and fund via its Neighbourhood programme of works[2]. This may result in DCs being collected for projects which are not likely to be funded by Council, which is inconsistent with the LGA. Kāinga Ora suggests that infrastructure planned to be funded by Kāinga

[2] As set out in the Attachment to the Consultation Document – "AHP_Transport_Capex_Redacted_Model_Consultation".

Ora in the active neighbourhoods identified in paragraph 8 should be removed from the programme, in order to reduce Council's overall programme cost and DCs in LSP areas. Appendix A of this feedback letter sets out a non-exhaustive list of projects within the active neighbourhoods that are likely to overlap with work Kāinga Ora is currently delivering or has planned under active business cases within the next decade. Kāinga Ora wishes to continue working with Council ahead of adoption of the DC policy on the specific details for other areas, such as stormwater, where information is not yet available.

18. Council's proposed DC policy broadly averages local neighbourhood level investments across each precinct. Where Kāinga Ora is providing neighbourhood level infrastructure in its active neighbourhoods (refer paragraph 17 above), these neighbourhoods should not be subsidising other neighbourhoods as there is a material difference in the level of comparable infrastructure being provided by Council. Kāinga Ora therefore seeks resolution of this subsidisation through refinement of funding areas, recognising the current level of Crown investment in active neighbourhoods.

- ***RMA related effects requirements***

19. In another instance, as part of mitigation of effects requirements through the RMA process, Kāinga Ora is required to fund and provide infrastructure before it is proposed by Council as a result of a development. Council's current position is that if developers are required to deliver infrastructure earlier than planned, for example, though conditions of consent as part of the effects requirements, they still have to pay a DCs with no credit to them for the infrastructure built.

20. Kāinga Ora seeks an equitable solution to the above. This includes the exploration of a rebate mechanism and the reduction in the DCs payable, where applicable, in order to direct and facilitate growth in areas targeted for infrastructure improvement and currently zoned for intensification, in accordance with Council's strategic documents.

Clarification that the forecast yield matches the infrastructure sizing

21. Council has used its population forecast to predict the future growth for each precinct. Kāinga Ora seeks clarification as to whether the Council has used the maximum probable development when sizing the infrastructure programme. This would potentially

mean forecast growth is providing capacity for growth happening beyond the 30-year period (most probable for the stormwater programme). In setting the DC per household equivalent unit ("**HUE**"), Kāinga Ora proposes that the council should use the same growth numbers in establishing the programme and dividing the cost of that programme by growth population. This analysis should be reviewed as part of the independent review requested earlier in this feedback letter, as a misalignment could make a material difference to the per HUE charge.

Clarification on the delivery of the proposed programme

22. It is not evident from the consultation document whether Council has modelled the affordability of the proposed programme in decades 2 and 3 (i.e. beyond the LTP investment programme for the first 10 years, which has gone through rigorous Council debate and public consultation on priorities and affordability). Kāinga Ora believes full financial forecasts should be prepared by Council and these should be independently reviewed like an LTP. Moreover, there should also be certainty that the projects proposed in decades 2 and 3 are approved for and will be delivered by the Council. Kāinga Ora therefore seeks confirmation that these projects are deliverable in decades 2 and 3.

Alignment of DC programme with Crown and Council policy settings

23. Kāinga Ora notes that there is a significant portion of DCs in the transport programme allocated to traffic calming measures such as speed tables. For example, according to the Attachment – "AHP_Transport_Capex_Redacted_Model_Consultation" in the consultation document, approximately $78 million has been allocated to speed tables in Tāmaki and $87 million applies to Mt Roskill (this represents approximately 70% of neighbourhood level transport investment). Firstly, Kāinga Ora notes that the installation of traffic calming measures is not encouraged by the Government[3]. In addition, Auckland Transport ("AT") has issued a Practice Note on the use of raised devices on the AT network in June 2024 which states that raised devices may not be used on certain types of roads[4]. Therefore, Kāinga Ora requests Council to review and verify its transport programme to ensure consistency with policy objectives of both the Crown and Council.

[3] P31 of Government Policy Statement on land transport 2024
[4] Section 3 of AT's Practice Note on the Use of Raised Devices on the AT Network, Edition 2, June 2024

Differentiation between cost of growth and improvement in LOS and certainty in their funding sources

24. Through its current experience working together with Council in LSPs neighbourhoods in Tāmaki, Māngere and Roskill, Kāinga Ora has been funding transport interventions and other items such as streetlighting and tree planting to achieve broader community outcomes.

25. Whilst Kāinga Ora strongly believes that DCs should only apply to projects that are a cost of growth rather than to improve the LOS for a community, what elements should be funded by Council or developers should be openly discussed and consulted on. Kāinga Ora therefore recommends Council to publish and seek public feedback on a funding strategy for growth and regeneration work programmes in brownfields, which would inform the community on what was expected to be delivered and whether they would be funded by DCs or rates or other sources.

Phasing/timing of Development Contributions Increase

26. Kāinga Ora believes that charging DCs is important to enable growth occurring in the appropriate location and timing as per the FDS and Infrastructure Strategy. However, a higher DCs increase in the LSP areas (e.g. from $20k to $52k in Mt Roskill), compared with adjoining parts of Auckland whether there may or may not be infrastructure planned or available, e.g. Otahuhu and Papatoetoe which have a lower DCs, poses significant risk that development yields in the targeted intensification areas will be reduced as developers shift focus to other parts of Auckland with lower DCs.

27. Based on the above, Council should consider and balance the risk of reduced development yields in targeted areas in assessing the phasing in of its revised DCs and future 30-year period infrastructure investment planning. Kāinga Ora seeks DC policy updates that could provide confidence that development in targeted intensification areas would be more efficient due to certainty of infrastructure provision.

28. Whist Kāinga Ora supports the DCs policy to become effective in order to fund the required infrastructure to support growth, the increased DC charges would result in marginally viable projects not being able to proceed, subsequently impacting housing yield. It is recommended that Council should undertake more analysis around the immediate term impact of introducing the significant increase in DCs on housing yield

and whether there should be an option to stage the implementation to manage housing yield and house prices in a shorter time frame, e.g. 1 – 3 years.

Conclusion

29. Kāinga Ora recognises that the DC Policy supports the direction for growth and development within Auckland over the next 30 years.

30. Those areas of most interest to Kāinga Ora have been specifically identified and elaborated on within our feedback. These include seeking equitable solutions to avoid anomalies in the allocation of cost between funders; alignment of DC programme with current policy settings; clarification of forecast yields and delivery the proposed programme; differentiation between cost of growth and improvement in LOS; as well as phasing/timing of the DCs increase.

31. As a delivery partner and social housing landlord, Kāinga Ora welcomes the opportunity to work closely with Council to determine the most appropriate funding policy settings that would best support successful growth management in the Region.

Deputy Chief Executive – Auckland and Northland
Kāinga Ora – Homes and Communities

ADDRESS FOR SERVICE: *Kāinga Ora – Homes and Communities, PO Box 74598, Greenlane, Auckland 1051. Email: developmentplanning@kaingaora.govt.nz*

Appendix A

All or part of the projects in the active neighbourhoods set out below are likely to overlap with work Kāinga Ora is currently delivering or has planned under active business cases within the next decade.

Precinct	Council Project Number	Council Project name	Council Project Description	Council Project Cost $s
Mangere	Mangere_FU	**Footpath upgrades - Mangere**	Footpath upgrades	228,677,328
	Mangere_LS10.1	**Aorere**	Intersection upgrades	1,946,461
	Mangere_LS10.2	**Aorere**	Speed threshold and signage	302,431
	Mangere_LS10.3	**Aorere**	Chicanes	1,260,131
	Mangere_LS10.4	**Aorere**	Crossings	254,572
	Mangere_LS8.1	**Mangere East**	Speed threshold and signage	445,523
	Mangere_LS8.2	**Mangere East**	Chicanes	1,960,302
	Mangere_LS8.3	**Mangere East**	Crossings	1,500,078
Mount_Roskill	Mount_Roskill_FU	**Footpath upgrades - Mt Roskill**	Footpath upgrades	147,915,444
	Mount_Roskill_LS10.1	**Waikowhai**	Intersection upgrades	1,946,461
	Mount_Roskill_LS10.2	**Waikowhai**	Speed tables	8,568,890
	Mount_Roskill_LS10.3	**Waikowhai**	Speed threshold and signage	181,459
	Mount_Roskill_LS9.1	**Wesley Malcolm and Roma**	Intersection upgrades	1,146,963
	Mount_Roskill_LS9.2	**Wesley Malcolm and Roma**	Speed tables	17,692,125

	Mount_Roskill_LS9.3	**Wesley Malcolm and Roma**	Speed threshold and signage	267,314
Tamaki	Tamaki_FU	**Footpath upgrades - Tamaki**	Footpath upgrades	14,210,663
	Tamaki_LS1.1	**Point England and Panmure North**	Intersection upgrade	8,759,075
	Tamaki_LS1.2	**Point England and Panmure North**	Speed tables	18,649,937
	Tamaki_LS1.3	**Point England and Panmure North**	Speed threshold and signage	554,458
	Tamaki_LS1.4	**Point England and Panmure North**	Crossings	763,716
	Tamaki_LS2.1	**Glen Innes Northwest**	Intersection upgrade	1,946,461
	Tamaki_LS2.2	**Glen Innes Northwest**	Speed tables	22,178,303
	Tamaki_LS2.3	**Glen Innes Northwest**	Speed threshold and signage	302,431
	Tamaki_LS2.4	**Glen Innes Northwest**	Crossings	763,716
	Tamaki_LS3.1	**Glen Innes Northwest 2**	Speed tables	3,528,366
	Tamaki_LS3.2	**Glen Innes Northwest 3**	Speed threshold and signage	100,810
Grand Total				**485,823,418**

Development Contributions Policy Review

#107

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Tamaki Regeneration

Local Board: Maungakiekie-Tāmaki

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

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3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

15 November 2024

Auckland Council Development Contribution Policy 2025:
Tāmaki Regeneration Company Submission

Executive Summary

Background and context

1. Tāmaki Regeneration Company (TRC) plays a crucial role in Auckland's housing strategy, leading the regeneration of the Tāmaki area to deliver up to 10,500 new homes over the next decade. Located just 12 minutes from Auckland's CBD, this brownfields redevelopment is critical to addressing the city's urgent housing needs, particularly for affordable and key worker housing without sprawling further into Auckland's rural fringe. The Tāmaki precinct is delivering on a significant proportion of Auckland's overall growth as other areas will not naturally intensify to accommodate this.

2. With over 1,500 homes delivered to date, 513 more under contract this year, a further 451 resource consents lodged, and plans to complete 742 homes in the next four years, TRC contributes significantly to Auckland's long-term housing supply objectives and will help to comprehensively develop to Tāmaki Precinct as it prepares to grow to a population of 60,000 by 2043.

3. The key point of difference for TRC from any other developer of scale in Auckland is the provision of affordable housing (both rented and owned) that delivers critical key worker housing to service the city over the coming decades. The TRC shared home ownership programme has delivered over 100 new homes to date for first home buyers (20% of which are former state housing tenants and 80% Māori and Pasifika).

4. The financial viability of the entire regeneration programme, and particularly the shared home ownership programme is threatened by the proposed increases in Development Contributions (DCs). The additional cost cannot be absorbed by TRC as the developer, as this will impact our ability to recycle funds through the programme to further enable additional whānau into home ownership. It therefore ends up being passed onto the whānau which will impact their ability the number of whānau that will be mortgage ready.

Impact of the DC Policy

5. The proposed DC levy for Tāmaki is set to increase from $32,000 to $119,000 per dwelling—representing a 300% rise within just four months. This dramatic increase will make Tāmaki one of the most expensive areas to build in Auckland, undermining TRC's ability to deliver critical infrastructure and housing at scale. The financial impact is even more pronounced when taking into account escalation of DCs over time. At a 5% per annum rate of escalation, this means that the DC contribution would by $180,000 in 10-years' time, or 25% of the value of a two-bedroom home at today's prices.

6. The higher costs will limit the regeneration's pace, inflate housing prices, distort the market, and discourage the delivery of higher density housing, ultimately impacting the supply of affordable

homes. Furthermore, TRC's projects, many of which are focused on providing first home ownership for Māori and Pasifika whānau, would become financially unfeasible, impacting both the community and wider city objectives for housing equity and growth.

7. In isolating the DC levy increase to just the Tāmaki Precinct, the Council is also inadvertently creating a 'halo effect' whereby developers just outside of the area (such as Mount Wellington, Stonefields and the Eastern Suburbs) will enjoy the benefits of infrastructure paid for by DCs collected within Tāmaki without the significant proposed development contribution cost of the Tamaki precinct.

8. Overall, TRC considers the likely consequence of the proposed DC levy for Tāmaki is to significantly impact the overall rate of development in the Tāmaki precinct, from both TRC and private developers, resulting in a reduction in housing supply and incentivising the delivery of higher-end market housing over more affordable and public housing.

Recommendations

9. TRC's recommendations to the Council are based on a number of key principles that are consistent with the principles of the legislation that convers DCs and how these should be applied.

I. Charge DC costs when you have certainty over the cost base:

- There is a high degree of certainty over projects to be delivered in the first 10 years. These have been through a robust planning process through the development of the LTP and therefore have greater certainty over costings and delivery.
- Projects beyond the LTP period are not well defined and have not had scrutiny placed over them through a formal decision-making process. There are therefore less certain so far in the future that it is impossible to have confidence in the costings.
- We therefore propose that the Council reduces the proposed DC contribution for Tāmaki from $119,000 to $40,000 aligned with the funding required to deliver infrastructure commitments outlined in the Long-Term Plan. This can subsequently be updated alongside each LTP review and adjusted accordingly.
- If this reduction in costs does not take place and the result is still a significant leap in DC contributions, we would propose a phased, three-year implementation of these levies to ease the financial burden and ensure continuity of the regeneration programme,
- DCs for Tāmaki be ringfenced specifically for local infrastructure delivery.

II. Charge all beneficiaries of the infrastructure the cost of the infrastructure:

- The proposed investment included in the DC policy will benefit more than first home buyers and public housing tenants that are living in the new homes. They will also benefit existing homeowners in Tāmaki, users of the infrastructure who live in the wider surrounding area such as those who use the train stations, libraries and travel through the area.
- In addition, the Tāmaki precinct is contributing disproportionately more than its share towards the overall growth required for Auckland which will help to ensure that not all

growth has to be in greenfield areas. The cost of this should therefore be shared by the city as a whole.

- We therefore propose that the costs should be spread across all beneficiaries, which may mean using mechanisms in addition to DCs such as rates, other Infrastructure Funding and Financing tools and working with central Government to get clarity on initiatives currently underway in relation to infrastructure funding.

III. Ensure that the projects included are to support growth and not already being delivered through other parties:

- It is important that DCs are used to fund infrastructure required to support growth, but not to rectify significant under investment in infrastructure over s number of years.
- We therefore recommend that all projects should be reconsidered and assessed based on whether they are delivering infrastructure required for growth, or whether they are investment in assets that should be carried out anyway, or relating to increase in levels of service.
- In addition, we have identified that there are some projects included in the policy that are already funded through Kainga Ora's large scale project funding. These are therefore being paid for twice under this policy and should be removed from the policy and the DC amount recalculated accordingly.

Introduction

10. TRC welcomes the opportunity to provide feedback on the DC policy. We acknowledge there is a need to fund infrastructure requirements to support growth and recognise the current infrastructure deficit in Tāmaki.

11. TRC is a place-based, housing-led regeneration organisation mandated by its shareholders, Crown and Council, to lead New Zealand's largest regeneration activity in Tāmaki (Glen Innes, Point England and Panmure). We were established in 2012 as a Schedule 4A company under the Public Finance Act 1989 and is 59% owned by the Crown and 41% owned by Council.

12. TRC is focused on three broad delivery areas to support the aspirations of Mana Whenua and community and to drive better outcomes for whānau.
    a. Delivering quality homes and neighbourhoods, with the intention of reaching a steady delivery of 350-500 houses per year and maintaining this pace until the end of the regeneration programme.
    b. Being an excellent community housing provider.
    c. Leveraging the redevelopment to enable greater social and economic outcomes (through shared home ownership, the Tāmaki Job and Skills Hub, and economic development activity).

13. The regeneration programme plans to redevelop approximately 2,550 social homes into a total of 10,500 new warm and dry social, shared home ownership, affordable rental, and market homes over the life of the programme.

14. To date, TRC has delivered over 1,500 homes, placed over 1,500 people into sustainable employment and enabled over 100 whānau to move along the housing continuum into homeownership. By the end of this financial year, we expect to have signed build contracts for 513 homes.

15. The Crown is investing a net cost of $540m into horizontal infrastructure (this figure excludes CCO and Council contributions), and $870m for vertical build over the next four years. This is in addition to the $300m already invested to 30 June 2023. The funding and delivery of Council infrastructure is critical to leverage the Crown's investment and ensure pace of delivery is supported by the council processes.

16. Over the next four years, TRC will build 742 new homes, submit resource consents for 1,673, and enable delivery of an additional 468 beyond FY28. The budgets for delivery of these targets, however, are finely balanced and based on paying existing DC levels.

17. TRC is at a critical moment in the Regeneration Programme with the opportunity to leverage the momentum that has been built over time to ramp up housing delivery to a steady rate of 350-500 new homes every year from FY28. The ability to deliver at this pace will be dependent on the availability and affordability of infrastructure.

18. As a brownfields development in the Auckland Isthmus, the Regeneration Programme is fundamental to unlocking the economic potential of Auckland. Located 12 minutes from the CBD by train and close to multiple areas of employment within Auckland, our build programme

encourages connection, innovation, and productivity.

19. This submission responds to Auckland Council Contributions Policy 2025 Consultation Document and other supporting materials. In providing this feedback, TRC acknowledges Council officers for their willingness to engage and provide clarity on the DC policy.

Delivering on Council Outcomes

20. Tāmaki is one of the areas in Auckland that is a priority for investment over the next ten years under the Auckland Future Development Strategy 2023-53 ("FDS").

21. TRC's approach to housing delivery aligns with the spatial outcomes outlined in the FDS by:
    a. Delivering a well-designed, low carbon and well-functioning urban environment.
    b. Increasing housing choices through housing redevelopment, including larger homes, accessible homes and homes for seniors.
    c. Addressing disparities and creating a resilient built and natural environment and communities.

22. Critically, TRC's programme is essential for achieving Direction 3 of the Auckland Plan to transform the housing system to "ensure secure and affordable homes for all." Through our shared home ownership product and affordable rental, we are providing pathways for people out of social housing, while maintaining their connection with Tāmaki.

23. TRC's activities also align with Council's outcomes by:
    a. Increasing density around key transport nodes and services.
    b. Improving community facilities and open spaces through initiatives such as land swaps.
    c. Supporting the local economy through the Tāmaki Jobs and Skills Hub and supporting town centres.
    d. Engaging with Mana Whenua and ensuring Mana Whenua footprint is visible in Tāmaki.
    e. Taking action on the climate and environment.

Development Contribution Policy 2025

24. The DC policy is based on investment planned for in the 10-year timeframe of the LTP, as well as uncertain and uncommitted investment over a further 20-year timeframe. In determining investment for each investment priority area ("IPA"), the Council claims to have considered the anticipated growth until each area is expected to be fully developed. In Tāmaki, full build-out assumes a total of 21,626 households and a population of 65,853 by 2060.

25. The DC policy proposes a large increase (282%) in DCs in Tāmaki, primarily on the basis of assumed stormwater infrastructure requirements with some $800m funding proposed over the next 30 years. This increase not only far exceeds the proposed level for any other brownfields development in Auckland but is a 238% increase of the Auckland overall average. This materially impacts not only our activity, but all private developers working in the area.

Changes to contributions pricing -all investments				
Area	**Current DC charge**	**Proposed DC price: Within LTP**	**Proposed DC price beyond LTP - additional IPAs**	**Total proposed price All investments**
Inner Northwest	$25,167	$27k ($27k to $34k)	$71k ($61k to $75k)	**$98k ($89k to $101k)**
Māngere	$18,123	$22k ($21k to $23k)	$7k	**$29k ($28k to $30k)**
Mt Roskill	$20,406	$32k ($25k to $59k)	$20k	**$52k ($46k to $80k)**
Tāmaki	$31,157	$40k	$79k	**$119k**
Auckland overall average	$21,000	$30k	$20k	$50k

26. The increases relative to each of the infrastructure types are provided in the table below. The primary increase relates to stormwater, particularly beyond 2034.

Changes to Tamaki contributions pricing				
Infrastructure type	**Current DC**	**Proposed DC: Investment within LTP period incl. regional and sub-regional DCs**	**Proposed DC: Investment beyond LTP period 2034 incl. regional and sub-regional DCs**	**Total proposed DC**
Transport	$10k	$18k	$12k	**$30k**
Reserves	$8k	$8k	$0k	**$8k**
Community spaces	$5k	$1k	$1k	**$2k**
Stormwater	$8k	$13k	$86k	**$79k**
Total price per HUE	**$31k**	$40k	$79k	**$119k**

27. Tāmaki's status as an existing residential area, or brownfield area, is especially relevant to the consideration of stormwater issues and any assumptions made in terms of future infrastructure needs. There is an existing baseline of residential development within the precinct and through the Regeneration Programme these houses are being replaced with new water-sensitive designed housing, including detention, retention and tree pit soakage designed to reduce network discharge impacts.

28. The stormwater upgrades intended to be funded through the DC Policy do not therefore appear to adequately account for the mitigation and uplift occurring through the regeneration programme.

Key Issues and Impacts

30-year timeframe

29. A key issue in the DC policy is the inclusion of an infrastructure funding model over a 30-year timeframe using DCs. This approach raises concerns around complexity, predictability, consistency, accuracy, and transparency of modelling future infrastructure costs over an extended period. Outside of the 10-year window, there is lack of certainty over the projects' need and their cost due to the very little level of planned detail.

30. There are also some concerns around the identification and approval of the list of projects outside the current 10-year period. The LTP process provides a robust process to identify, scope, cost and prioritise projects necessary to support growth with a clear consultation and decision-making process.

31. TRC is concerned the projects included post the LTP have not been subject to the same scrutiny, rigour, consultation or decision-making process as those in the current 10-year period through the LTP process. There is insufficient detail in the projects included in the outer years to accurately determine the growth component and beneficiaries of the projects. This is of great concern to us, particularly given the impact on the quantum of DC increase resulting from the inclusion of projects over this timeframe.

32. This approach requires upfront payments for future infrastructure spend. In the absence of a well-defined scope of works and accurate costs, there is the potential for overcharging for inflated costs, plus the risk and uncertainty over what infrastructure will be delivered and contributed to growth.

33. Examples of this include:
    a. The Glen Innes rail station upgrade in 2045 costed at $78m. The scope of the works is only generally described and the beneficiaries of the works skewed to a local rather than wider catchment
    b. The Tāmaki-Panmure library-community space in 2054 costed at $60m. As this project is due for completion within the next 30 years, there is potential for significant variance in scope and cost.
    c. The inclusion of $76m of transport funding for speed tables in Tāmaki, to be delivered in 2036. These projects have general scopes, costs and little analysis undertaken of the benefit of the works or alternatives to address local road safety.

34. There is opportunity to update the DC policy once projects are more defined, more accurately costed and the timing of the delivery of projects are more certain.

35. TRC recommends that the Council amend the proposed DC policy to set an operative 10-year horizon and endorse the second and third decade as indicative only. This will restrict the DC policy to the 10-year window and provide the opportunity for rolling review to be conducted alongside the LTP process to plan for, and include projects, and amend the policy as necessary.

Double counting

36. The Council's list of projects for Tāmaki includes infrastructure investment being funded and delivered from Crown infrastructure programmes through Kāinga Ora's Housing Acceleration Funding.

37. Kāinga Ora is working through the list to identify areas where there is overlap between projects funded through Kāinga Ora and those included in the DC calculation. We support the work that Kāinga Ora has been undertaking with Council to remove duplication of projects that the Crown is funding and delivering.

38. TRC notes that during the feedback period, Council officers suggested any project funded by the developer (e.g., Kāinga Ora or TRC) would be refunded. This, however, is likely to introduce more complexity into the process and is not the most efficient way to administer the policy.

39. TRC recommends that where projects are already funded through confirmed Kāinga Ora funding channels, those projects are removed from the DC calculation prior to the approval of the DC policy.

Costs of growth and beneficiaries

40. For Tāmaki, the proposed increase in DCs is more pronounced due to funding for stormwater infrastructure. Over the next 30 years $800m is proposed to be spent on pipe network upgrades and $78m on stormwater works. This is driving the large increase in DCs proposed.

41. While stormwater is a significant constraint in Tāmaki and significant investment is required, there needs to be a fair allocation of costs to those who directly benefit from the stormwater works recognising that significant stormwater attenuation is provided for in the Regeneration Programme.

42. In TRC's view, the policy as drafted does not ensure a proper balance between the provision/renewal requirements for the existing population and improvements needed to support future growth.

43. For example, areas in Tāmaki that rely on soakage have 100% of the benefit of works being attributed to growth. It is implausible the Council would undertake no stormwater works in this area over the next 30 years outside of growth, particularly when considering responses required to address natural hazards and climate change.

44. TRC considers that Council should revisit its approach to beneficiaries of upgrades in Tāmaki and adjust the apportionment of the cost of these upgrades, particularly in the case of stormwater, more fairly between growth and service level upgrade and reflect the service level benefits to existing landowners.

45. There are several infrastructure investments that are likely to benefit people outside of the Tāmaki area, but which are being funded solely or disproportionately through DCs. These include:
    a. The Glen Innes rail station upgrade in 2045 costed at $78m.
    b. The Tāmaki -Panmure library-community space in 2054 costed at $60m.

c. Roading projects providing improvements to collector roads and major intersections, including Pilkington Road, Point England Road, Elstree Avenue, West Tāmaki Road, Merton Road, Apirana Avenue, and roundabout intersection upgrades for Pilkington Road/Jellicoe Road.
d. Bus priority improvements for St Heliers Bay Road, Apirana Avenue, and Kohimarama Road.

46. These infrastructure projects have significant sub-regional benefits, and should be apportioned appropriately, not be attributed to growth. We also recommend that for these asset classes, there is a wider catchment of beneficiaries outside of the current Tāmaki boundary included.

Impact on density

47. TRC has made, and continues to make, strategic land acquisitions including project sites slated for apartment developments near transport interchanges. A fixed cost increase of the scale proposed by the DC Policy will require the feasibilities underpinning those acquisitions to be recalculated and potential divestment considered. This also applies to partnerships TRC is delivering for build to rent developments where a change in development contributions would result in diminution of value in the land and therefore the value of any social outcomes sought.

Other funding methods

48. There are other funding mechanisms available to Council to fund infrastructure costs. These include:
    a. Targeted rates – the Council already uses targeted rates for infrastructure upgrades (eg the Wāitakere Rural Sewerage Targeted Rates), this could be explored further for infrastructure that represent service level upgrades.
    b. Infrastructure Funding Agreements ("IFA") – IFAs and DC crediting for infrastructure delivered by developers should be accounted for in the DC Policy to understand how the refund of overpaid DCs will be provided for in situations where the Council's estimated cost to delivery differ from a developer's cost.
    c. Infrastructure Funding and Financing Act 2020 ("IFFA") – vesting orders and alternative revenue collection methods that spread the revenue collection over the capacity life of the infrastructure should be considered against DCs.

49. TRC suggests that these are considered in conjunction with DCs for future funding, particularly for infrastructure in later years.

50. The analysis to date to support the DC policy does not adequately consider the costs and benefits of alternative options for funding the Council's proposed future infrastructure.

51. TRC considers that targeted rates should be used to make up a fair portion of the infrastructure required to lift service levels across the city. This approach also ensures that non-resident users and benefactors of infrastructure upgrades in each area contribute a proportionate share.

52. To better recognise the capacity life of the infrastructure assets, TRC also considers that vesting orders under the IFFA could be used in areas like Tāmaki where there is a diverse and fragmented land ownership. We would welcome the opportunity to discuss the details of this

model and the structure of a special purpose vehicle to collect and deliver the levy-funded infrastructure to more equitably spread the burden of filling the infrastructure deficit.

Summary of Decisions Requested

53. TRC seeks the following changes to the Development Contribution Policy 2025 for the reasons detailed in this submission:
    a. That Auckland Council reduces the proposed DClevy for the Tāmaki area (outlined in Appendix 1) from $119,000 to $40,000 being the level of funding required to deliver the infrastructure committed under the LTP.

    b. If the Council retains its proposal for a higher DC levy, phase the implementation of the new DC levy over a three-year transitional period.

    c. That the Council amend the proposed DC policy to set an operative 10-year horizon and endorse the second and third decade as indicative only.

    d. That Council remove projects that are funded by the Crown, via Kainga Ora and are included within the DC policy.

    e. That the DCs levied within the Tāmaki Precinct be ringfenced for the delivery of growth-related infrastructure within the Tāmaki Precinct.

    f. That the Council seek advice on alternative funding mechanisms for raising infrastructure capital that delivers the same funding with a more evenly distributed cost for increases in existing service levels and also accounts for depreciation and replacement of existing infrastructure.

    g. The Council align future reviews of the DC policy with LTP consultations to ensure all funding leavers are considered collectively.

Conclusion

54. The DC policy is significant in the Auckland region. It is critical to have a robust DC policy to make informed long-term investment decisions and ensure fair distribution of fees amongst all ratepayers while not creating a further barrier to the development of affordable housing.

55. While TRC appreciates the Council's attempts to address infrastructure funding and future financing in Auckland, the Council should:

    a. Reduce the proposed DC levy for the Tāmaki area from $119,000 to $40,000 being the level of funding required to deliver the infrastructure committed under the LTP.
    b. Phase the implementation of the new development contributions levy rates over a three-year transitional period.
    c. Amend the proposed DC policy to set an operative 10-year horizon and endorse the second and third decade as indicative only.
    d. Remove the double counting of projects that are funded via the Crown but are included in the DC policy.

e. Ringfence DCs levied within the Tāmaki Precinct for the delivery of growth-related infrastructure within the Tāmaki Precinct.
f. Seek advice on alternative funding mechanisms for raising infrastructure capital that delivers the same with a more evenly distributed cost for increases in existing service levels and accounts for depreciation and replacement of existing infrastructure.
g. Align future reviews of the DC policy with LTP consultations to ensure all funding leavers are considered collectively.

56. We would like to continue working with the Council to ensure fairness and equity of DC charges for all. For any further queries, please contact Joanna Brain, GM Strategy and Masterplanning, via email: [redacted]

Appendix 1: Tamaki Regeneration Area

Development Contributions Policy Review

#108

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Submitter details:

Organisation (if applicable): Stride Property Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

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   Tell us why

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   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

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5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

SUBMISSION ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To:	Auckland Council Contributions Policy team Freepost Number 182382 Private Bag 92300 Victoria Street West Auckland 1142
Name of Submitter:	Stride Property Limited Industre Property Tahi Limited Investore Property Limited together, **the Stride Group**
Address:	C/- MinterEllisonRuddWatts PO Box 105 249 Auckland City, 1143 Attention: Bianca Tree [redacted]

Submission on Auckland Council's Draft Development Contributions Policy 2025

1. Introduction

1.1 This is feedback on Auckland Council's (**Council**) Draft Development Contributions Policy 2025 (**Draft Policy**) by Stride Property Limited (**Stride**), Industre Property Tahi Limited (**Industre**) and Investore Property Limited (**Investore**), together the Stride Group (**Stride Group**).

1.2 The Stride Group owns, operates and develops commercial property across all key categories – office, industrial, retail town centres/shopping centres, and large format retail properties:

(a) Stride owns office and town centre assets. Stride's metropolitan and town centre properties are located in fast growing regions within Auckland – NorthWest Shopping Centre is located in the west of Auckland near the rapidly growing suburbs of Whenuapai, Westgate and Red Hills, and the Silverdale Centre is located in the north of Auckland near the regions of Silverdale, the Hibiscus Coast and Orewa.

(b) Industre invests primarily in the Auckland region, and has been active in developing high quality, well-located industrial properties.

(c) Investore focuses on large format retail property, including stand-alone supermarkets and hardware stores to small centres anchored by supermarkets and large format retail centres.

1.3 The Stride Group appreciate the opportunity to provide feedback on the Draft Policy.

1.4 In this submission, the Stride Group:

(a) oppose the new policy shift for development contributions to pay for infrastructure over a 30-year timeframe in Auckland's Investment Priority Areas (**IPAs**);

(b) seek amendments to the Draft Policy to encourage on-site sustainability investments that will reduce the demand for new infrastructure or infrastructure of increased capacity; and

(c) that any increases in development contributions are to be phased in through a transitional approach to avoid material adverse impacts on project feasibility.

1.5 We expand on these points below.

2. Requiring development contributions to pay for infrastructure over the next 30 years in the Auckland IPAs is contrary to the purposes and principles of the Local Government Act and creates uncertainty and inequity

2.1 In the Draft Policy, Council have adopted a new policy direction, shifting from requiring contributions to fund projects approved in the Long Term Plan (**LTP**) over a period of 10 years and expanding this by forecasting capital expenditure over a 30-year horizon in the Auckland IPAs to charge for projects beyond those approved in the LTP. The Auckland IPAs include:

(a) the Inner Northwest (at Red Hills, Westgate and Whenuapai); and

(b) the Auckland Housing Programme (**AHP**) areas of Tāmaki, Māngere and Mt Roskill.

2.2 Under the Local Government Act 2002 (**LGA**), development contributions recovered by territorial authorities must represent a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.[1]

2.3 The principles for preparing a policy or requiring development contributions include:[2]

(a) development contributions should only be required if the effects or cumulative effects of development will create a requirement to provide new or additional assets or assets of increased capacity;

(b) that over-recovery of costs allocated to funding is to be avoided;

(c) contributions should be determined according to, and be proportional to, the persons who will benefit from the assets provided as well as those who create the need for those assets;

(d) development contributions must be used for or towards the purpose of the activity or group of activities that they were required;

(e) territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why; and

(f) contributions should be predictable and consistent with the methodology and schedules of the territorial authorities policy.

2.4 The Stride Group consider that this new policy approach will be contrary to the purposes and principles of the LGA and will lead to inflated development charges, uncertainty and inequity. Projects to be financed beyond the LTP timeframe have not undergone public consultation, feasibility studies, technical assessments or in-depth planning. There is no confidence or guarantee that those projects will be technically feasible, approved, fully financed and ultimately delivered.

2.5 This policy shift reduces confidence and introduces uncertainty as to whether Stride's contributions will be used for those intended projects as they are identified outside of the LTP process. This means there are no checks and balances for those projects and no information around their full scope, technical constraints, cost and budgeting, or any certainty of their delivery within that 30-year timeframe.

2.6 It is difficult to see the direct causal nexus between a development to be undertaken in 2025 and a capital project that is not going to be delivered until 2045 (or later).[3] In the Inner Northwest, the average development contribution pricing is increasing from $25,167 to $98,000, nearly 4x the

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1 Section 197AA Local Government Act 2002.

2 Section 197AB(a)-(f) Local Government Act 2002.

3 *Neil Construction Limited v North Shore City Council* [2008] NZRMA 275, at [120].

current pricing.[4] This is a sharp increase on contributions specified in the 2022 – Variation A Development Contribution Policy (**Current Policy**). Approximately $27,000 of the increased contribution is for development proposed within the Long-Term Plan period of 2024-2034, but $71,000 is proposed for investments beyond that period.[5]

2.7 Based on the limited information available, it appears that that a significant part of the costs for projects beyond 10 years is for contingency and escalation costs to reflect the estimated price at time of delivery.

2.8 Developers are therefore facing a significant increase in development contribution charges, largely based on the delay to provide the infrastructure, and without receiving any benefits of that infrastructure until (or if) it is delivered.

2.9 This is also contrary to the proportionality principle. As an example, if redevelopment of a 2025 new build is required in 50 years' time, developers will be charged contributions for infrastructure that will not be delivered until more than halfway through the lifespan of the building. This is unfair and inequitable, as the developers who bear the cost of contributions will not benefit from this investment in the short-medium term, and contributions will outweigh any eventual benefit received.

2.10 It is noted that any development contributions not attributed towards the capital expenditure of infrastructure projects specified in the Draft Policy must be refunded. However, with contributions required over a 30-year period, it will become increasingly difficult to track where funding is appropriated or identify when a refund is due, exacerbating the lack of transparency and unfairness for developers, and the Council's compliance with the LGA.

2.11 It is appreciated that Auckland City requires significant investment in infrastructure to support growth. However, projections of capital projects over a 30-year period are uncertain and unreliable. If infrastructure is considered necessary to service growth over a period longer than 10 years, then the LTP should provide for those projects over a consistent and appropriate time frame. Providing for all capital projects in the LTP would ensure that the Council's development contribution policy will comply with the purpose and principles of development contributions in the LGA.

2.12 The Stride Group seek that the 30-year policy be rejected, and the Draft Policy be amended to remove all projects that are not within the LTP.

3. The Draft Policy should encourage on-site sustainability investments that will reduce the demand for new infrastructure or infrastructure of increased capacity

3.1 The Stride Groups' Sustainability Goals aim to protect the planet, contribute to resilient communities, and develop shared prosperity.

3.2 As part of this commitment, Stride completes the Global Real Estate Sustainability Benchmark (**GRESB**), is a member of the New Zealand Green Building Council (**NZGBC**) and invests in 'green buildings' within its portfolio. Green Star ratings provide third party validation of the building's overall quality, environmental benefits, recycling, environmental products, and waste diversion.

3.3 Investment in sustainable design, including rainwater catchment and reuse, that reduces the demand for new infrastructure or infrastructure of increased capacity should be supported and recognised in the Draft Policy.

3.4 The increase in stormwater development contributions is significant in some catchments. As an example, comparing the Current Policy to the Draft Policy, stormwater charges are proposed to increase from $8,052 to $77,990 per HUE in Greater Tamaki GPA, from $8,996 to $34,101 per HUE in the Inner West Triangle GPA, and from $2,697 to $6,330 in the NORSGA GPA. When applying

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4 Auckland Council Contributions Policy 2025 Consultation Document (September 2024) page 5.

5 Ibid, page 5.

these increases to a large commercial or industrial development the increase in charges is substantial.

3.5 It would be better to encourage developers to invest in sustainable infrastructure on their sites which reduces the need for public infrastructure. Currently, the Draft Policy does not clearly provide for any adjustment for the change in demand due to on-site sustainability investment. This should be clearly encouraged in the policy, and when provided, taken into account in the development contributions payable.

3.6 The Stride Group seek that:

(a) the Draft Policy be amended to encourage developers to incorporate sustainable infrastructure in a development to reduce the demand for new infrastructure or infrastructure of increased capacity; and

(b) provide that any on-site investment in sustainable infrastructure that reduces the demand below the applicable unit of demand in the policy, will be accounted for in the assessment of development contributions payable.

4. Increases in development contributions must be foreseeable and transitioned over a period to avoid material adverse impacts on project feasibility

4.1 Property is Auckland's largest industry making a direct contribution of $13.0 billion to the regional economy, and a wider impact of $36.7 billion (including indirect and induced contributions). Property is also Auckland's largest employer, and provides for 10.7% of the workforce. Due to Auckland's rapid net migration, developers play a crucial role in meeting the increased demand for housing, retail, and commercial property. The Draft Policy's significant increase in development contributions will create barriers to development by reducing the viability of future projects with flow on effects on supply and economic growth.

4.2 Before a new commercial, retail or industrial development can proceed the commercial feasibility of the development must be assessed and approved. The time between the purchase of the land, obtaining resource consent, and undertaking construction can span several years. The feasibility for current projects has been undertaken based on the Current Policy and did not foresee the significant increases in development contributions now proposed.

4.3 The significant increase in development contributions, both generally and within the IPAs, places a heavy and unexpected financial burden on developers and may have the undesired effect of delaying or discouraging development to occur. The risk of this is high in the current market where developers are already facing high interest rates and construction costs.

4.4 Any increase in development contributions must be clearly signalled well in advance and be introduced over a transition period to enable increases to be taken into account in development feasibility.

4.5 The Stride Group seek that the Draft Policy be reviewed to ensure increases in development contributions are reasonable and phased in over a 5-year period.

5. Summary of relief sought

5.1 The Stride Group seek that:

(a) the 30-year policy be rejected and the Draft Policy be amended to remove all projects that are not within the LTP;

(b) the Draft Policy be amended to encourage developers to incorporate sustainable infrastructure in a development to reduce the demand for new infrastructure or infrastructure of increased capacity;

(c) any on-site investment in sustainable infrastructure that reduces the demand below the applicable unit of demand in the policy, will be accounted for in the assessment of development contributions payable; and

(d) any increases in development contributions are clearly signalled, reasonable and phased in over a 5-year period.

5.2 The Stride Group appreciate the Council's consideration of the matters raised in this submission.

Dated this 15th day of November 2024

Counsel for **Stride Property Limited, Industre Property Tahi Limited, and Investore Property Limited**

Development Contributions Policy Review

#109

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Property Council New Zealand

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Property Council New Zealand

Property Council New Zealand

Submission on Auckland Council's Draft Contributions Policy 2025

15 November 2024

For more information and further queries, please contact
[redacted]

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Corporate Sponsors

Property Council New Zealand

15 November 2024
Auckland Council Contributions Policy Team
Via Email: contributions.policyteam@aucklandcouncil.govt.nz

Submission on Auckland Council's Draft Contributions Policy 2025

1. Summary

1.1. Property Council New Zealand ("Property Council") welcomes the opportunity to submit a response to Auckland Council on their Draft Contributions Policy 2025 ("the Draft Policy").

1.2. The Draft Policy applies to the four Investment Priority Areas ("IPAs"): Mount Roskill, Māngere, Tāmaki and the Inner Northwest (Red Hills, Westgate and Whenuapai) and adds additional costs to the Drury Investment Programme. All IPAs have been identified for significant future growth by Auckland Council.

1.3. To enable this growth, the Draft Policy proposes how Auckland Council will apply a 30-year funding and financing strategy and use Development Contributions ("DCs") to fund future transport, stormwater, parks, and community infrastructure.

1.4. We acknowledge the challenges of funding and financing future infrastructure. However, we call for a robust and fair approach which will enable the industry to make well-informed long-term investment choices.

1.5. Property Council is alarmed that the proposed increases in the average DC per household is up to 289 percent increase. This will have direct effects on reducing housing affordability, limiting intensification, and decreasing the number of homes developed, including first-time buyer homes and those built by social and affordable providers.

1.6. Property Council's past submissions on Drury DC Policy outline our serious reservations about Auckland Council's 30-year funding and financing model. Our past submissions cite concerns around complexity, uncertainty, accuracy, fairness, inequity, and transparency.

1.7. At a high level, we recommend Auckland Council pause the DC Policy and review Auckland Council's Schedule of Assets with the private sector. Once a pause and review are completed, if DCs are still a significant increase, we recommend Auckland Council phase in charges over a three-year period. We further recommend Auckland Council adopts a 30-year strategic vision, funded in 10-year intervals with an investigation into funding from Crown Infrastructure Partners (soon to be the National Infrastructure Agency) under the Infrastructure Funding and Financing framework.

2. Recommendations

2.1. At a high level, Property Council recommends that Auckland Council:

- Collaborate with the private sector to better understand the implications of DC increases on the housing system and housing prices in particular;
- Does not increase development contributions by the amount proposed and instead reduces the rate of increase;
- Pause the DC policy and review the schedule of assets with the private sector. Once a pause and review are complete, phase in any changes to development contributions over a three-year period;

- Does not adopt a 30-year infrastructure funding and financing strategy using DCs. Instead, Auckland Council should create a 30-year strategic vision, with funding and financing structured in 10-year increments;
- Seek to incorporate funding from Crown Infrastructure Partners (soon to be the National Infrastructure Agency) under the Infrastructure Funding and Financing framework;
- Consider shifting some of the burden for growth onto existing rate payers who also benefit from new and upgraded amenities and a better functioning urban environment;
- Consider targeted rates to defer and shift some of the payment for growth from developers to subsequent owners of new housing;
- Introduce independent auditing of its costing assumptions and plans for infrastructure delivery. In particular, more detailed costings for stormwater provisioning is required;
- Collaborate closely with developers already undertaking infrastructure investment in the IPAs to avoid the possibility of overcharging;
- Ringfence DCs paid in an area to ensure they are used in that area; and
- Continued engagement with the Property Council in order to arrive at a suitable solution to funding and financing Auckland's future infrastructure needs.

3. Introduction

3.1. Property Council is the leading not-for-profit advocate for New Zealand's most significant industry, property. Our organisational purpose is, "Together, shaping cities where communities thrive."

3.2. The property sector shapes New Zealand's social, economic, and environmental fabric. Property Council advocates for the creation and retention of a well-designed, functional, and sustainable built environment, in order to contribute to the overall prosperity and well-being of New Zealand. We aim to unlock opportunities for growth, urban development, and productivity to improve New Zealand's prosperity.

3.3. Property is Auckland's largest industry. There are around $997.8 billion in property assets across Auckland, with property providing a direct contribution to GDP of $13 billion and employment for 87,080 Auckland residents.

3.4. We connect property professionals and represent the interests of 388 Auckland based member companies across the private, public, and charitable sectors.

3.5. This document provides Property Council's feedback on Auckland Council's Draft Development Contributions Policy 2025. Comments and recommendations are provided on issues relevant to Property Council's members.

4. Negative impacts of DC increases on our housing system

4.1. Property Council is concerned at the negative outcomes DC increases will have on the housing system. In particular: housing affordability.

4.2. According to Auckland Council, the proposed weighted average Auckland-wide DC charge is $50,000. Tāmaki ($119,000) and the Inner Northwest ($98,000) both have significantly higher

proposed DCs. In the Inner Northwest, developers are undertaking their own stormwater mitigation measures, which is another cost on top of already high DC charges (which are proposed to increase by 289 per cent). Stormwater costs must still be added to Mt Roskill and Māngere, so their DC charge will be revised even further upwards. (See Table 1).

Table 1: Average Current and Proposed DCs per household*

IPA	Current DC	Average Proposed DC	Percent Increase	Additional Charges/Comments
Inner Northwest	$25,167	$98,000	289%	Stormwater to be covered by developer mitigation – therefore an additional development cost
Tāmaki	$31,157	$119,000	282%	
Mt Roskill	$20,406	$52,000	155%	Stormwater to be added in 2025
Māngere	$18,123	$29,000	60%	Stormwater to be added in 2025
Drury**	$70,000	$83,000	19%	In March 2023, Drury had a 268 per cent increase in DCs (from $22,564 to $83,251). This new DC increases are on top of this.
Auckland-wide weighted average	$21,000	$50,000	138%	

**GST to be added*

***Data supplied by Auckland Council Rates Team at an online information session on 9/10/24*

4.3. Property Council is concerned that increased DCs will hinder investment and delay much-needed housing so potentially exacerbating disparities in regional housing availability. Developers will be assessing opportunities/viability across Auckland and even nationally. DC charges form part of this analysis, and the proposed increases will significantly impact viability.

4.4. We believe that increasing DCs will diminish supply, increase prices for existing homes and burdening new housing stock with higher development costs.

4.5. Auckland Council also claims that increasing DCs will lower land values, and therefore reduce development costs. In 2018, Insight Economics completed an independent study for Hamilton City Council on Likely Developer Reactions to Increased DC Charges. They noted several issues with DCs, which align with our concerns. In particular:

> "**As DCs increase, the cost of land development rise, and thus its profitability falls…**In other words, land developers (who physically pay the DC) will seek to share some of the cost with raw landowners by paying them less for their land…it is unlikely that the resulting fall in land prices will be sufficient to fully compensate them. **As a result, the increase in DCs will also increase the total cost of land development…**"
>
> "**In summary,** economic theory predicts that the imposition of **higher DCs will impact most, if not all, participants in the wider property market**." [1]

[1] Hamilton City Council, Ordinary Council Meeting, Council 10 Year Plan Agenda: Item 5- Attachment 6, Tuesday 27 March 2018 https://hamilton.govt.nz/your-council/meetings/calendar/detail/ordinary-council-201803270930.

4.6. As an example, developers who have already bought land and signed contracts to build would then be straddled with significant unexpected DC increases. They would be forced to try and recoup costs, which includes increasing the prices for homes.

4.7. Direction 3 of the Auckland Plan aims to transform the housing system to "ensure secure and affordable homes for all."[2] We believe that the scale of proposed DC increases will have the opposite outcome.

4.8. First-time buyer homes and those built by social and affordable providers must still pay the increased DC charges. Since the charges make up a higher proportion of the overall development cost, it will make viability harder to achieve. Community housing providers have limited budgets, and this will eat into their delivery programmes. In particular, this is an issue in Tāmaki which has been earmarked for more of these homes.

4.9. Intensification can maximise the benefit from infrastructure spend and is a more efficient way to boost new housing supply, especially the delivery of social, affordable, and first-time buyer homes. Since each new home has a DC charge, this will disincentivise intensification and so reduce overall supply.

4.10. To address our housing affordability concerns, we strongly recommend that Auckland Council pauses their DC policy and work closer with the private sector to revise what Schedule of Assets are 'must haves' or 'nice to haves.' Working closer with the private sector will also help determine what assets are necessary and better align growth plans with infrastructure spend. Furthermore, this exercise could result in some assets being delivered by the private sector, reducing Auckland Council's balance sheet.

4.11. Following a pause and review of Auckland Council's Schedule of Assets, if DC fees continue to have large increases, we recommend phasing these across a three-year period. This would better enable alternative funding and financing tools (i.e. Special Purpose Vehicles, Regional Deals, or additional funding through the Government's proposed Housing for Growth policy) to be urgently implemented to reduce the cost pressures associated with DCs.

4.12. We recommend that Auckland Council works closely with the private sector to better understand the implications of DC increases on the housing system and housing affordability.

5. Negative impacts of 30-year funding periods

5.1. We are alarmed that Auckland Council is continuing to propose a 30-year period for funding and financing infrastructure. This creates an adverse precedent for future development in Auckland and is a significant departure from 10-year timelines used in other Councils' Long-Term Plans.

5.2. Section 197AA of the Local Government Act, requires Auckland Council to ensure that a 30-year approach is fair, equitable, and proportionate to the overall costs of capital expenditure required for long-term growth. We consider that the complexities with a 30-year approach creates significant issues in meeting this.

[2] https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/homes-places/Pages/direction-shift-housing-system-ensures-secure-affordable-homes.aspx

5.3. In the draft policy document, Auckland Council acknowledges that "capital expenditure over a 30-year horizon inevitably involves a higher degree of uncertainty than over the 10-year horizon of the Long-term Plan 2024-2034."[3]

Accuracy concerns

5.4. DCs are determined by long-term projections of population growth and infrastructure costs, which are difficult to accurately predict. For example, accurately calculating inflation, interest rates, delivery risks, construction costs, and projected future demand for infrastructure is extremely challenging over a 30-year period.

5.5. Furthermore, it makes it difficult for developers to verify if charges are correct and demonstrates the need for an independent auditor. We have received member feedback that perceptions of a lack of transparency and accountability is reducing trust in the system.

5.6. This is best exemplified in Drury. DCs were increased by 268 percent in only 2023, but Auckland Council is now demanding an additional 19 percent due to upward revised assumptions. This demonstrates that circumstances often change, or assumptions were not accurate, even over a brief period.

5.7. The uncertainty created from a 30-year approach makes it difficult for developers to predict costs, so increasing development risk and reducing their willingness to invest. To achieve its growth aims, we recommend Auckland Council collaborates with developers to understand and act on their concerns.

Over collection concerns

5.8. Given the complexity and regular changes to plans, we have genuine concerns that there could be an over-collection of DCs, necessitating Auckland Council to trace developers in 30 years to refund any excess charges. This scenario further complicates an already challenging approach.

5.9. For example, Property Council is aware that Auckland Council has recently provided multiple refunds for stormwater provisions based on inaccuracy and over collection.

5.10. In particular, members want more detailed costings for stormwater provisioning. This is to ensure a balance between existing population requirements (paid via rates) and future growth needs (paid via DCs). Members have raised concerns about the substantial increases in Tāmaki which will contribute towards DC's increasing by 282 percent.

5.11. The inaccuracy of recent stormwater calculations underpins the lack of trust and confidence in Auckland Council's approach and impacts on developers' ability to predict costs which in turn increases their risk and decreases investment appetite.

Inequity concerns

5.12. The 30-year funding period also gives rise to issues of equity. Developers (and therefore in-directly homebuyers) must pay upfront for infrastructure that will not be delivered until much later, or in a different format. In essence, homebuyers could indirectly pay for items such as a

[3] Auckland Council, Sharing the cost of growth Contributions Policy 2025 Consultation Document September 2024

new public pool or other community amenity that they potentially may never use if they move house before it is built.

5.13. Additionally of concern is that DCs are not ringfenced. This means that DC fees could be collected in Tāmaki and spent in Drury (or elsewhere).

Alternative solution

5.14. Property Council strongly recommends a 30-year strategic vision for IPAs, coupled with funding and financing allocated in 10-year increments that can be re-forecasted over time.

5.15. The 10-year increment model also promotes a fairer cost allocation, greater transparency, and intergenerational equity by ensuring community infrastructure users contribute over time, so reducing an immediate financial strain. It has been successfully used for greenfield development in Milldale, Auckland. Both Wellington and Tauranga City Councils also use this model to finance infrastructure initiatives, plus it is utilised overseas.

5.16. Auckland Council should consider sharing costs with existing rate payers who will benefit from new and upgraded amenities and a better functioning urban environment. Also, consideration should be given to using targeted rates to defer and shift some of the growth payments from developers to subsequent owners of new housing.

6. Feedback from our members

6.1. Property Council has established a Development Contributions Taskforce with over 40 members from across Auckland, covering professions like developers, agents, planners, and lawyers etc. We surveyed this Taskforce and a wider group of our Auckland members to understand their view of the Draft Policy's implications.

6.2. Key results from our survey include:

- 75% believe that if Auckland Council applied the Draft Policy it would result in the feasibility of development projects being re-evaluated. Also, 62% felt that some development projects would be halted.
- 99% agreed that the development contributions policy must be independently audited.
- 93% agreed that Auckland Council must consider alternative funding mechanisms.
- 87% opposed the Draft Policy in its current form.
- 81% agreed the proposed increases in development contributions were unreasonable.
- Across all the IPA's, our members agreed that the Draft Policy would create uncertainty and negatively impact on housing affordability with reductions in development feasibility, intensification and new housing supply resulting in higher house prices.

6.3. Conversations with our members indicate that they genuinely believe that increased DC costs will be passed onto buyers or due to feasibility issues, lead to lower specifications, project delays or cancellations. Already we have had members confidentially informing us that projects are being reconsidered as they no longer stack up.

6.4. Our members are also telling us that landowners will hold on to land rather than sell below their expectations, which will impact on the delivery of future projects/new homes.

Property Council New Zealand

7. Negative impacts on Auckland Council's finances

7.1. Auckland Council's Draft Policy will hinder development. Any decline in the development pipeline will decrease revenue from growth-related sources, including DCs and future rates. This would negatively impact Auckland Council's finances and potentially leave them unable to fund planned infrastructure. Therefore, we strongly recommend that Auckland Council reconsiders their proposed approach.

8. Conclusion

8.1. Property Council is genuinely concerned that the 30-year funding and financing model along with substantial increases in contributions is fundamentally flawed and will restrict essential development, leading to negative impacts on housing affordability and supply. It poses a risk to residential, commercial, industrial, and retail projects and will drive the sector to consider development opportunities elsewhere in New Zealand.

8.2. We strongly advocate for Auckland Council to pause the DC Policy and review Auckland Council's Schedule of Assets with the private sector. Once a pause and review are completed, if DCs are still a significant increase, we recommend phasing in changes over a three-year period.

8.3. We also recommend a 30-year strategic vision for IPAs, coupled with funding allocated in 10-year increments that can be re-forecasted over time. This also allows for the possibility of alternative funding mechanisms, like funding from Crown Infrastructure Partners (soon to be the National Infrastructure Agency) under the Infrastructure Funding and Financing framework.

8.4. For any further enquiries, please do not hesitate to contact Terry Jones, Senior Advocacy Advisor, via email: terry@propertynz.co.nz or cell: 027 338 0694.

Yours Sincerely,

[redacted]

Martin Cooper
Auckland Committee Chair

Development Contributions Policy Review

#110

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Submitter details:

Organisation (if applicable): SANZ LTD

Local Board: Regional organisation

Your feedback (all questions are optional)

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   For more information, see page 18 of the consultation document.

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   Tell us why

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contribution Policy Review 2025

Subdivision Advocacy NZ Ltd: Prepared by Kirsty Merriman (Director)

Feedback

Contributions Policy 2025: Updated spending over the next 10 years.

We support charging growth for growth.

We support development contributions.

We **do not** support the current 2025 proposal for the following three reasons.

(1). Lack of transparency in the calculations and methodology

(2). Potentially flawed and inconsistent assumptions

(3). Poor alignment with the Local Government Act 2002

Further information is required to show the need and the modeling details for major long-term projects prior to assigning a crippling additional cost to compact in-fill housing. There is not enough information to show a direct link to demand creation in the projects we have dived into.

We see concerning assumptions and changes to project costs that are not suitably explained.

A more realistic revenue to debt ratio and, or the implementation of specific vehicles, or targeted rates, to fund and share the cost of major infrastructure projects (some are vital), may be a better solution.

To support the significant increases and achieve fairness and equity, Schedule 2 must be changed to use impervious surface area (ISA) for all housing irrespective of land size.

*** We also note the difficulty in extracting information where it has not been presented in a manner that is readily manipulated e.g. project lists are in .pdf whereas they would be far better provided in .xls or similar format.

***We cannot assure that this analysis is strictly correct due to datat extraction challenges.

(1). Lack of transparency in the calculations and methodology

We have reviewed the: Policy document, the methodology, the Development contributions policy: Growth and HUE data model (Auckland Council), and the b2-4-residential-growth-summary-report.pdf, all of which were available on-line albeit difficult to locate.

Currently the policy methodology does not clearly show how growth projects are assigned a payable contribution. Public information and simple calculations indicate that significant projects are being recovered over a 10-year time horizon, the new 30-year allocations are not clear whether they are recovered over 10 or up to 30 years, nor why the growth capacity ends in 2060. It would be shortsighted to provide a facility that has restricted growth capacity considering the quantum of investment.

Specific examples to illustrate our concerns:

(a). Papakura stormwater:

Currently contributing ~$24,000 per HUE (2022 Var A).

Of typologies, new builds are approximately 60% detached[1].

From August 2020 to August 2024, 5,556 new homes achieved CCC[2] in the local ward – the link of new homes to the stormwater catchment areas is exceptionally difficult from accessible spreadsheets and their lack of explained information and formulas.

Conservative assumptions and adjustments lead to an approximate 3,300 new detached homes (CCCs over 48 months), the remaining are likely to be predominantly low-rise dwellings[3].

- 3,300 x $24,000 (1 HUE) = $79,200,000 recovered over four years for detached homes plus approximately 2,200 * (0.20 x 1 HUE) = $10,56,000 for other typologies (conservatively).
- Total recovery looks like it may have been **c$90,000,000** over four years or **$225,000,000** if extrapolated at using consistent rates, for ten years specifically for Stormwater.
- There is no specific clarity on the allocation nor catchment area v CCC issued.
- Has the full cost of the installation has been planned for recovery within ten years?

[1] Auckland Unitary Plan Section 35 Monitoring | B2.4 Residential Growth Summary Report
[2] https://www.knowledgeauckland.org.nz/publications/auckland-monthly-housing-update-october-2024/
[3] Auckland Unitary Plan Section 35 Monitoring | B2.4 Residential Growth Summary Report

- One HUE relates to 292 m^2 of ISA. This is a legacy figure and is grossly over claimed for modern in-fill housing and is clearly an over allocation to assign for one detached home.
- Was 292 m2 used to estimate the amount of stormwater demand increase?

This appears to be a rapid rate of recovery for an installation that is expected to cater for growth until financial year ending 30 June 2054.

We require clarification of the number of HUE allocations versus the actual contributions made versus the project budget. This is not transparent and the number of HUEs is not easy to locate.

Manurewa Papakura GPA Stormwater Projects Financial Analysis

Project	Capex ($)	Revenue Received ($)	To Recover ($)
Railway St West Renewal	1,738,058	0	173,806
Valentine St Renewal	1,325,500	0	132,550
Awakeri Stage 2	372,600	107,773	227,567
Awakeri Stage 3	175,810	21,387	136,842
Awakeri Stage 4	1,233,000	0	1,109,700
Awakeri Wetlands 1	29,109,630	8,322,469	17,876,198
Aeronautic Rd Channel	1,042,610	112,740	721,348
Awakeri Wetlands Capex	29,084,070	3,538,059	22,637,604
Grove Rd Box Culvert	322,036	130,647	159,185
Artillery Dr	25,323,895	16,984,708	5,806,797
Waterview Rd pipe	4,415,824	2,961,688	1,012,553
TOTALS	**94,143,033**	**32,179,471**	**49,994,150**

Note: All figures in NZD. Source: Auckland Council Development Contributions Policy 2025.

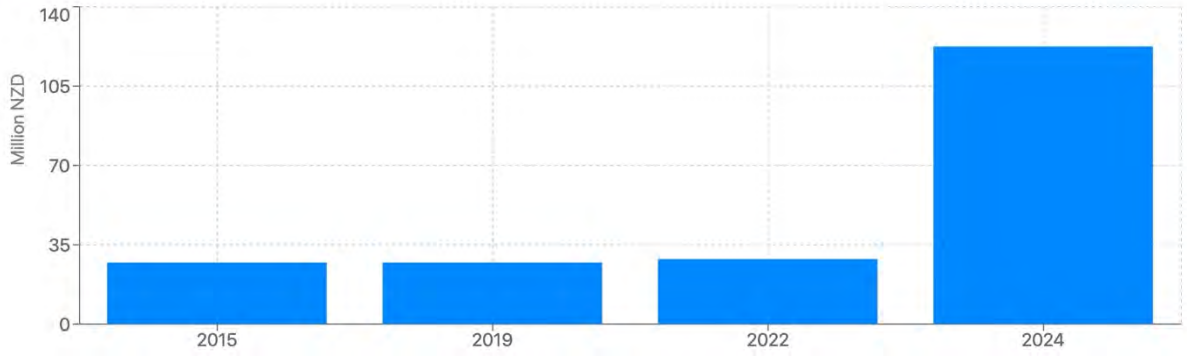
We also note that a significant portion of this contribution has paid for aspects of the Awakeri Wetlands.

The wetlands project appears to also be linked to the draining of swampland for future development. For whom and what purpose is this project? How is 90% of its establishment allocated to stormwater demand increase? I can't see that.

The Capex requirements appear to have increased drastically since 2015, is that because the timeline has been extended or has the project gone well over budget or is more land being purchased for draining?

Year	Project Name	Total Expenditure Planned	Development Contributions	Other Sources	Expenditure Already Incurred
2015	Artillery Drive Tunnel to inlet [280]	$ 76,950.00	$ 69,255.00	$ 7,695.00	$ 63,535.00
2015	Grove Rd McLennan Box Culvert [1408]	$ 398,000.00	$ 358,200.00	$ 39,800.00	$ 322,036.00
2015	SWG Takanini Conveyance Land Purchase [297]	$ 12,652,356.00	$ 11,387,120.00	$ 1,265,236.00	**$ 8,552,825.00**
2015	**Awakeri Wetlands stage 1 [297]**	**$ 13,074,000.00**	**$ 11,766,600.00**	$ 1,307,400.00	**$ 16,833,064.00**
2015	Brylee Reserve SW Quality [320]	$ 20,000.00	$ 2,000.00	$ 18,000.00	Not Listed
2015	Coles Crescent Flood Mitigation	$ 940,000.00	$ 47,000.00	$ 893,000.00	Not Listed
2019	Artillery Drive Tunnel to inlet [280] (81%)	$ 76,950.00	$ 69,255.00	$ 7,695.00	$ 63,535.00
2019	**Awakeri Wetlands stage 1 [297]**	**$ 13,074,000.00**	**$ 11,766,600.00**	$ 1,307,400.00	**$ 16,833,064.00**
2019	Brylee Reserve SW Quality [320]	$ 20,000.00	$ 2,000.00	$ 18,000.00	Not Listed
2019	Coles Crescent Flood Mitigation	$ 940,000.00	$ 47,000.00	$ 893,000.00	Not Listed
2019	Grove Rd McLennan Box Culvert [1408]	$ 398,000.00	$ 358,200.00	$ 39,800.00	$ 322,036.00
2019	SWG Takanini Conveyance Land Purchase [297]	$ 12,652,356.00	$ 11,387,120.00	$ 1,265,236.00	**$ 8,552,825.00**
2022	Awakeri stage 2 Cosgrave Culvert [297]	$ 9,500,000.00	$ 8,550,000.00	$ 950,000.00	$ 176,455.00
2022	Awakeri Stage 3 [297]	$ 19,201,000.00	$ 17,280,900.00	$ 1,920,100.00	$ 153,755.00
2022a	CPT FA:13 Aeronautic Road - Channel	$ 1,042,610.00	$ 834,088.00	$ 208,522.00	Not Listed
2022a	Line Road Flood Mitigation [2533]	$ 1,090,964.00	$ 436,386.00	$ 654,578.00	Not Listed
2022a	Sandcarpet (Waler Massey Park Stadium)	$ 4,625,339.00	$ 555,041.00	$ 4,070,298.00	Not Listed
2022a	SWG Parallel development (Takanini)	$ 406,868.00	$ 406,868.00	$ -	Not Listed
2024	25 Railway Street West Papakura Pipe Renewals	$ 1,738,058.00	$ 173,806.00	$ 1,564,252.00	Not Listed
2024	6-72 Valentine Street Pipe Renewal	$ 1,325,500.00	$ 132,550.00	$ 1,192,950.00	Not Listed
2024	Awakeri Stage 2 Cosgrave Culvert [297]	$ 372,600.00	$ 335,340.00	$ 37,260.00	Not Listed
2024	Awakeri Stage 3 [297]	$ 175,810.00	$ 158,229.00	$ 17,581.00	Not Listed
2024	Awakeri Stage 4 [297]	$ 1,233,000.00	$ 1,109,700.00	$ 123,300.00	Not Listed
2024	**Awakeri Wetlands stage 1 [297]**	**$ 29,109,630.00**	**$ 26,198,667.00**	$ 2,910,963.00	Not Listed
2024	CPT FA:13 Aeronautic Road - Channel	$ 1,042,610.00	$ 834,088.00	$ 208,522.00	Not Listed
2024	CPT: Awakeri Wetlands Capex	$ 29,084,070.00	$ 26,175,663.00	$ 2,908,407.00	Not Listed
2024	Grove Rd McLennan Box Culvert [1408]	$ 322,036.00	$ 289,832.00	$ 32,204.00	Not Listed
2024	SW_G_GPA - Manurewa Papakura - Artillery Dr	$ 25,323,895.00	$ 22,791,506.00	$ 2,532,390.00	Not Listed
2024	SW_G_GPA - Manurewa Papakura - Grove Rd	$ 18,083,824.00	$ 17,179,633.00	$ 904,191.00	Not Listed
2024	SW_G_GPA - Manurewa Papakura - Takanini School Rd	$ 1,287,127.00	$ 1,158,414.00	$ 128,713.00	Not Listed
2024	SW_G_GPA - Manurewa Papakura - Waterview Rd pipe	$ 4,415,824.00	$ 3,974,242.00	$ 441,582.00	Not Listed
2024	SWG Parallel development (Takanini)	$ 406,868.00	$ 406,868.00	$ -	Not Listed
2024	SWG Takanini Conveyance Land Purchase [297]	$ 8,552,825.00	$ 7,697,542.00	$ 855,282.00	Not Listed

Total Budget by Year



Key Changes:

1. The Awakeri projects have been restructured and expanded
2. Major new investment in GPA projects (Manurewa Papakura area)
3. Introduction of significant pipe renewal projects
4. New infrastructure developments in the Takanini area

The increase is primarily driven by:

1. Expansion of the Awakeri wetlands projects
2. Introduction of large-scale GPA projects in Manurewa Papakura
3. Addition of comprehensive pipe infrastructure renewals
4. New development projects in the Takanini area

Is it that today's new home buyers are funding growth that is to unlock new greenfield land for development[4].

(b). Tamaki

There is extensive work planned to convert an in-fill or brownfield area, currently predominantly stormwater soakage based, with negligible previous contributions into an area of greenfield installation quality. It appears that 75% of the contributions are growth based.

Four large projects make up over 95% of the capital cost to cater for 'growth' until 2060.

From August 2020 to August 2024, 5,5241 new homes achieved CCC in the Tamaki area, these were predominantly low-rise or apartment dwellings[5][6] (assume 33% were detached) and assume a similar typology proportion into the future.

A charge of $79,000 per dwelling is proposed for stormwater.

Documents indicate a growth of 11,000 homes over the next 36 years which will cover the full cost of the installation at a flat rate of just over 300 new homes per year.

One third may be detached and cover a 'legacy' impervious surface area (ISA) of 292 m^2 or 106 hectares. Converted to a land size allowance (for permitted ISA at ~65% ISA), this means a site size of 450 m^2 to allow for a 292 m^2 ISA allocation, or 163 hectares of

[4] https://ourauckland.aucklandcouncil.govt.nz/news/2019/02/awakeri-wetlands-project/
[5] https://www.knowledgeauckland.org.nz/publications/auckland-monthly-housing-update-october-2024/
[6] Auckland Unitary Plan Section 35 Monitoring | B2.4 Residential Growth Summary Report

land is to be developed. Is this valid or is it alchemy? The data is not clear nor explained. We would like to know how the stormwater needs have been calculated in more detail.

Based on the information in the report, we surmise that Council has assumed all available land has been covered by 2060 and no further new ground cover can be allowed (90% ISA). Why is the 90% value assigned? Are new roads being built, where does such a high ISA come from?

How specifically did $79,000 arise? Have the budgets been tendered on the open market, it could be padded. We are aware of the cost allocations for Council projects (e.g. traffic management is vastly over-charged and we have evidence to show that). We believe that for such an extensive project, costs need to be confirmed prior to asking today's new-build home buyers to pay $79,000 for unconfirmed capacity for projects that may or may not proceed.

(2). Flawed and inconsistent assumptions

Using stormwater contributions focusing on impervious surface area (ISA) and no on-site mitigation as a direct example of a potentially flawed and inconsistent set of assumptions.

(a). Legacy ISA of 292 m^2

A detached dwelling is assigned a legacy impervious surface area of 292 m^2. This is absurdly flawed. Policy only allows a 60% to 70% ISA, this means that each new home needs to have a site of 450 m^2 allocated. Currently six affordable homes can be built on a 700 m^2 site covering 400 m^2 of ISA. Using the legacy 292 m^2, this site would be nearly 3,000 m^2 in size with the ISA of 1,752 m^2. Developers are quite capable of subdividing land but they are rather incapable of creating land– this is the preserve of the planet itself and active reclamation.

The B2.4 Growth summary report clearly states that the unitary plan is achieving intensification primarily through brownfield and in-fill development, this will not be able to occur if detached dwellings require 450 m^2 per dwelling (accounting for permeability).

The contributions recovered for stormwater from the Papakura area appear to be disproportionate (theoretically) for detached homes where the footprint plus external works will likely not exceed 70 m^2, the policy requires that homes on sites of 292 m2 pay more than all others.

We strongly suspect that the application of a legacy ISA figure is exceptionally flawed if used to calculate demand creation.

We also suggest that this outdated figure is well known to council. We also see that updating the figure will not be favourable to revenue (refer to the large number of reassessments for stormwater contributions made to the council over recent years).

(b). No developer mitigation and a 90% ISA for full build-out

Paragraph 252 of the Policy 2025 states that a 90% ISA is achieved in a full build-out reflecting the 'trend' of very high levels of ISA in townhouse style developments. Please refer to the Unitary Plan requirements for consent. The amount of ISA is controlled and is generally between 60% and 70% for residential developments. Possibly conservatively applying the figure accounts for roads or compacting ground but is that really fair to load conservatism that onto new home buyers especially when the plan does not permit that build-out?

The Policy also states that no meaningful on-site developer mitigation is occurring as it is difficult to achieve on small sites. This is factually incorrect. Many current resource consents require in the installation of detention tanks to return the site to less than pre-

development stormwater levels. Additionally, new driveways require drainage to be installed and directed into detention tanks. New affordable houses are paying c$10,000 per detention tank installed. There is on-site mitigation occurring via slimline tanks, under deck tanks, above ground tanks and below ground tanks. While council may choose not to account for it in their calculations, they must acknowledge the increasing level of on-site mitigation and allow for it to an extent.

Stormwater Management

12. To mitigate the effects of stormwater runoff from the consent impervious surfaces, the consent holder must provide and install private on-site stormwater detention tanks as detailed on approved drawing SW001, Rev C, titled 'Stormwater Layout Plan, prepared by Tripp Andrews Limited, dated 7 July 2023, unless otherwise approved by Council. The purpose of these tanks is to collect runoff from the impervious surfaces associated with each dwelling and the common driveway serving the dwellings to ensure the stormwater discharge is less than the pre-development flow rate in the 10 year rainfall event prior to discharge to the public stormwater network. The tanks must be designed in general accordance with the Council's standards.

We have presented **two flawed assumptions.** Therefore, we assume there may be other flaws suggesting that the policy needs to be fully reviewed by independent engineers.

(3). Concerning alignment with the Local Government Act 2002

S197AB covers the principle of development contributions: they must be genuinely needed (effects of development WILL create), fair (proportional), used properly (what they were collected for), transparent, and predictable.

We contend that currently:

The proposed Tamaki stormwater contributions are not clearly shown to be genuinely needed at the scale proposed. The policy uses a variety of assumptions and the project has not been clearly described. It is not reasonable to put such a concept project out for scrutiny by a community that has day jobs. This work needs more detail for the proposed level of contribution increase.

The law requires that to charge contributions, the effects "**WILL create or have created**" the requirement. We suggest that assumptions and nice-to-dos are not a good enough reason to push such an extreme cost uplift into Policy without considerable further detailed review.

Based on the flaws addressed above and the lack of transparency, we cannot understand the genuine requirement as this is an in-fill area.

Paragraph 277 (methodology) describes the current ISA to be a permitted 45% increasing to 90%. Further details are required to show that this is a genuine requirement and that a 90% ISA is realistic and expected. Also, what land area (in hectares) translates to the 90%?

277. The Tāmaki pipe network investment programme assumes that over the growth period average impermeable surface area will increase from the currently permitted 45 per cent of land area, to 90 per cent. On this basis, we have assumed where a network extension is required, 100 per cent of the benefit will be for growth, and where an existing network needs to be upgraded 75 percent of the benefit of upgrade projects will be to growth, and 25 per cent to level of service increase for existing residents. Table 7.3.2 shows the growth and level of service shares have been applied to Tāmaki pipe network projects:

Table 7.3.2 Tāmaki Growth and Level Of Service shares

Project Type	LOS Share	Growth Share
Upgrade	25%	75%
Extension	0%	100%

The contributions are to be fairly assigned between those who create the need and those who benefit from that need. For the Awakeri Wetlands, news articles and council descriptions lead the reader to conclude that much of the work is to open land for

further development by draining a flood prone area[7]. This does not seem to be aligned with where the effects of development "WILL" create a genuine need, rather, it reads that today's new-build home buyers are paying a contribution to create land suitbale for future housing growth.

Paragraphs 102 and 103 of the methodology explains that contributions may be grouped and therefore required to pay in that grouping, some which will be underpaid and others overpaid due to averaging.

Again, we point out that grouping must balance efficiencies with considerations of fairness and equity. There is precedent to determine what is not fair (Ryman v ACC 2021 and reference to grouping and fairness in Agpac v HCC 2018 along with Mr Ian Munro's report of 2012[8]). Demand must be connected and must be fair and equitable. Where the cumulative effects **will or have created** the requirement (50% over recovery was regarded as extreme leading to reassessment in that particular case).

Generational equity is also concerning due to the lack of clarity. The LGA requires that contributions must pay for demand created. Is it fair that today's new-build home buyers are expected bare the full cost of assets that will be used by future generations?

It reads that Papakura is paying a considerable sum over ten-years that will benefit several future generations e.g. Awakeri Wetlands. In Tamaki new builds will be paying today for asset capacity that is forecast to only last for 36 years even though it is to be of greenfield quality.

The project costs for Papakura appear to have increased and there is not enough detail to explain why. For Tamaki, are the costs actual and fair? There is a high risk of poor estimation forecasting thirty years out and may unduly influence land prices.

Contributions should be assigned fairly and equitably even when grouped for convenience s197AB of the LGA.

Schedule 2 singles out detached and duplex houses sitting on land of 292 m^2 and requires them to pay 1 full HUE. This is absurd as the legacy ISA is 292 m2 this is NOT the size of a site. Immediately, this leads to a high over-recovery as a site of 292 m^2 is not permitted to cover more than 60 – 70% of the land!

> This calculates to show 292 m^2 * 0.65 = 190 m^2 ISA. Where a new home will be charged for 100 m^2 of demand that is non-existent, or an immediate 100 m^2 above reality. This level is significantly removed from being fair or equitable when grouped. Conversely, it encourages large homes that will significantly underpay.

[7] https://www.ghd.com/en-nz/projects/awakeri-wetlands

[8] Residential Activity Demand & Attribution, Auckland Council Development Contributions Policy).

All residential detached and duplex homes should be assessed on ISA. This is the only fair and equitable approach and is what was advised in 2012[9].

How can the Council claim they are achieving increased density when Schedule 2 uses a demand factor that is a relic of past generations!

[9] Residential Activity Demand & Attribution, Auckland Council Development Contributions Policy).

Subdivision Advocacy NZ Ltd would like to finish with some thoughts from the B2.4 Residential Growth Summary Report:

Theme 1: Residential intensification supports and quality compact urban form and concludes success.

> Why, then, does the council apply a legacy ISA figure of 292 m^2 for detached and duplex homes. How many homes in intensified areas actually create this ISA?
>
> We trust that this figure has not been used in the calculation of stormwater demand.
>
> The Council appears to have a duopoly of application!

THEME 4: Range of housing choice, affordability and capacity

Council openly states in their 2022 Var A policy document, that while appropriate to charge the true costs of development, it may impact viability, and the impacts will be short-lived while resulting in better economic signals and increased cashflow for the council short-term and additional capacity for infrastructure in the future.

We agree that the true costs should be charged, these must not be theoretical and must be based off solid and transparent calculations.

Charging for significant upgrades over small catchment areas, using incorrect or well out of date demand factors, loads most of the cost onto the most space efficient typologies.

Loading costs on today's generations for projects that may or may not occur where the load is proportionally higher on the smaller homes, drives unaffordability and actively harms housing. It will give the council increased cashflow contributed by those with the least to spare and must pay line fees to use on an on-going basis (a double dip?).

Developers do not undertake non-viable developments. This will in turn harm cashflow to council and prevent funding for much needed infrastructure.

House prices will go up as supply will become restricted.

20 December 2024

Contributions Policy Team

Auckland Council

Via email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

ADDENDUM TO SANZ LTD:

POLICY REVIEW (DC) DATED 15 NOVEMBER 2024

Following our 15 November 2024 submission, we have undertaken a review of selected cost schedules and calculation methodologies.

We thank the Council for providing the excel based dataset. We have been able to see that the costs are assigned over thirty years. However, we are concerned that some of the costs are assigned at the end of the thirty years yet charged from the first year. This seems to be unfair.

As a small and voluntary team, reviewing the proposal is a task of significant magnitude, as a result we have chosen to focus on selected items. Concerns found in these should raise significant warning that there will, more than likely, be far more problems present.

This addendum corroborates our original concerns regarding methodology and alignment with the Local Government Act 2002.

The Proposal contains flawed assumptions:

- Incorrect growth HUE numbers that deviate significantly and concerningly from the growth data set and the actual report consent numbers
- Inadequately justified 90% ISA coverage for Tamaki
- Seemingly preposterous escalation factors

Remediations required prior to the Policy being accepted in any form:

- Full independent audit of proposed projects, their timings and council ‘treatments’
- Justification or communication validating Healthy Water’s ‘investigation’ into 80% ISA and validation of a 90% coverage assumption
- Transparency on the Awakeri Wetland’s cost attribution to growth demand from in-fill housing versus the purpose being heavily linked to greenfield

development[10]. SANZ opinion is that this should not be an in-fill stormwater demand linked assignment and should more appropriately be targeted at the greenfield development.

(1). Compounding Cost Methodology Issues

Our original submission raised concerns about transparency in calculations. Further analysis of the cost schedules reveals systematic issues in how base costs are converted to final development contribution charges:

(a). Layered percentage additions

Using a basic intersection upgrade as an example[11]:

Physical works base cost:	**$180,256**

Construction Phase:

What's Added	**Cost**
Site overheads (20%)	$36,051
Off-site costs & profit (10%)	$21,631
Running total	**$237,938**

Project Phases:

	Extra Cost
Development (18%)	$42,829
Pre-Implementation (16%)	$38,070
Implementation (11%)	$26,173
Running total	**$345,010**

[10] https://businessdesk.co.nz/article/infrastructure/two-fast-track-projects-collide
[11] Cost Schedules Brownfield page 3.

Add p50 at 70%	**$241,507**
Total	**$586,518**

We are not in disagreement with the logic of the thinking process[12] rather; the application of layered percentages, the scale of consultancy fees, the applied on-site costs and finally the extremely high contingency that has been added (we believe that this contingency is also assigned as a cost to the development contributions).

It is preposterous that a project should be forecast so inaccurately that a 70% contingency is required and that this inaccuracy should be assigned to the contributions. This indicates management issues with high cost swings.

(b). Time-based cost escalation

Analysis of project RWW_26a (Brigham Creek Road)[13] demonstrates how delayed implementation compounds costs:

Original estimate:	$4.8M
After initial adjustments:	$6.0M
After standard percentage additions:	$16.1M
After time-based escalation to 2039:	$25.3M

While the total does not reflect the proportion allocated to the development contribution due to adjustments, the principle is that the costs are too theoretical and too inflated to be borne by any project whether council initiated or not.

This represents a 5.3x increase over the base estimate, primarily due to pushing implementation out to 2039.

We contend this creates intergenerational inequity by requiring today's new homes to pay for infrastructure that they may never benefit from either due to time or through potential cancellation. It should not be included at the end of the contribution period.

[12] In general agreement with the BERL report comment referencing the 'logic', not in agreement with quantums or the application of linear percentages.
[13] Final_RWW_Transport_Capex_Redacted_Model_Consultation_20241011.xlsx

This project would seem to be unjust and not followings s197AA of the Local Government Act 2002.

197AA Purpose of development contributions

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.

Section 197AA: inserted, on 8 August 2014, by section 50 of the Local Government Act 2002 Amendment Act 2014 (2014 No 55).

(2). Project Cost Recovery Issues

Our November submission questioned whether demand increases were genuinely linked to contributions required. The cost schedules provide concern:

(a). Awakeri Wetlands Cost Recovery Structure

Total project cost:	$130 million
Currently recovered:	$57 million
Remaining to recover:	$74 million
Proposed recovery timeline:	Extended to 2054
Assumed annual HUE[14] contributions:	100 per year (adjusted to ISA?)

This structure raises concerns:

- Previous contributions were set at $24,000 per HUE portion
- New proposed 2025 contributions rise to $58,000 per HUE portion

The reduced HUE assumption (now less than 100 p.a) appears to be based on data from AGSv1.1. When was that dataset last updated as it shows a significant drop in numbers. Is this due to the near collapse of new building in Papakura?

Used for Payment timing TOTAL - HUEs per activity and funding area. This information is from the growth model

Lookup ref: 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

Table not required for 2024-2034 LTP. Will update when we consult on revised DC policy post the adoption of the 2024-2034 LTP

Payment timing summary - total HUEs by infrastructure type and funding area

					Payment timing TOTAL - HUE																	
Activity co	Area cod		Infrastructure type	Funding Area	2024/25	2025/26	2026/2	2027/2	2028/2	2029/3	2030/3	2031/3	2032/3	2033/3	2034/3	2035/3	2036/3	2037/3	2038/3	2039/4	2040/4
STW	A6	STW A6	Stormwater	Manurewa Papakura GPA	144	96	94	91	83	83	85	84	78	80	80	81	80	77	77	77	79
STW	A7	STW A7	Stormwater	Greater Takapuna GPA	110	95	87	78	75	79	79	77	68	69	72	73	70	64	65	65	67

Is this a case of the 'last one standing' pays?

We note released information shows that Kainga Ora paid a significantly lower contribution in previous years. It is claimed they upgrade public infrastructure therefore don't need to contribute further. Please note that private developers are required to do

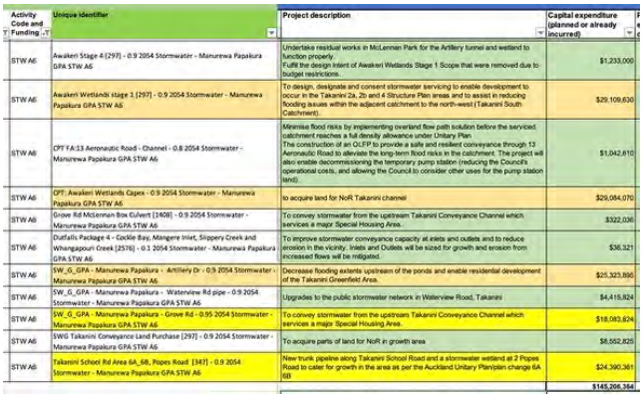
[14] Noting these are HUEs and not rateable units. Possibly, council has adjusted due to the 'learning' that an affordable townhouse does not cover 292 m^2 of surface area?

the same even with very small projects at significant cost (e.g. Papakura with Veolia and upgrades in other parts of Auckland at Watercare's discretion).

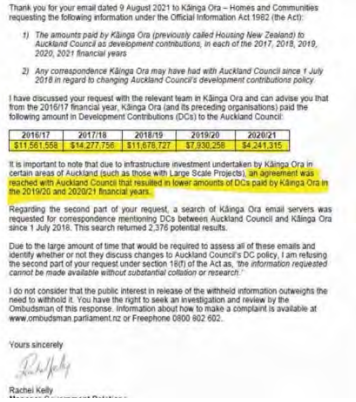
By taking significantly lower contributions from Kainga Ora, there are less new HUEs to share the total cost. This is significant when the HUE numbers are so few.

This is not fair, nor equitable, nor proportionate and could be viewed as a social housing tax for other purchasers. Are they aware of the subsidy they are unwittingly paying?

Graphic: left side: project list 2024-2034, right side OIA letter re KO DCs



Activity Code and Funding ..T	Unique identifier	Project description	Capital expenditure (planned or already incurred)
STW A6	Awakeri Stage 4 [297] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	Undertake residual works in McLennan Park for the Artillery tunnel and wetland to function properly. Fulfil the design intent of Awakeri Wetlands Stage 1 Scope that were removed due to budget restrictions.	$1,233,000
STW A6	Awakeri Wetlands stage 3 [297] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	To design, designate and consent stormwater servicing to enable development to occur in the Takanini 2a, 2b and 4 Structure Plan areas and to assist in reducing flooding issues within the adjacent catchment to the north-west (Takanini South Catchment).	$29,109,630
STW A6	CPT FA:13 Aeronautic Road - Channel - 0.8 2054 Stormwater - Manurewa Papakura GPA STW A6	Minimise flood risks by implementing overland flow path solution before the serviced catchment reaches a full density allowance under Unitary Plan The construction of an OLFP to provide a safe and resilient conveyance through 13 Aeronautic Road to alleviate the long-term flood risks in the catchment. The project will also enable decommissioning the temporary pump station (reducing the Council's operational costs, and allowing the Council to consider other uses for the pump station land).	$1,042,610
STW A6	CPT: Awakeri Wetlands Capex - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	to acquire land for NoR Takanini channel	$29,084,070
STW A6	Grove Rd McLennan Box Culvert [2408] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	To convey stormwater from the upstream Takanini Conveyance Channel which services a major Special Housing Area.	$322,036
STW A6	Outfalls Package 4 - Cockle Bay, Mangere Inlet, Slippery Creek and Whangapouri Creek [2576] - 0.1 2054 Stormwater - Manurewa Papakura GPA STW A6	To improve stormwater conveyance capacity at inlets and outlets and to reduce erosion in the vicinity. Inlets and Outlets will be sized for growth and erosion from increased flows will be mitigated.	$36,321
STW A6	SW_G_GPA - Manurewa Papakura - Artillery Dr - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	Decrease flooding extents upstream of the ponds and enable residential development of the Takanini Greenfield Area.	$25,323,880
STW A6	SW_G_GPA - Manurewa Papakura - Waterview Rd pipe - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	Upgrades to the public stormwater network in Waterview Road, Takanini	$4,415,824
STW A6	SW_G_GPA - Manurewa Papakura - Grove Rd - 0.95 2054 Stormwater - Manurewa Papakura GPA STW A6	To convey stormwater from the upstream Takanini Conveyance Channel which services a major Special Housing Area.	$18,083,824
STW A6	SWG Takanini Conveyance Land Purchase [297] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	To acquire parts of land for NoR in growth area	$8,552,825
STW A6	Takanini School Rd Area 6A_6B, Popes Road [347] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	New trunk pipeline along Takanini School Road and a stormwater wetland at 2 Popes Road to cater for growth in the area as per the Auckland Unitary Plan/plan change 6A 6B	$24,390,361
			$145,206,364



Thank you for your email dated 9 August 2021 to Kāinga Ora – Homes and Communities requesting the following information under the Official Information Act 1982 (the Act):

1) *The amounts paid by Kāinga Ora (previously called Housing New Zealand) to Auckland Council as development contributions, in each of the 2017, 2018, 2019, 2020, 2021 financial years*

2) *Any correspondence Kāinga Ora may have had with Auckland Council since 1 July 2018 in regard to changing Auckland Council's development contributions policy.*

I have discussed your request with the relevant team in Kāinga Ora and can advise you that from the 2016/17 financial year, Kāinga Ora (and its preceding organisations) paid the following amount in Development Contributions (DCs) to the Auckland Council:

2016/17	2017/18	2018/19	2019/20	2020/21
$11,561,558	$14,277,756	$11,678,727	$7,930,258	$4,241,315

It is important to note that due to infrastructure investment undertaken by Kāinga Ora in certain areas of Auckland (such as those with Large Scale Projects), an agreement was reached with Auckland Council that resulted in lower amounts of DCs paid by Kāinga Ora in the 2019/20 and 2020/21 financial years.

Regarding the second part of your request, a search of Kāinga Ora email servers was requested for correspondence mentioning DCs between Auckland Council and Kāinga Ora since 1 July 2018. This search returned 2,376 potential results.

Due to the large amount of time that would be required to assess all of these emails and identify whether or not they discuss changes to Auckland Council's DC policy, I am refusing the second part of your request under section 18(f) of the Act as, *'the information requested cannot be made available without substantial collation or research.'*

I do not consider that the public interest in release of the withheld information outweighs the need to withhold it. You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

Yours sincerely

Rachel Kelly

(b). Project Timing Effects on Total Cost

Analysis of one transport project (Brigham Creek Road - Tamatea Ave to Kauri Road) shows how timing affects final costs:

Beca base estimate (2024?):	**$30.2M**
Allowances:	$25.9M
Client costs:	$11.2M
Contingency:	$33.7M
Escalation to 2054:	$149.1M
Total project cost:	**$250.1M**

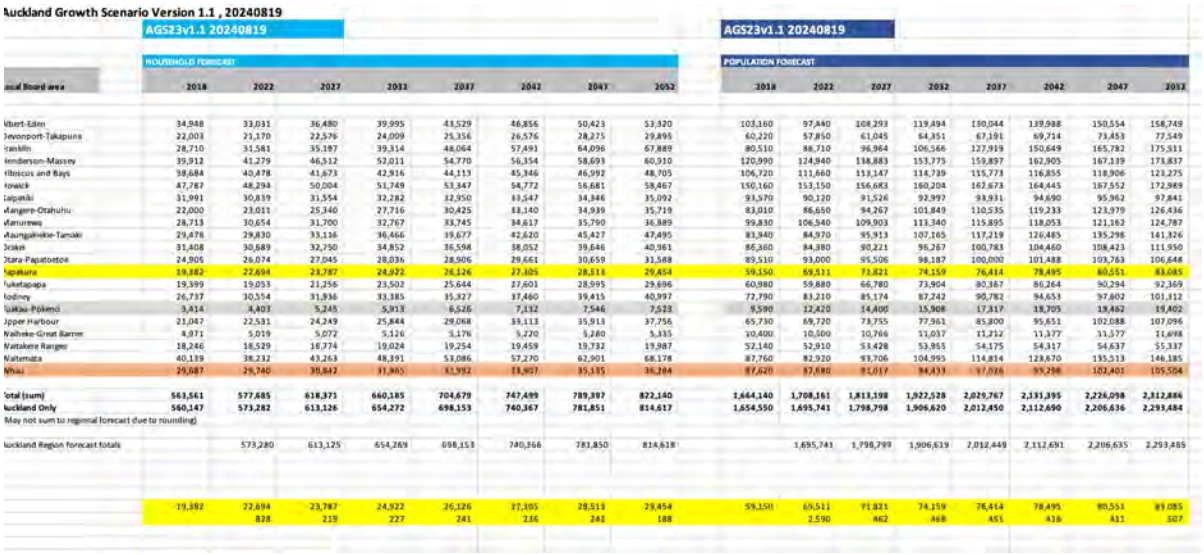
The escalation component ($149.1M) represents 60% of the total project cost, or 5 x the original physical works. This raises serious questions about whether today's new homes should fund such extensively delayed projects that they will likely never benefit from – preposterous.

(c). Allocation and Number of HUE

Projects appear to have a surge of HUEs applied at the end of the timespan. These are unexplained and do not figure within the *'agsv1_1_20240819_release_values'*. There is no explanation of how the surge has been derived.

Table taken from: agsv1_1_20240819_release_values (no surge)

The figures do not look like they are consistent using "Whau" as an example. No surge is evident when the numbers are 'eye-balled'.



Auckland Growth Scenario Version 1.1 , 20240819

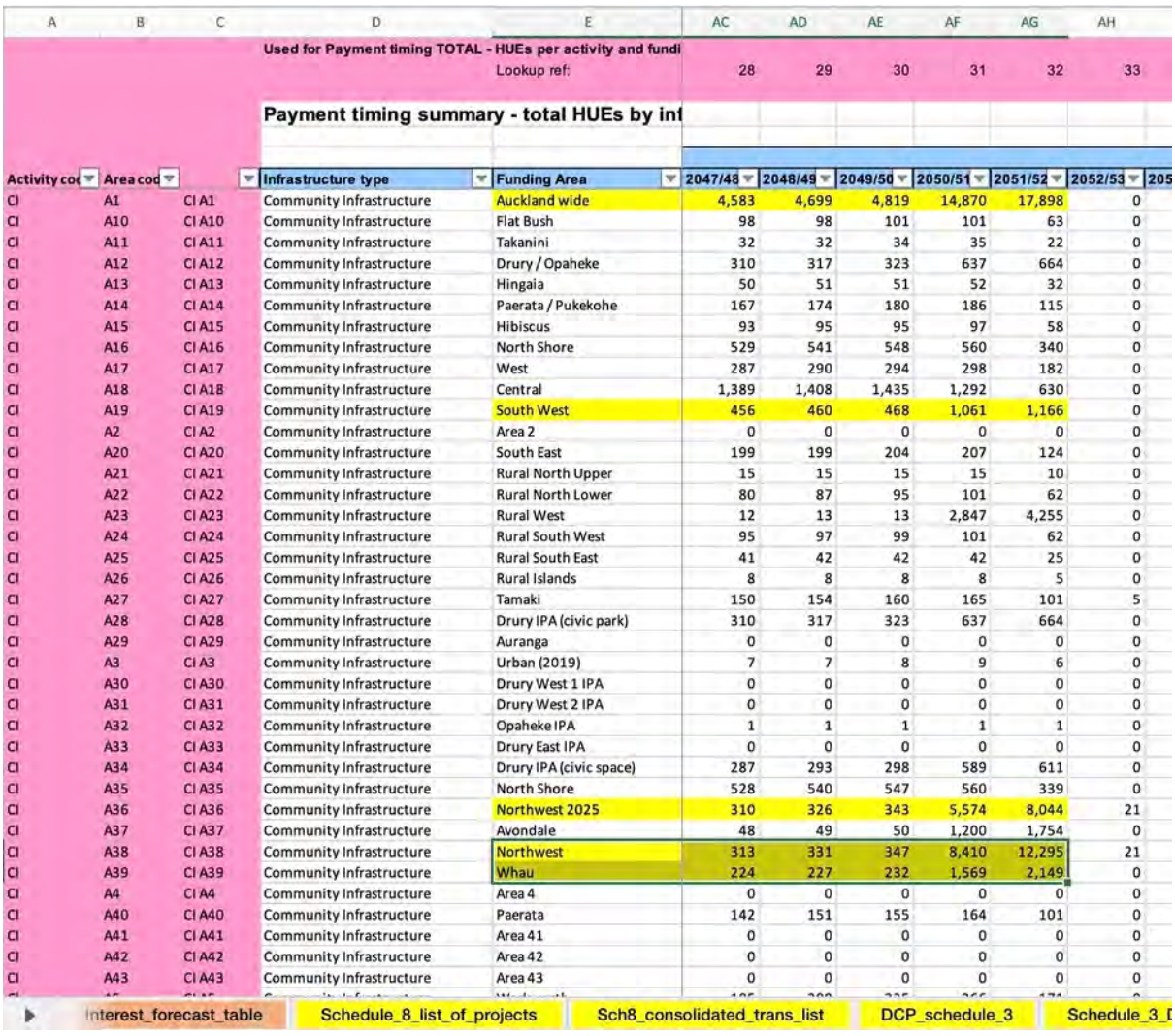
AGS23v1.1 20240819 — HOUSEHOLD FORECAST

Local Board area	2018	2022	2027	2032	2037	2042	2047	2052
Albert-Eden	34,948	33,031	36,480	39,995	43,529	46,856	50,423	53,920
Devonport-Takapuna	22,003	21,170	22,576	24,009	25,356	26,576	28,275	29,895
Franklin	28,710	31,581	35,197	39,314	48,064	57,493	64,096	67,889
Henderson-Massey	39,912	41,279	46,512	52,011	54,770	56,354	58,693	60,910
Hibiscus and Bays	38,684	40,478	41,673	42,916	44,113	45,346	46,992	48,705
Howick	47,787	48,294	50,004	51,749	53,347	54,772	56,681	58,467
Kaipatiki	31,991	30,839	31,554	32,282	32,950	33,547	34,346	35,092
Manurewa	22,000	23,011	25,340	27,716	30,425	33,140	34,939	35,719
Maungakiekie-Tamaki	28,713	30,654	31,700	32,767	33,745	34,617	35,790	36,889
Orakei	29,478	29,830	33,116	36,466	39,677	42,620	45,427	47,495
Otara-Papatoetoe	31,408	30,689	32,750	34,852	36,594	38,052	39,646	40,961
Papakura	24,906	26,074	27,045	28,036	28,906	29,661	30,659	31,588
Puketapapa	19,382	22,694	23,787	24,922	26,126	27,305	28,513	29,454
Rodney	19,399	19,053	21,256	23,502	25,644	27,601	28,995	29,696
Tamaki Makaurau	26,737	30,554	31,936	33,385	35,327	37,460	39,415	40,997
Upper Harbour	3,414	4,403	5,245	5,913	6,526	7,132	7,546	7,523
Waiheke-Great Barrier	21,047	22,531	24,249	25,844	29,068	33,113	35,913	37,756
Waitakere Ranges	4,971	5,019	5,072	5,126	5,176	5,220	5,280	5,335
Waitemata	18,246	18,529	18,774	19,024	19,254	19,459	19,732	19,987
Whau	40,139	38,232	43,263	48,391	53,086	57,270	62,901	68,178
	29,687	29,740	30,842	31,965	33,992	34,957	35,185	36,284
Total (sum)	563,561	577,685	618,371	660,185	704,679	747,499	789,397	822,140
Auckland Only	560,147	573,282	613,126	654,272	698,153	740,367	781,851	814,617
May not sum to regional forecast due to rounding)								
Auckland Region forecast totals		573,280	613,125	654,269	698,153	740,366	781,850	814,618
	19,382	22,694	23,787	24,922	26,126	27,305	28,513	29,454
		828	219	227	241	236	242	188

AGS23v1.1 20240819 — POPULATION FORECAST

Local Board area	2018	2022	2027	2032	2037	2042	2047	2052
Albert-Eden	103,160	97,440	108,293	119,494	130,044	139,988	150,554	158,749
Devonport-Takapuna	60,220	57,850	61,045	64,351	67,101	69,714	73,453	77,549
Franklin	80,510	88,710	96,964	106,566	127,919	150,649	165,782	175,511
Henderson-Massey	120,990	124,940	138,883	153,775	159,897	162,905	167,139	173,837
Hibiscus and Bays	106,720	111,660	113,147	114,739	115,773	116,855	118,906	123,275
Howick	150,160	153,150	156,683	160,204	162,673	164,445	167,552	172,989
Kaipatiki	91,570	90,120	91,526	92,997	93,931	94,690	95,962	97,841
Manurewa	83,010	86,650	94,267	101,849	110,535	119,233	123,979	126,436
Maungakiekie-Tamaki	99,830	106,540	109,903	113,340	115,895	118,053	121,162	124,787
Orakei	83,940	84,970	95,913	107,165	117,219	126,485	135,296	141,326
Otara-Papatoetoe	86,360	84,380	90,221	96,267	100,783	104,460	108,423	111,950
Papakura	89,510	93,000	95,506	98,187	100,000	101,488	103,763	106,646
Puketapapa	59,150	69,511	71,821	74,159	76,414	78,495	80,551	83,085
Rodney	60,980	59,880	66,780	73,904	80,387	86,264	90,294	92,369
Tamaki Makaurau	72,790	83,210	85,174	87,242	90,782	94,653	97,602	101,312
Upper Harbour	9,590	12,420	14,400	15,908	17,317	18,705	19,462	19,402
Waiheke-Great Barrier	65,730	69,720	73,755	77,961	85,800	95,651	102,088	107,096
Waitakere Ranges	10,400	10,500	10,766	11,037	11,212	11,377	11,577	11,698
Waitemata	52,140	52,910	53,428	53,955	54,175	54,317	54,637	55,337
Whau	87,760	82,920	93,706	104,995	114,814	123,670	135,513	146,185
	87,620	87,680	91,017	94,433	97,026	99,298	102,401	105,504
Total (sum)	1,444,140	1,708,161	1,813,198	1,922,528	2,029,767	2,131,395	2,226,098	2,312,886
Auckland Only	1,654,550	1,695,741	1,798,798	1,906,620	2,012,450	2,112,690	2,206,636	2,293,484
Auckland Region forecast totals		1,695,741	1,798,799	1,906,619	2,012,449	2,112,691	2,206,635	2,293,485
	59,150	69,511	71,821	74,159	76,414	78,495	80,551	83,085
		2,590	462	468	451	416	411	507

Table taken from: Copy of DC_consultation_IPAs_beyond_2034 (a surge is evident on eye-balling)



A	B	C	D	E	AC	AD	AE	AF	AG	AH
			Used for Payment timing TOTAL -	HUEs per activity and fundi						
				Lookup ref:	28	29	30	31	32	33
			Payment timing summary - total HUEs by int							
Activity co	Area cod		Infrastructure type	Funding Area	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53
CI	A1	CI A1	Community Infrastructure	Auckland wide	4,583	4,699	4,819	14,870	17,898	0
CI	A10	CI A10	Community Infrastructure	Flat Bush	98	98	101	101	63	0
CI	A11	CI A11	Community Infrastructure	Takanini	32	32	34	35	22	0
CI	A12	CI A12	Community Infrastructure	Drury / Opaheke	310	317	323	637	664	0
CI	A13	CI A13	Community Infrastructure	Hingaia	50	51	51	52	32	0
CI	A14	CI A14	Community Infrastructure	Paerata / Pukekohe	167	174	180	186	115	0
CI	A15	CI A15	Community Infrastructure	Hibiscus	93	95	95	97	58	0
CI	A16	CI A16	Community Infrastructure	North Shore	529	541	548	560	340	0
CI	A17	CI A17	Community Infrastructure	West	287	290	294	298	182	0
CI	A18	CI A18	Community Infrastructure	Central	1,389	1,408	1,435	1,292	630	0
CI	A19	CI A19	Community Infrastructure	South West	456	460	468	1,061	1,166	0
CI	A2	CI A2	Community Infrastructure	Area 2	0	0	0	0	0	0
CI	A20	CI A20	Community Infrastructure	South East	199	199	204	207	124	0
CI	A21	CI A21	Community Infrastructure	Rural North Upper	15	15	15	15	10	0
CI	A22	CI A22	Community Infrastructure	Rural North Lower	80	87	95	101	62	0
CI	A23	CI A23	Community Infrastructure	Rural West	12	13	13	2,847	4,255	0
CI	A24	CI A24	Community Infrastructure	Rural South West	95	97	99	101	62	0
CI	A25	CI A25	Community Infrastructure	Rural South East	41	42	42	42	25	0
CI	A26	CI A26	Community Infrastructure	Rural Islands	8	8	8	8	5	0
CI	A27	CI A27	Community Infrastructure	Tamaki	150	154	160	165	101	5
CI	A28	CI A28	Community Infrastructure	Drury IPA (civic park)	310	317	323	637	664	0
CI	A29	CI A29	Community Infrastructure	Auranga	0	0	0	0	0	0
CI	A3	CI A3	Community Infrastructure	Urban (2019)	7	7	8	9	6	0
CI	A30	CI A30	Community Infrastructure	Drury West 1 IPA	0	0	0	0	0	0
CI	A31	CI A31	Community Infrastructure	Drury West 2 IPA	0	0	0	0	0	0
CI	A32	CI A32	Community Infrastructure	Opaheke IPA	1	1	1	1	1	0
CI	A33	CI A33	Community Infrastructure	Drury East IPA	0	0	0	0	0	0
CI	A34	CI A34	Community Infrastructure	Drury IPA (civic space)	287	293	298	589	611	0
CI	A35	CI A35	Community Infrastructure	North Shore	528	540	547	560	339	0
CI	A36	CI A36	Community Infrastructure	Northwest 2025	310	326	343	5,574	8,044	21
CI	A37	CI A37	Community Infrastructure	Avondale	48	49	50	1,200	1,754	0
CI	A38	CI A38	Community Infrastructure	Northwest	313	331	347	8,410	12,295	21
CI	A39	CI A39	Community Infrastructure	Whau	224	227	232	1,569	2,149	0
CI	A4	CI A4	Community Infrastructure	Area 4	0	0	0	0	0	0
CI	A40	CI A40	Community Infrastructure	Paerata	142	151	155	164	101	0
CI	A41	CI A41	Community Infrastructure	Area 41	0	0	0	0	0	0
CI	A42	CI A42	Community Infrastructure	Area 42	0	0	0	0	0	0
CI	A43	CI A43	Community Infrastructure	Area 43	0	0	0	0	0	0

Interest_forecast_table | Schedule_8_list_of_projects | Sch8_consolidated_trans_list | DCP_schedule_3 | Schedule_3_D

(d). Further concern with the allocation of stormwater demand to the Awakeri Wetlands project.

Project descriptions within the datasets do not provide enough information to show a clear demand link for stormwater relating to the Awakeri Wetlands project.

It looks like it is greenfield development that has been incorrectly linked to stormwater.

This would appear to not be consistent with the LGA (2002) and allocation of demand:

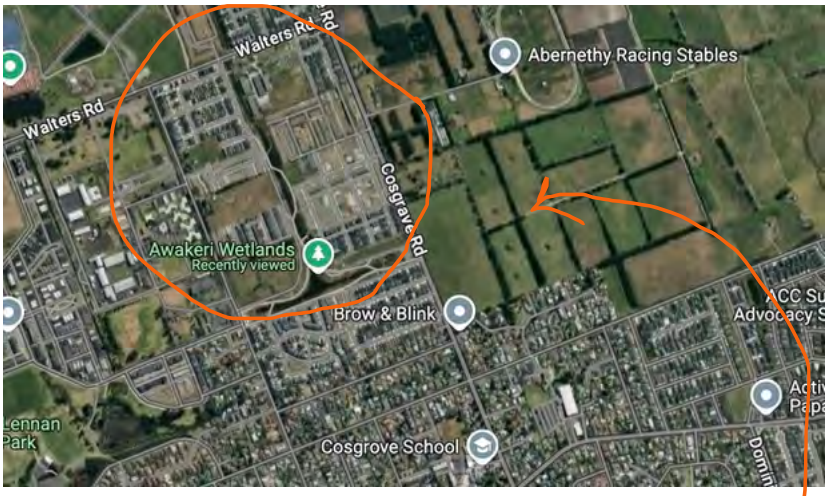
“Auckland Council is investing around $100 million in unlocking what was once flood-prone, flat, peaty rural land around Takanini and transforming the area into an eco-friendly urban community”.

Auckland Council is investing around $100 million in unlocking what was once flood-prone, flat, peaty rural land around Takanini and transforming the area into an eco-friendly urban community.

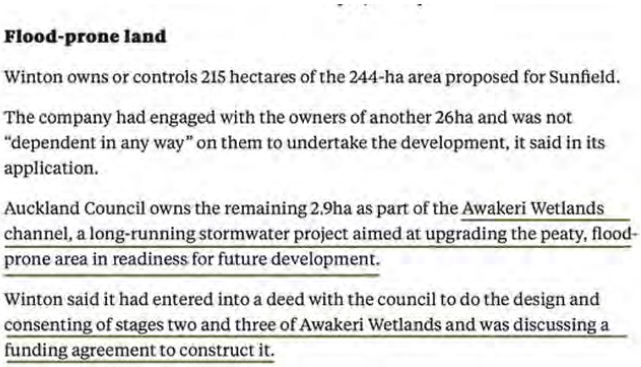
As developers construct thousands of modern homes, the environment is being revitalised as part of the three-stage Awakeri Wetlands Project. The project comes under the council's strategy to protect people and property from the dangers of flooding and preserve and enhance the health and value of Auckland's waterways and harbours for future generations.

The Awakeri Wetlands Project is a signature project, creating healthy and connected waterways, shared cycleways and pathways and open green spaces to support restored natural habitats and resolve flooding and stormwater problems in the Takanini area.

Photo shows the Awakeri Wetlands, in a 'new' area that looks more like greenfield development and the proposed Sunfield development location to the East.



Business Desk, December 19, 2024



Flood-prone land

Winton owns or controls 215 hectares of the 244-ha area proposed for Sunfield.

The company had engaged with the owners of another 26ha and was not "dependent in any way" on them to undertake the development, it said in its application.

Auckland Council owns the remaining 2.9ha as part of the Awakeri Wetlands channel, a long-running stormwater project aimed at upgrading the peaty, flood-prone area in readiness for future development.

Winton said it had entered into a deed with the council to do the design and consenting of stages two and three of Awakeri Wetlands and was discussing a funding agreement to construct it.

(3). Additional Recommendations

Based on this addendum, we request that:

The 2025 Auckland Development Contributions draft proposal is immediately withdrawn due to the significant concerns that have been identified.

This review selected only a handful of items to deep dive into, with the concerns raised in these items, we cannot begin to speculate the cost impact on the full project set.

SANZ requires:

(a). Full market-based review of all cost: the use of percentage additions, 'client costs', and contingencies. Independent Quantity Surveyors experienced within the private market should be engaged.

(b). Project timing reforms

- Establish maximum escalation periods for DC calculations
- Consider alternative funding mechanisms for projects beyond 10 years
- Require explicit justification for any project timing beyond LTP period

(c). Cost recovery structure

- Review and justify HUE assumptions
- Require independent review of large projects

(d). Review of the demand allocation apportioned to the Awakeri Wetlands project.

This deeper review reinforces our original submission's conclusion that the policy requires substantial revision to meet the "fair, equitable, and proportionate" requirement of the Local Government Act 2002.

SANZ Ltd wishes to be heard in support of this submission and our original submission dated 15 November 2024.

[redacted]

Directors

Subdivision Advocacy NZ Ltd

Development Contributions Policy Review

#111

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Southern Cross Healthcare Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

SUBMISSION ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To: Auckland Council Contributions Policy team
Freepost Number 182382
Private Bag 92300
Victoria Street West
Auckland 1142

Name of Submitter: Southern Cross Healthcare Limited

Address: [redacted]

Submission on Auckland Council's Draft Development Contributions Policy 2025

1. Introduction

1.1 This is feedback on Auckland Council's (**Council**) Draft Development Contributions Policy 2025 (**Draft Policy**) by Southern Cross Healthcare Limited (**Southern Cross**).

1.2 Southern Cross appreciates the opportunity to provide feedback on the Draft Policy.

1.3 Southern Cross has the largest network of private surgical hospitals and procedure centres in New Zealand.

1.4 New Zealand's healthcare system is under increasing pressure (and has been for some time) due to population growth and an ageing population, as well as an increase in the number of patients suffering from chronic conditions that require intensive and specialist medical care. These demands will continue to increase, and Southern Cross (like other healthcare entities and hospitals) have an essential role in helping meet the growing and unmet demand for healthcare services.

1.5 Southern Cross own and operate the following hospitals and healthcare facilities in the Auckland region that may undergo development and expansion in the future:

(a) In North Auckland: North Harbour Hospital and North Shore Surgical Centre;

(b) In Central Auckland: Brightside Hospital, Gillies Hospital and the Auckland Surgical Centre.

1.6 The proposed increase in development contributions in the Draft Policy is significant and will materially impact on the feasibility of development of essential healthcare facilities.

1.7 In this submission, Southern Cross oppose:

(a) the introduction of a new requirement for development contributions to pay for infrastructure over a 30-year timeframe in Auckland's Investment Priority Areas (**IPAs**); and

(b) the application of a joint "Education and Health" development type because it does not reflect the different demands that education and healthcare activities have on the transport network.

1.8 Southern Cross seeks the following amendments to the Draft Policy:

(a) that the capital projects beyond 10 years are removed from the capital funding allocation until such time that they are identified in the Council's Long Term Plan (**LTP**);

(b) to provide for a separate "Health" development type;

(c) a transport unit of demand of 1.0 Housing Equivalent Unit (**HUE**) per 500m^2 Gross Development Area (**GDA**) for Health developments is applied (Stormwater and All others to remain the same);

(d) amend the definitions section to provide separate definitions for 'Health' and 'Education'; and

(e) any related or consequential amendments.

1.9 We expand below.

2. Requiring development contributions for capital projects required over a 30-year timeframe in the Auckland IPAs is contrary to the purposes and principles of the Local Government Act and creates uncertainty and inequity

2.1 In the Draft Policy, Council have adopted a new policy direction, shifting from requiring contributions to fund projects approved in the LTP over a period of 10 years and expanding this by forecasting capital expenditure over a 30-year horizon in the Auckland IPAs to charge for projects beyond those approved in the LTP. The Auckland IPAs include:

(a) the Inner Northwest (at Red Hills, Westgate and Whenuapai);

(b) the Auckland Housing Programme (**AHP**) areas of Tāmaki, Māngere and Mt Roskill.

2.2 Under the Local Government Act 2002 (**LGA**), development contributions recovered by territorial authorities must represent a fair, equitable and proportionat*e* portion of the total cost of capital expenditure necessary to service growth over the long term.[1]

2.3 The principles for preparing a policy or requiring development contributions include:[2]

(a) development contributions should only be required if the effects or cumulative effects of development will create a requirement to provide new or additional assets or assets of increased capacity;

(b) that over-recovery of costs allocated to funding is to be avoided;

(c) contributions should be determined according to, and be proportional to, the persons who will benefit from the assets provided as well as those who create the need for those assets;

(d) development contributions must be used for or towards the purpose of the activity or group of activities that they were required;

(e) territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why; and

(f) contributions should be predictable and consistent with the methodology and schedules of the territorial authorities policy.

2.4 Southern Cross is concerned that the new 30-year policy approach will be contrary to the purposes and principles of the LGA and lead to uncertainty and inequity. Projects to be financed beyond the LTP timeframe have not undergone public consultation, feasibility studies, technical assessments or in-depth planning. There is no confidence or guarantee that those projects will be technically feasible, approved, fully financed and ultimately delivered. This means there are no checks and

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[1] Section 197AA Local Government Act 2002.

[2] Section 197AB(a)-(f) Local Government Act 2002.

balances for those projects and no information around their full scope, technical constraints, cost and budgeting, or certainty of delivery.

2.5 It is difficult to see the direct causal nexus between a development to be undertaken in 2025 and a capital project that is not going to be delivered until 2045 (or later).[3] In the Draft Policy Consultation Document, Council has provided an example of the proposed average contribution pricing in the IPAs, which compares current charges with the 2025 charges. For example, in Tāmaki, the current average development contribution per HUE is $31,157, which is proposed to increase to $119,000 for 2025, more than three times the current cost. Based on the information available, it appears that a significant part of the increase in costs is the contingency and escalation costs that arise from projecting development costs over a longer time period.

2.6 Developers are therefore facing a significant increase in development contribution charges, largely based on the delay to provide the infrastructure, and without receiving any benefits from the infrastructure until (or if) it is delivered. This does not comply with the requirements for development contributions in the LGA.

2.7 It is noted that any development contributions not attributed towards the capital expenditure of infrastructure projects specified in the Draft Policy must be refunded. However, with contributions required for projects over a 30-year period, it will become increasingly difficult to track where funding is appropriated or identify when a refund is due, exacerbating the lack of transparency and unfairness for developers, and legality under the LGA.

2.8 It is appreciated that Auckland City requires significant investment in infrastructure to support growth. However, projections of capital projects over a long-term period is uncertain and unreliable. If infrastructure is considered necessary to service growth over a period longer than 10 years, then the LTP should provide for those projects over a consistent time period.

2.9 Providing for all capital projects for which development contributions are to be levied in the LTP would ensure that the Council's development contribution policy will comply with the purpose and principles of development contributions in the LGA.

2.10 Southern Cross seeks that the Draft Policy be amended to remove all projects that are not within the LTP.

3. Transport development contributions for Health facilities are not fair, equitable or proportionate

3.1 Southern Cross has assessed the development contributions for transport required by healthcare facilities in the two funding areas that apply to North Harbour Hospital and Brightside Hospital:

(a) In the North Harbour Hospital funding area, current transport charges are $6,101 for 1.0 HUE associated with Education and Health developments. This is proposed to increase to a charge of $18,907 under the Draft Policy.

(b) In the Brightside Hospital funding area, current transport charges are $5,035 for 1.0 HUE associated with Education and Health developments. This is proposed to increase to a charge of $17,538 under the Draft Policy.

3.2 As an example, if Southern Cross were to undertake a 1000m^2 expansion of these hospital facilities, the increase in development contributions for Transport would be significant:

(a) In the North Harbour Hospital funding area, transport contributions will rise from $22,513 under the current policy, to approximately $69,767 under the Draft Policy.

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[3] *Neil Construction Limited v North Shore City Council* [2008] NZRMA 275, at [120].

(b) In the Brightside Hospital funding area, transport contributions will rise from $18,579 under the current policy, to approximately $64,715 under the Draft Policy.

3.3 Healthcare facilities are crucial to the functioning and wellbeing of communities, and the Draft Policy must fairly allocate and charge contributions that reflect the need to provide for new or additional transport networks, or transport networks of increased capacity.[4]

3.4 The Draft Policy must reflect that healthcare facilities and hospitals have lower transport demand and infrastructure needs than other types of developments, and that they are not the same as education facilities or commercial activities.

3.5 The Draft Policy provides that "Education and Health" developments create a unit of transport demand of 1.0 HUE per 271m^2 GDA for transport contributions. This is the same unit of transport demand for "Commercial" developments. Units of demand must be attributed to particular types of development on a *consistent and equitable basis* to meet the requirements of Schedule 13(2) of the LGA.

3.6 Phil Harrison of Flow Transportation Specialists has reviewed the Council's approach to allocating transport units of demand to Health developments and prepared the technical report attached to this submission in **Appendix 1**.

3.7 In summary, Mr Harrison finds that:

(a) Capacity improvements in transport networks are typically required to accommodate peak period travel demands.

(b) The Draft Policy assumption that health, education and commercial developments all have the same impact on the need for transport capacity improvements is fundamentally flawed because their peak hour trip generations are substantially different.

(c) On the basis of transport surveys, Health developments typically generate 50% of the peak hour trips generated by a commercial (office) development, and about 12% of the peak hour trips generated by an education development.

(d) A separate Health development type should be created with a transportation rate of 1 HUE per 500m^2 GDA.

3.8 Mr Harrison's findings show that under the Draft Policy, health developments will be required to pay transport development contributions that are not fair, equitable, or proportionate to the total cost of capital expenditure necessary to service them.

3.9 It is necessary and appropriate, and consistent with clause 32 of the Draft Policy, to amend the Draft Policy to provide for a separate demand type for 'Health' with a transport unit of demand of 1.0 HUE per 500m^2 GDA.

4. Summary of Relief Sought

4.1 Southern Cross seeks that the Council:

(a) only require development contributions for projects that are provided for in the LTP;

(b) include a separate development type for "Health" developments in the Drafty Policy;

(c) set the units of demand for "Health" developments as:

(i) Stormwater: 1.0 HUE per 292m^2 ISA (no change);

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[4] Section 197AB(1)(a) Local Government Act 2002.

(ii) Transport: 1.0 HUE per 500m^2 GDA (reduced from 271m^2); and

(iii) All others: 0.0 HUE (no change).

(d) provide separate definitions for 'Education and health' in section 4, and provide a definition for 'Health' as "Land uses associated with (but not limited to) health and community health services whether public or private"; and

(e) any other consequential amendments required to give effect to the relief sought above.

Dated this 15th day of November 2024

Bianca Tree
Counsel for **Southern Cross Healthcare Limited**

Appendix 1

Phil Harrison, *Auckland Development Contributions for Health Facilities Review*, Flow Transportation Specialists, 12 November 2024

flow
TRANSPORTATION SPECIALISTS

technical note

PROJECT	**AUCKLAND DEVELOPMENT CONTRIBUTIONS**
SUBJECT	**AUCKLAND DEVELOPMENT CONTRIBUTIONS FOR HEALTH FACILITIES REVIEW**
TO	**BIANCA TREE, MINTER ELLISON RUDD WATTS**
FROM	PHIL HARRISON
REVIEWED BY	BRONWYN COOMER-SMIT
DATE	12 NOVEMBER 2024

BACKGROUND

Auckland Council is seeking feedback on its Draft Contributions Policy 2025. This draft Policy sets out the proposed approach to setting development contributions in Auckland and how the methodology for setting development contributions is applied to each of the activity areas, including Transport.

The Development Transport Contribution for a particular development is assessed on the forecast demand on reserves and infrastructure generated by the development, expressed as a number of Household Equivalent Units (HUE) which is the demand generated by a typical residential dwelling.

Schedule 2 gives the units of demand expected from a defined range of different types and sizes of development as compared to that of an average-sized single detached dwelling (Household Unit) with a demand of 1 (Household Unit Equivalent). The demand for each different development type within the development will be assessed separately

Within Schedule 2, for the development type "Education and Health", the Policy equates the demand factor for the transport activity as 1.0 HUE per 271m^2 GDA. This is the same factor for the transport activity as for the "Commercial" development type.

ASSESSMENT

Using the same transport demand factor for Health, Education and Commercial developments assumes that the transport demands generated per m^2 of Health facility are the same as for an Educational or Commercial development.

Developer contributions are targeted towards funding infrastructure capacity improvements required to accommodate growth.

- In the case of Transport activities (as opposed to Stormwater, for example) capacity improvements are typically required to accommodate peak period travel demands, either by increased road capacity or by improved public transport services or improvements to pedestrian and cycle infrastructure

- Demand generated outside of peak hours can generally be accommodated by existing transport infrastructure.

The daily trip generation profile of a Health facility is substantially different to that of a similar sized Education or Commercial development.

- Commercial and Education facilities generally show a very concentrated travel demand of arrivals in the morning peak and departures in the evening peak periods. In Auckland, this puts additional strain on an already congested transport system during the peak morning and afternoon commuter periods
- Table 1 illustrates the average peak hour traffic generation of surveyed Health, Commercial and Education developments in New Zealand. Details of the surveyed sites are included in Appendix A.

Table 1 Peak Hour Vehicle Trip Generation of Surveyed NZ Health, Commercial and Education Developments

	Trips per hour per 100m^2 GFA		
	Health	**Commercial (Office)**	**Education**
Morning peak	1.03	2.21	9.79
Evening peak	0.97	1.57	6.67
Daily	1.99	3.78	16.46

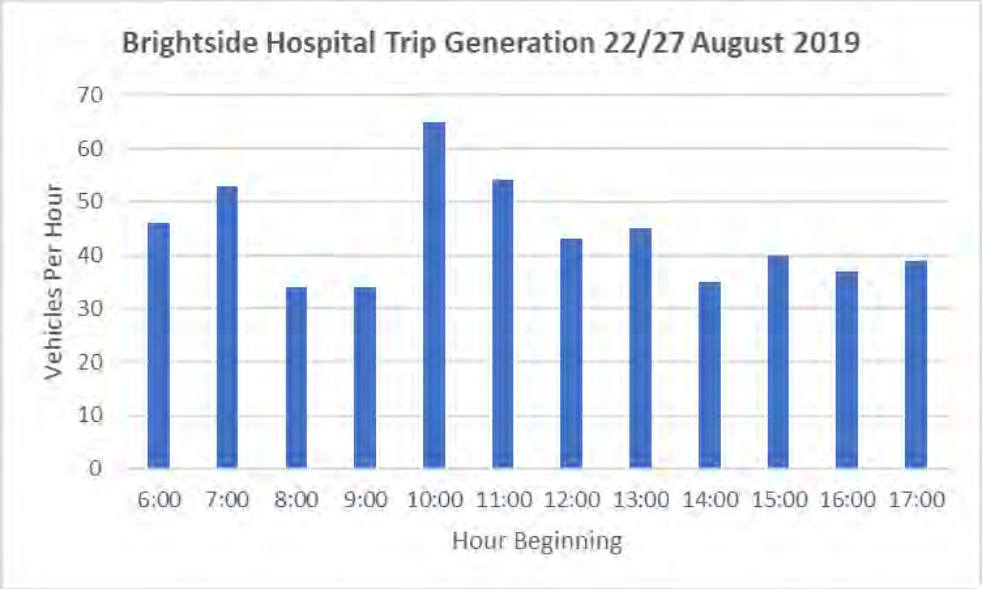
Table 1 illustrates that

- in the morning peak, a Commercial development generates twice the number of trips per m^2 than a Health facility, while an Education facility generates almost 10 times as many vehicle trips per m^2
- in the evening peak, a Commercial development is likely to generate 50% more trips per m^2 than a Health development, while an Education development generates about 6 times as many trips.

Hospitals have a much more even spread of trips over the day, with shift changes purposefully timed outside of traditional commuter peak periods and visitor hours during off-peak commute times.

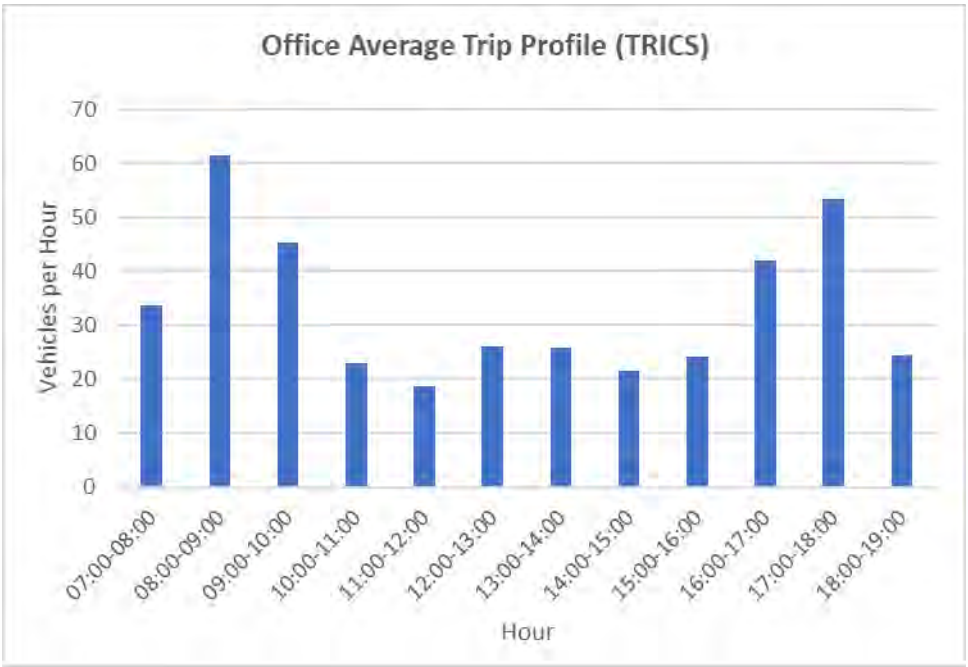
Surveys of vehicle trips generated by the Southern Cross Brightside Hospital in Epsom, Auckland confirm this, with the peak hour for trip generation being 10 am to 11 am, and the second highest being 11 am to 12 pm. Figure 1 illustrates the daily trip profile.

Figure 1: Brightside Hospital trip Generation



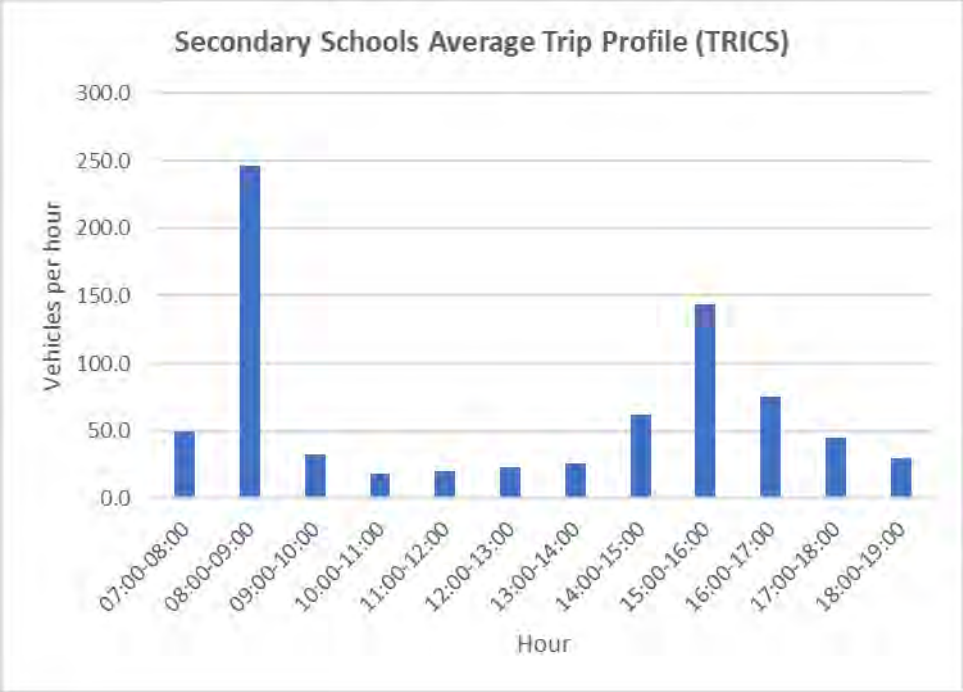
Education and Commercial land uses show very different daily flow profiles as shown in Figures 2 and 3 below for Offices and Secondary Schools, which highlights peak traffic generation occurring during peak commute times. I note that this data is from surveys carried out in the UK (TRICS database)[1] as there is very little all-day traffic generation data available for New Zealand developments. I am confident that the profiles for New Zealand office and secondary schools would be very similar to these.

Figure 2: Typical Office Development trip generation profile (TRICS 2021)



[1] www.trics.org retrieved October 2021

Figure 3: Typical Secondary School trip generation profile (TRICS 2021)



Uniquely, Health developments are not created to generate any new trips or increase the demand for healthcare services. Rather they are required to meet existing demands. New Health developments typically seek to address capacity shortfalls. Without new Health developments, patients are likely to need to travel further to have their needs met.

Further, Health facilities are typically located within the communities they serve, in locations accessible by a range of transport modes for the maximum convenience of their patients, visitors and staff. Consequently, they consistently demonstrate a travel demand spread across a wide range of modes.

CONCLUSIONS

I consider that the draft DC Policy 2025 assumption that Health, Education and Commercial developments all have the same impact on the need for transport capacity improvements is fundamentally flawed on the basis that the peak hour trip generations of the three are substantially different.

I appreciate that Council cannot create an infinite number of development types for its Development Contribution Policy. However, for the reasons stated above, I do not agree that Health developments can be combined with Education developments, nor that it can be assumed to have the same transport impact as Commercial developments.

I submit that a new separate Health development type needs to be added, with an appropriate HUE factor that recognizes the unique trip generation characteristics of these developments and their relative impact on the need for transport capacity increases.

- On the basis that surveys illustrate that Health developments typically generate about 50% of the peak hour trips generated by a Commercial (office) development per m^2 GDA, an appropriate HUE for Health should be about 50% of that for Commercial (1.0 HUE per 271 m^2 GDA). This would indicate an appropriate HUE for Health (for Transport DC purposes) of 1.0 HUE per 515 m^2 GDA.
- On the basis that surveys illustrate that Health developments typically generate about 12% of the peak hour trips generated by an Education development per m^2 GDA, an appropriate HUE for Heath should be about 12% of that for Commercial (1.0 HUE per 271 m2 GDA). This would indicate an appropriate HUE for Health (for Transport DC purposes) of 1.0 HUE per 2200 m^2 GDA.

On the basis that the daily trip generation of Health facilities is closer to that of offices than that of schools, and bearing in mind the variation associated with trip generation from all land uses, I submit that an appropriate HUE for Health facilities should be in the region of 1 HUE per 500m^2 GDA.

APPENDIX A: TRIP GENERATION SURVEYS

Health Facilities

	Trips per hour per m^2 GFA		
	Brightside Hospital Epsom	**Waitakere Hospital Henderson**	**Average**
AM Peak	0.98	1.07	1.03
PM Peak	0.74	1.19	0.97

Commercial/Offices

	Trips per hour per m^2 GFA			
	Greenlane Office Park Greenlane		**Addington Office Park, Christchurch**	**Average**
	Day 1	Day 2		
AM Peak	2.28	2.16	2.19	2.21
PM Peak	1.24	1.60	1.88	1.57

Education

	Trips per hour per m^2 GFA				
	St Kentigern's College Pakuranga	**Orewa College**	**ABC Preschool Christchurch**	**Prebbleton Childcare Christchurch**	**Average**
AM Peak	11.46	1.80	11.14	14.77	9.79
PM Peak	6.86	1.71	8.57	9.53	6.67

Reference: P:\SOUX\008 Auckland Development Contribution Assessment\TN2A241108 .docx - Phil.Harrison@flownz.com

Development Contributions Policy Review

#112

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Fletcher Living

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

15 November 2024

Auckland Council Development Contributions Policy 2025

Fletcher Residential Limited ("**FRL"**) make the following submission on Auckland Council's proposed Development Contributions Policy 2025 ("**Contributions Policy**")

Introduction

FRL is one of the largest developers of new residential communities in New Zealand, having built and sold thousands of homes in the last 5 years. We are an experienced developer, master planner, designer and builder of quality homes that are developed to meet the community needs, whether that be social, affordable or open market product. Our developments provide livable communities with high quality housing, providing healthy homes that are suited to today's owners, as well as future owners. Fletcher Living has 23 developments in Auckland currently, and a pipeline in excess of 5,000 dwellings.

Key Issues

Development Contributions ("**DC's**") are an important part of the way infrastructure is funded, and FRL agrees that the private sector should pay its fair share of infrastructure required for growth, on an equitable and proportionate basis We are therefore supportive of a Contributions Policy that allocates costs fairly, equitably and proportionately between the parties and communities who will benefit from infrastructure necessary because of growth.

However, there are material issues with Auckland Council's ("**Council**'s") proposed policy which we believe does not achieve that stated goal. We believe the Contributions Policy will cause significant implications throughout the industry that have not been given reasonable consideration. This is especially given that Development Contributions are proposed to increase by up to 289 percent in specific areas.

This response focuses on the policy in general, noting that it is Council's intent to implement these changes throughout Auckland over time.

1. No Justification Provided to Apply 'Drury Policy'

Development contributions are intended to fund a fair and equitable share of the costs of providing additional facilities and infrastructure to cater for growth. Development contributions can only be used to fund the growth-related cost of a capital project and not for improved levels of service, or maintenance and renewal costs.

The development of Drury and the application of the Contributions policy for Drury is unique, and is not a basis or precedent to then be applied (unchanged) to the rest of Auckland. The development of Drury will see a new satellite city the size of Napier, to house 60,000 people with an urban-style town centre, including retail, entertainment and industrial. This follows three Plan Changes (being PC48, 49 and 50) and a significant investment by the private sector in delivering Drury successfully.

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FLETCHER RESIDENTIAL LIMITED

Fletcher Living

The majority of the areas that Council is now proposing to apply the new Contributions policy are not akin to Drury. For a start, many of the new areas are existing brownfield locations. Existing areas are already well served by community facilities, libraries, parks and services, which have been provided and paid for previously. We acknowledge where growth places additional demand on council infrastructure and facilities, a contribution is payable, but this must accurately assess the additional demand created and there must be a direct causal link between the need for such capital expenditure and development growth.

No justification has been provided as to why the proposed policy from Drury is now being applied to these areas, with no recognition that the context is very different. A concern is that the proposed policy is being applied to existing urban areas with existing services / facilities and the Council policy will result in an over-charging to developers for facilities that will not be implemented. We believe the benefit allocations between the existing and incoming (growth) communities, and the funding from Development Contributions within existing areas is not fair, equitable and proportionate to the demand caused by growth.

2. Inclusion of costs beyond 2035

The Contributions policy requires developers to pay contributions towards the cost of infrastructure that is anticipated to be implemented after 2035. This occurred for the first time in 2022 for Drury. As the DC's for Drury are already subject to a further 19% increase in this proposal, this proves that the concerns raised at the time about Council's modelling and accuracy of the proposed contributions for a 30 year period, were valid.

By incorporating costs of infrastructure that will not be implemented within the first 10-year period, the resultant DC increase will impact developers in terms of reduced viability and profitability of developments. The proposed increase to DC's, as shown in Table 1 below, is so significant that it will likely slow, if not cease, development in these areas. It will also impact potential purchasers of homes (if development proceeds once prices appreciate to take into account these increased costs of development) as any such increases in DC's will inevitably find their way to increased house prices.

Table 1. Average current and proposed Development contribution

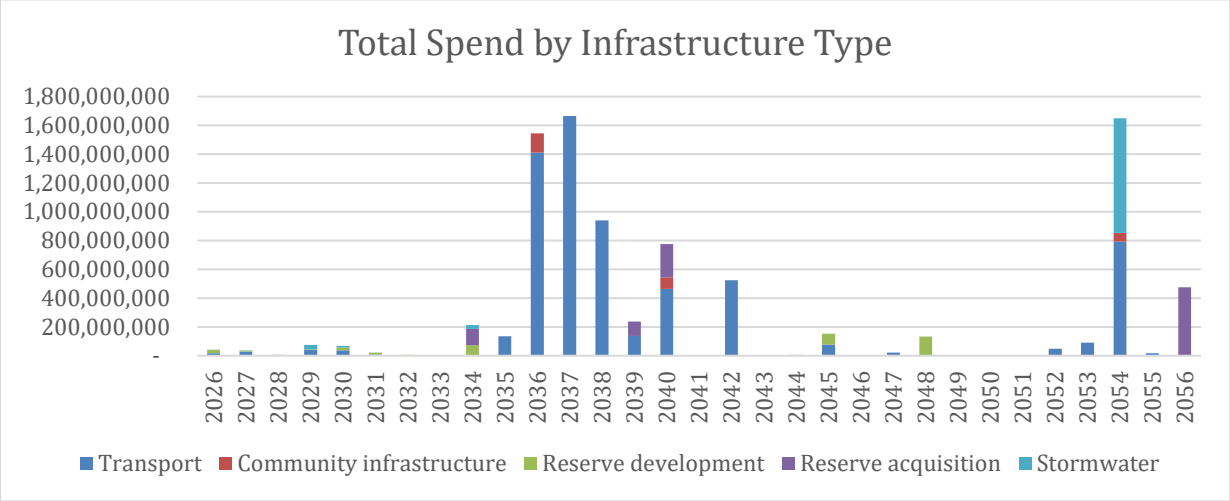
Investment Priority Area (IPA)	Current DC	Average Proposed DC	Proposed Increase	Notes
Inner Northwest	$25,167	$98,000	289%	Stormwater provided by developer
Tāmaki	$31,157	$119,000	282%	
Mt Roskill	$20,406	$52,000	155%	Stormwater yet to be included in 2025 Policy
Māngere	$18,123	$29,000	60%	Stormwater yet to be included in 2025 Policy
Drury	$70,000	$83,000	19%	An additional increase from the 2022 Policy.
Auckland wide average	$21,000	$50,000	138%	

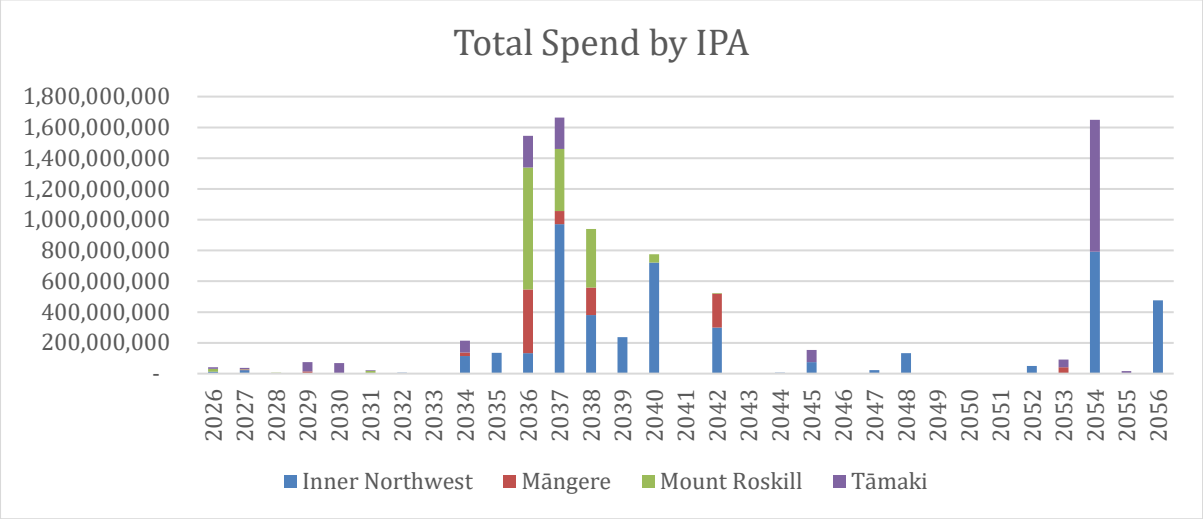
Fletcher Living

We are also concerned with the accuracy of predictions over a 30 year period. As the modelling extends an additional two decades into the future, the accuracy of the inputs decreases exponentially due to unknown changes in key factors such as cost escalations, interest rates, scope of required works, extent of land, etc. This lack of accuracy could result in severely unfair premiums being paid by developers who progress projects in the early years of this 30 year timeline. We also fail to see how demand directly created by growth can be assessed with any certainty over a 30 year period because of the inherent changes during such a long time horizon.

Most importantly, FRL does not believe it is equitable that a developer must pay the same amount of DC's in 2025 with limited to no benefit derived from the infrastructure proposed, as another developer would in 2054 who benefits from all of the infrastructure being in place. From a fairness and equity perspective, Council is proposing to apportion the same costs to developers today for Council projects that are not going to be built now, but over the next 3 decades. DC's are funding infrastructure arising from growth, so that infrastructure should be delivered in a timely manner, rather than 20 + years after the need has been established.

In this regard, the policy should provide an equitable allocation of costs between generations (e.g.: due recognition that a 2025 development will not benefit from an infrastructure improvement that will only be implemented in 2055). Cost allocations should take into account projects which benefit from them ,with the obvious conclusion that there is no nexus between homes completed in 2025 and infrastructure delivered in 2056. As shown in the Graphs below there is minimal investment proposed by Council in the first decade (which aligns with the Long Term plan LTP) and a greater spend in decades 2 & 3, and which has no real plan to support.





Source: Attachment B: List of projects for other investment priority areas

Simplistically, this puts developers who develop first at a severe disadvantage, and will lead to perverse outcomes whereby land banking is incentivised and developers will instead focus on other areas of Auckland with lower DC's.

Far greater rigor is required in the design and costing of projects, and Council needs to be able to demonstrate that an efficient, effective and value for money approach has been adopted. Our concern is that the Council's approach via the proposed policy favours a more capital-intensive investment option with lower operating spending than otherwise because operating costs are generally funded from rates.

An economic test of the merits of investment in local public good activities is that the value of the development with the relevant facilities should be no less than the sum of its value without the investment in local public good facilities and the cost of their provision. In reviewing the proposed Contributions policy, this economic test is not clearly apparent with some of the Council's proposed projects. Some of the Council projects are difficult to justify as being necessary because of growth. Consideration should be given to making a value for money test a criterion for establishing the reasonableness of council requirements and charges. A significant proportion of total growth-related costs in the proposed policy is attributed to regionwide or large catchments, which does not satisfy the requirement to establish a causal nexus between developments and the growth-related projects that they must fund via a development contribution. The proposed policy does not clearly explain the casual nexus between the Council projects and why these projects are needed for growth-related demand.

Larger developers such as ourselves typically pay for and deliver the roads, pipes, parks and playgrounds needed for these new communities, and that our customers value. We are already paying our share of the costs of providing new and upgraded infrastructure that meets environmental performance, resilience and level of service requirements.

A concern exists regarding the potential for double dipping by councils. In particular, where larger developers have paid for a piece of infrastructure (i.e., roading or stormwater) but are being charged by council for that same piece of infrastructure through development contributions. Whilst Council has assessed a level of mitigation of this, we believe there is risk that the developer will provide

additional infrastructure and satisfy the demand of its development, but will not be able to seek an offset or compensation based on the current policy.

Given the difficulties councils have in modelling infrastructure demand over a 30 year timeframe, it is possible that some of the pre-paid infrastructure may not be required in the future and thus, will not be built. As Council cannot collect DCs for costs which are not incurred, we query how in these circumstances these costs collected will be fairly and equitably refunded to developers.

Council's model has calculated project costs based on current rates and prices, added a contingency and cost allowance and then provided an escalation based on time of delivery. An example of the effect of time based on the RWW Transport Capex spreadsheet shows significant contingency (50% of base cost) and escalation costs (varying based on construction) to calculate the Development contributions.

Table 2. RWW Transport Capex Base costs with Contingency & escalation

Project ID	Construction year	Construction Base Cost	Contingency	Increase on Base Cost	Escalation	Increase on Base cost	Total Construction Costs	Increase on Base Cost
RWW_1b	2037	$8,822,832	$4,411,416	50%	$6,263,925	71%	$19,498,173	221%
RWW_3b	2054	$15,853,526	$7,926,763	50%	$35,091,752	221%	$58,872,041	371%
RWW_7	2038	$25,575,296	$12,787,648	50%	$19,909,770	78%	$58,272,714	228%
RWW_8b	2038	$13,389,677	$6,694,839	50%	$10,423,551	78%	$30,508,067	228%
RWW_9b	2035	$56,865,909	$28,432,954	50%	$32,929,198	58%	$118,228,061	208%
RWW_10	2027	$32,940,395	$16,470,198	50%	$4,239,668	13%	$53,650,260	163%
RWW_11	2037	$10,632,415	$5,316,208	50%	$7,548,671	71%	$23,497,294	221%
RWW_17	2037	$16,819,536	$8,409,768	50%	$11,941,326	71%	$37,170,631	221%

Based on the information provided to date, the Development Contributions Policy appears to have assumed high land purchase, escalation and construction costs and / or have applied multiple contingencies that collectively increase the costs to an unrealistic value that is then charged to developers.

The net present value calculation should be amended so that Council has sufficient funds to pay for works when they occur, rather than receiving both full contributions and compounding interest on those funds.

Fletcher Living

3. Consultation Process & Transparency

To date, developers and other interested parties have not been given a reasonable opportunity to review the financial models, project information and inputs into the proposed DCs. Development Contributions must be transparent, understandable and defensible. As such they need to be supported by publicly accessible information. Instead of this approach, the Council has drip feed information in the form of documents and several spreadsheets throughout the consultation process. Both the form and the substance of them is inadequate. The timeframe (less than 2 months) is also insufficient for interested and affected parties to complete appropriate reviews.

To reach an informed opinion on such a significant departure from the existing development contributions policy, we believe it is necessary to have full information provided in a timely manner, so a thorough review be completed, including through independent peer review.

It is not clear in all instances how the projects and costs have been derived by Council which relate to the DC policy. We suggest that all costs are independently audited, confirming costs, allocations and timing assumptions are correct and relate to the demand being created by the developer. The additional increase of Drury DC's within 2 years of the last update, demonstrates that a more rigorous process is required.

We believe the Council have failed to provide:

- Sufficient details of the scope of works for which contributions are required;
- Adequate plans showing the land required for those works;
- Sufficiently detailed estimates of the land and construction costs which contribute to the infrastructure works;
- Sufficient detail to justify the need for the number of projects; or
- Sufficient details of the proposed projects to ensure that the Contributions Policy does not include projects that will either be completed by the Crown or by private developers at no cost to Council.

The shortcomings and delays in the information provided to date mean that developers and other interested and affected parties are unable to assess and understand the Contributions Policy prior to the closing date for submissions. To provide a reasonable opportunity for a full review of the Contributions Policy, FRL requests that Council provides:

- Full access to the models used by Council;
- Full details of the works proposed including the methodology for how costs were calculated;
- Plans which shows the land required for the proposed works;
- Detailed estimates of the land and construction costs; and
- Details of the stormwater and other works that Council anticipates will ultimately be included in the Contributions Policy but which are currently omitted

This will impact the DC calculations by reducing interest costs and land values, given the aggressive land inflation figures adopted by Council in the current model.

Based on the limited analysis that FRL has been able to undertake to date, given the limited information made available by Council, our concerns are that the costs that Council has been used in

the models and the contingencies applied are excessive and unrealistic, with the consequence that the development contributions sought are unreasonably high.

FRL requests full access to the models that have been relied upon by Council, and their component elements and inputs, so that the basis for the Contributions Policy can be fully understood and there is transparency. In addition, full details of the scope of and rationale for works for which contributions are required, in sufficient detail to enable FRL and other submitters to test the accuracy of the costings and to satisfy itself as to the need for the works to be implemented, is sought from Council.

4. Geographical Specificity of Infrastructure Funding

FRL is concerned that the geographical allocation of infrastructure funding responsibility will have inequitable consequences for landowners and developers within the Auckland region. By only applying the Development Policy to certain areas, it puts the developers in these areas at a significant disadvantage to their equals in other parts of the region.

It could be perceived that Council is disincentivising development at these locations to intentionally funnel development activity to other parts of Auckland. If this is the intent, FRL requests that Council clearly states this so that it can be assessed in the appropriate public forums.

Development contributions are a large impost on development projects. Problems arise when councils treat development contributions as an alternative funding mechanism to increasing rates for services and infrastructure that may or may not be used by the eventual users.

The Auckland Plan seeks to shift to a housing system that "ensures secure and affordable homes for all". The proposed DC Policy will result in diametrically opposed outcomes.

Increased DC fees will likely result in the following outcomes:

a. Additional costs being passed on to the eventual buyer or occupier, making housing and occupancy costs more expensive;
b. Planned developments are postponed or cancelled (resulting in the reduction in house construction pushing up house prices), due to increased costs reducing the overall affordability of the project; and/or
c. Less affordable typologies of housing being built.

5. Securing locations of infrastructure now for the future

FRL believe that with the proposed rollout of the increase in DC's, there is a need for local government to discuss with central government the need to change some of the legislative settings to protect areas of future provision of infrastructure now, such that the value of this land is "preserved" at its current zone rate, meaning that the council is "buying" land at much cheaper rates (if at all) in the future. This is already done by Auckland Transport in areas where their ability to place designations on land for future roads effectively sterilizes the value of such land, and accordingly it does not appreciate as embedded in the current council model. We believe this model needs to be supercharged through a national government / local government agreement for roading areas in the future.

Fletcher Living

We believe that such an approach will have an immediate and lasting positive effect on the funding of such infrastructure into the future, and will enable the DC's currently suggested to be dramatically decreased.

Conclusion

In principle, we support the Council's efforts to plan for the significant infrastructure that will be required to support the additional demand caused by growth in the city, where this is undertaken on a reasonable and efficient basis.

However, we strongly oppose the currently proposed Contributions Policy for the reasons aforementioned in the submission above.

Therefore, we request the following changes to be made:

1. That the Contributions Policy be put on hold until Council has provided all submitters and affected members of the public with:
    a. details of the scope of and rationale for works for which contributions are required, in sufficient detail to enable the accuracy of the costings to be assessed – including any land required.
    b. details of the stormwater and other works that Council anticipates will ultimately be included in the Contributions Policy but which are currently omitted.
2. Introduce independent auditing of its costing assumptions and plans for delivery.
3. The Council clearly explain the causal nexus between the Council projects included in the proposed policy and why these projects are needed for growth-related demand.
4. The Council provides submitters with appropriate time to review this information.
5. That Auckland Council explore different funding and financing options especially given the current direction to move from a 10 year to 30 year DC plan. Given the significance of the impacts outlined above, there is a need to ensure all other funding and financing avenues have been explored fully first. Central government has identified infrastructure funding as a key initiative that local government should be exploring along with the private sector.
6. That Council omits from the Contributions Policy the provisions imposing development contributions in respect of infrastructure costs for works beyond 2035.

We respectfully offer to and request that Council engage with parties such as ourselves and other industry participants to achieve a much fairer approach that would provide the necessary funding in an equitable manner over a reasonable time period, while also permitting the delivery of much needed housing in Auckland.

Development Contributions Policy Review

#113

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Founders - Land developers

Local Board: Waitematā

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

15 November 2024

Auckland Council
Private Bag 92300
Auckland 1142

Subject: Draft Development Contributions Policy 2025

1. Introduction

1.1. Founders Group is a land development company specializing in master-planned subdivisions. We focus on creating well-designed communities that offer desirable locations, lifestyles, and community values. Founders has been involved in the development of over 1000 terraces and homes through Auckland including Richmond, Mt Wellington, Haven & Green, Westgate and Edge West, Westgate.

1.2. Founders holds two large landholdings in Whenuapai at 10-14 Kennedys Road and 18 Kennedys Road which are within the extent of land applicable to the Draft Development Contributions Policy 2025 (**the Policy**).

1.3. In principle, Founders supports an increase in development contributions in Whenuapai in order to unlock greenfield development via a proportionate contribution from developers. However, the proposed increase in contributions in the Inner Northwest is simply unfeasible for developers in the area for the reasons set out in the following feedback. There is general sense that developers are being asked to 'pay tomorrow's rates, today', raising concerns regarding fairness and equity.

1.4. Founders provides the following feedback with the intention of supporting Auckland Council to deliver a fair and reasonable Policy that will enable, rather than discourage, residential and business growth in the Inner Northwest.

2. Transportation

Projects – Inner Northwest

2.1. Founders supports the inclusion of upgrades to Fred Taylor Drive and Brigham Creek Road, however it is noted that upgrades to the western end of Brigham Creek Road, and the intersection of Brigham Creek Road and SH16, nor upgrades to SH16 itself, being projects that are proximate to Founders' landholdings are not included in the Policy as they are located within the remit of NZTA Waka Kotahi (**NZTA**). Therefore, Founders will indeed be caught by paying for contributions that do not directly 'unlock' growth within

their landholdings nor directly benefit future residents in this location. It is acknowledged however that residents will travel throughout the wider Whenuapai area and therefore wider upgrades will benefit future residents, albeit indirectly.

Collector Roads

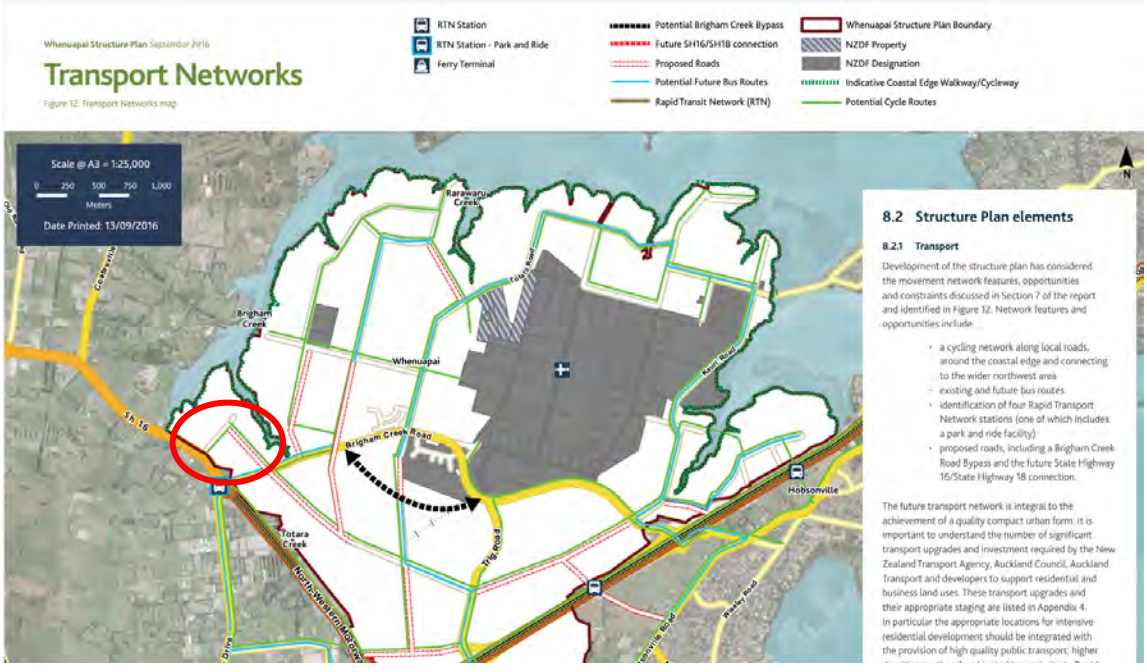
2.2. It appears that some collector roads are intended to be funded, and others are not, but regardless of their funding status it is our observation that all collector roads in the Inner Northwest are listed in the RWW Transport Capex spreadsheet and discussed in Inner Northwest Transport Developer Mitigation Assessment.

2.3. However, neither document refers to the collector road between Brigham Creek Road and Kennedys Road, which is identified on the Whenuapai Structure Plan 2016. Nor is the collector mentioned in the Integrated Transport Assessment (**ITA**) prepared by Beca, or illustrated on the network plan shown below.

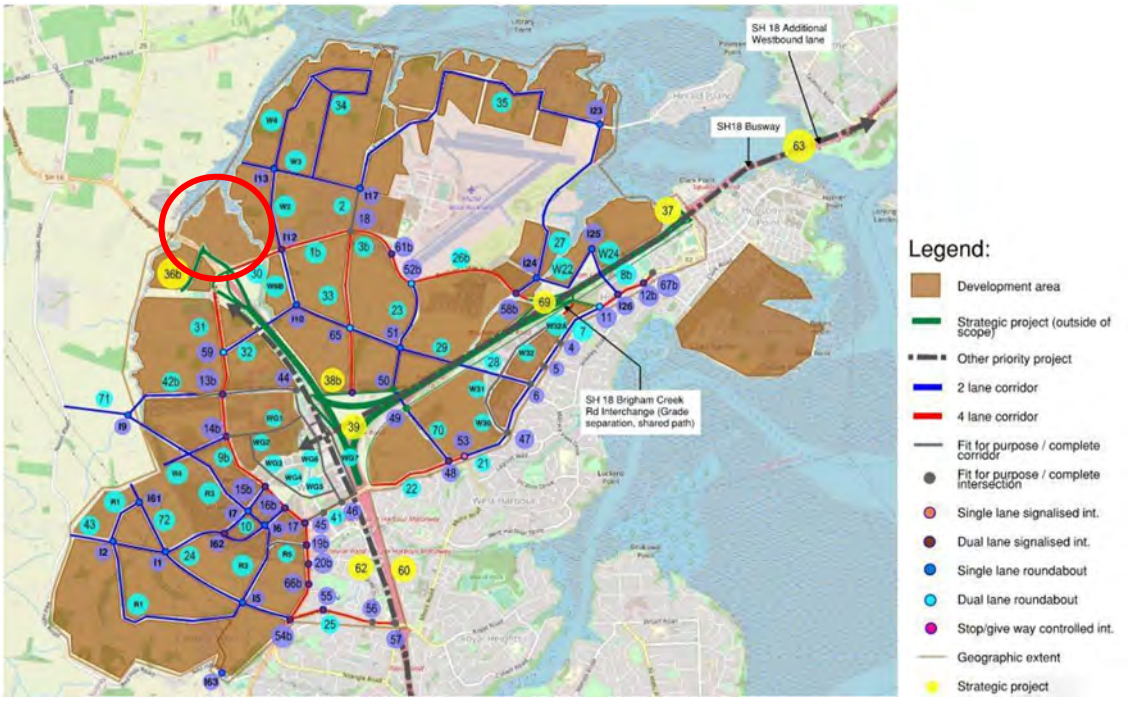
2.4. Founders requires further clarification from Auckland Council as to the reason for this absence, and its proposed funding status.

2.5. Applying the approach taken more broadly, we expect that owing to the greenfield environment between Brigham Creek Road and Kennedys Road, it is expected that the collector road is intended to be funded by developers, however in other cases, the intersection with the arterial is typically included in the Policy. This requires further clarification from Council, notably as the section of Brigham Creek Road where the collector will intersect, is outside the Policy (being within NZTA scope).

Transport Networks Plan (WSP) – future collector shown in red circle



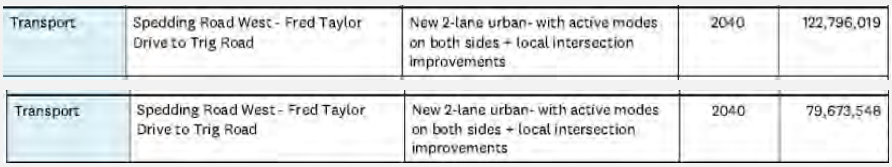
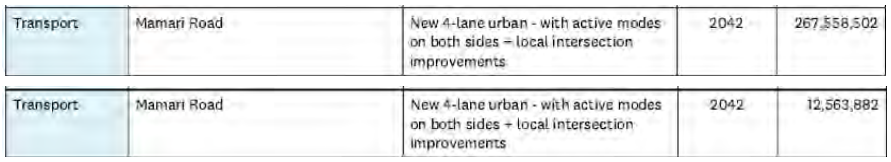
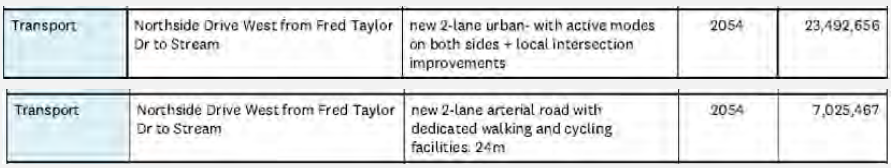
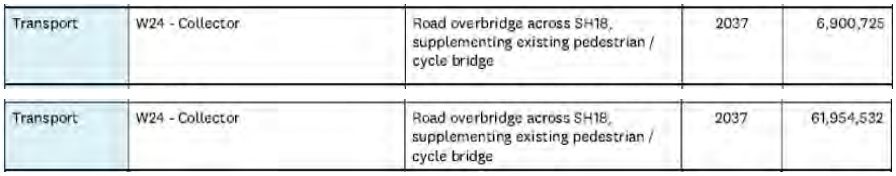
Network Upgrades Plan (ITA) – location of absent collector shown in red circle



Duplications

2.6. However, it appears there are five listed projects that are duplicated in the Inner Northwest, correspondingly duplicating the costs associated with each project respectively. If the duplicated project with the lower cost is removed (conservatively), this equates to a reduction of approximately $159m in contributions for the area. The following table identifies these:

Project					Comment
Transport	Northside Drive East 2-lane Upgrade (part of SH16/18 Connections)	Part of the SH16/18 Connections project. 2-lane arterial road with dedicated walking and cycling facilities. Includes 2 lane Northside Dr bridge. Excludes SH16 Northside Dr interchange City facing ramps.	2037	42,895,421	These transport projects appear to be listed twice, with similar completion years and cost. It appears one should be deleted.
Transport	Northside Drive East 2-lane Upgrade (part of SH16/18 Connections)	Part of the SH16/18 Connections project. 2-lane arterial road with dedicated walking and cycling facilities. Includes 2 lane Northside Dr bridge. Excludes SH16 Northside Dr interchange City facing ramps. Bridge component of 38a.	2038	43,242,893	
Transport	Spedding Road East - Trig Rd to SH18	New 2-lane urban- with active modes on both sides + local intersection improvements. Includes SH18 overbridge	2037	10,831,506	These transport projects appear to be listed twice, with similar completion years but with somewhat differing costs. It appears one should be deleted.
Transport	Spedding Road East - Trig Rd to SH18	New 2-lane urban- with active modes on both sides + local intersection improvements.includes SH18 overbridge	2040	18,386,203	

Project	Comment
 Transport | Spedding Road West - Fred Taylor Drive to Trig Road | New 2-lane urban- with active modes on both sides + local intersection improvements | 2040 | 122,796,019 Transport | Spedding Road West - Fred Taylor Drive to Trig Road | New 2-lane urban- with active modes on both sides + local intersection improvements | 2040 | 79,673,548	Both transport projects appear to relate to the same scope of works, however the cost of each varies greatly, both with the same completion year. It appears the costs should be reviewed, and the incorrect project deleted.
 Transport | Mamari Road | New 4-lane urban - with active modes on both sides + local intersection improvements | 2042 | 267,558,502 Transport | Mamari Road | New 4-lane urban - with active modes on both sides + local intersection improvements | 2042 | 12,563,882	Again, the scope of works is duplicated, however the costs associated with each project are vastly different, despite both having the same completion year.
 Transport | Northside Drive West from Fred Taylor Dr to Stream | new 2-lane urban- with active modes on both sides + local intersection improvements | 2054 | 23,492,656 Transport | Northside Drive West from Fred Taylor Dr to Stream | new 2-lane arterial road with dedicated walking and cycling facilities. 24m | 2054 | 7,025,467	Both projects are similar in description and completion year, but with vastly different costs associated.
 Transport | W24 - Collector | Road overbridge across SH18, supplementing existing pedestrian / cycle bridge | 2037 | 6,900,725 Transport | W24 - Collector | Road overbridge across SH18, supplementing existing pedestrian / cycle bridge | 2037 | 61,954,532	Both projects have the same description and completion year, but vastly different costs associated. It is also unclear where this is proposed to be constructed relative to the existing Clarks Lane Footbridge.

Other transport matters

2.7. It is unclear how or whether developers can expect to be compensated for constructing a project or providing land for a project that is included in the Policy. A number of queries arise in this regard:

- If a listed project is estimated by Council to cost, for example, $9m including escalation, but a developer can deliver the project in the immediate/short term for $4m (thus avoiding escalation), is the developer 'credited' $9m from their contribution because this is the sum that Council is recouping in contributions from

developers over the 30-year term? Or only the $4m it is spending to deliver the project?

- Following on from this, is the project removed from the Policy to avoid Council recouping contributions for a project that it did not deliver?
- If indeed a project does not cost what is estimated (i.e. Council makes a profit), how does Council manage refunds to contributors accordingly? This would appear to be extremely difficult in practice, and a transparent method or system should be established by Council to manage this, and thus avoid 'double dipping'.

2.8. The following other matters are raised in respect of transport contributions:

- It is acknowledged that the 30-year horizon was utilised in Drury, perhaps appropriately given the extend of infrastructure required to develop a new centre, however in the Inner Northwest is on the edge of existing urban areas and transport networks, and does not require the same level of investment in infrastructure. It appears the 30-year timeframe is giving rise to high escalation costs, which are driving up the overall price per HUE. Escalation costs make up a large percentage of the cost of each project, which raises the question whether funding is being sought too early for projects that are not forecasted for 20+ years' time, in many instances. Perhaps a more appropriate approach would be to only accumulate funding for projects required within the next 20 years, while identifying future projects that will be included in 'rolling updates' to the project list. This would keep escalation costs down while also forecasting future projects to be added over time.
- The base cost estimate of some projects appears to be significantly higher than market rates, resulting in a markedly high starting position even before contingency and escalation is accounted for. This results in an altogether excessive contribution that is being passed on to developers, and a system is required to ensure refunds to developers are duly provided (as discussed above).
- It is considered that the transport funding areas (maps) could be further reduced in size, for example by splitting into smaller areas such as has occurred in Drury (east, west and south). Service levels can be better managed by localising the upgrades required.
- There appears to be four Drury projects incorrectly allocated to the Inner Northwest, equating to $1.3b in contributions – it is assumed this is a typing error, but should be checked to ensure the costs have not been incorrectly allocated to the Inner Northwest:

Transport	Redhills / Westgate	Arterial roads and infrastructure for multi-modal corridors	Upgrading existing roads and arterial roads in Drury to cater for higher traffic volumes, which benefit this funding area. In some cases, also building multi-modal corridors to allow active modes and public transport.	$1,900,495,456	$946,081,655
Transport	Redhills / Westgate	Collector roads	Building or upgrading of collector roads in Drury which benefit this funding area	$348,122,871	$292,751,784
Transport	Redhills / Westgate	Arterial roads and infrastructure for multi-modal corridors	Upgrading existing roads and arterial roads in Drury to cater for higher traffic volumes, which benefit this funding area. In some cases, also building multi-modal corridors to allow active modes and public transport.	$126,889,708	$52,286,488
Transport	Redhills / Westgate	Collector roads	Building or upgrading of collector roads in Drury which benefit this funding area	$4,176,843	$3,512,491

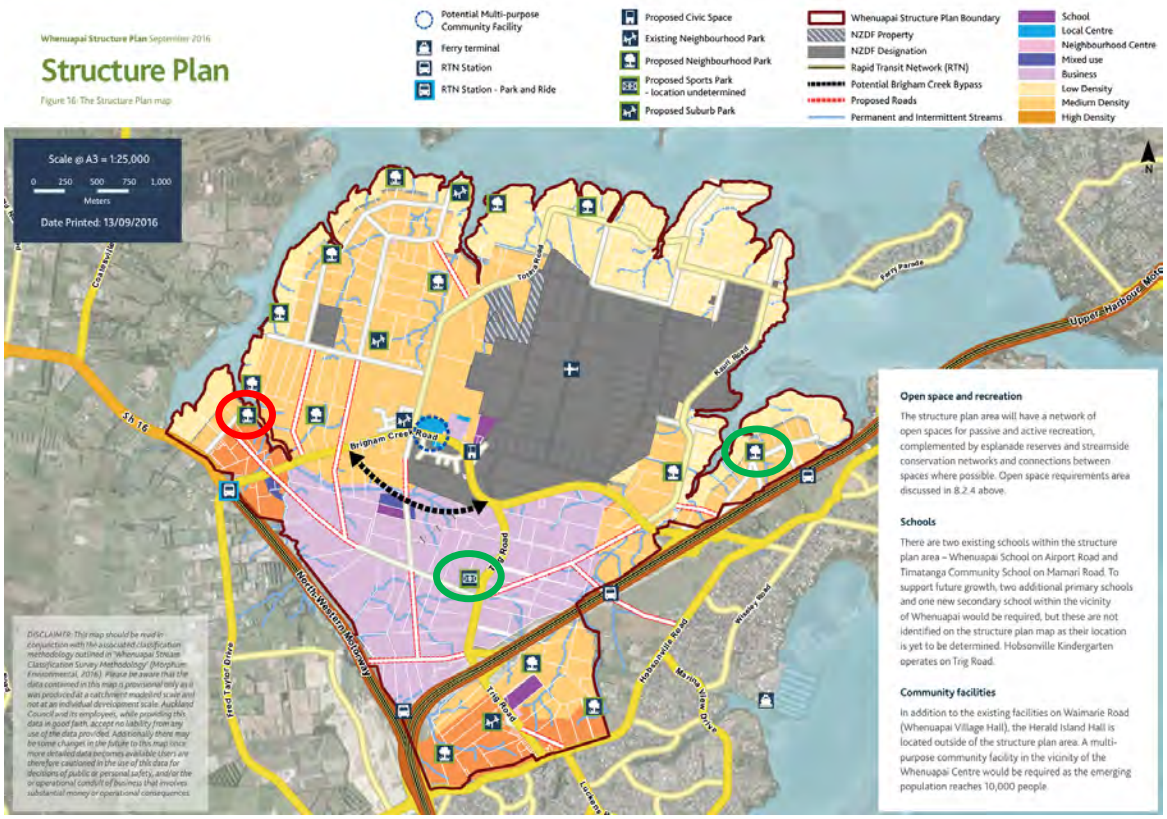
3. Reserve Acquisitions

3.1. The Whenuapai Structure Plan 2016 identifies a number of Proposed Neighbourhood Parks, Sports Parks and Suburb Parks to meet the needs of the growing community.

3.2. Auckland Council has commenced purchasing land in some identified locations, including at 92 Trig Road/4 Spedding Road and 17A Clarks Lane, shown in green circles below. It is expected that Council will recoup funding for these via the Policy, however this is not confirmed in the consultation documentation. In this regard, has Council applied long term escalation figures to the land value? It should only be looking to recoup the costs incurred to date and then consider reserve development costs (as a separate contribution category). The consultation documentation does not appear to confirm this either way.

3.3. The Structure Plan identifies the presence of a Proposed Neighbourhood Park at the eastern end of Kennedys Road (shown in red below). It is unclear from the consultation documents whether Council intends to purchase this land in order to meet the level of service stated in its Open Space Policy, and recoup the expense via development contributions. It is acknowledged that the Policy accumulates funding for reserve acquisition, but the location of the reserves is not evident.

Whenuapai Structure Plan (Kennedys Road Neighbourhood Park in red)



4. Key concerns

4.1. Founders agrees that developers should pay a **fair, equitable and accurate** contribution to growth, however it is not considered that the Policy as currently drafted meets this

'test'. Overall, Founders' concern is that the contribution rates for the Inner Northwest are excessive and will in fact slow down growth, achieving the opposite of the desired outcome in terms of unlocking this greenfield growth area to increase housing supply and reduce house prices for Aucklanders.

4.2. Founders is concerned that the cost escalations are significantly driving up the contributions and that this is arising from Council intending to deliver the bulk of projects within the 10–30-year timeframe (and beyond to 55 years), with few projects being delivered in the first decade. While this is generally consistent with the Council's Future Development Strategy, it means that projects ultimately cost significantly more than they otherwise should (as escalation ends up forming a large proportion of the cost of each project).

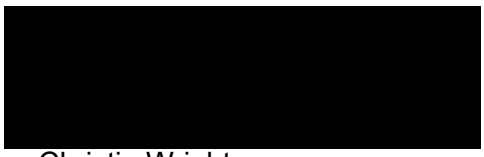
4.3. While Council has advised it does not consider that contributions will affect house prices (which is considered to be market driven), significant contributions can deem new residential developments unfeasible and delay or cancel projects altogether. This in turn slows or reduces housing supply and keeps prices of existing housing stock at elevated levels. Ultimately, this is the scenario that Council is seeking to avoid.

4.4. If indeed the project is delivered, and the developer does pass these costs onto house buyers, those purchasers (and in fact, the second or even third generation of homeowners) are paying for facilities and upgrades that may not be used in the time they reside in the property. If the (approx.) $100k contribution is passed onto the purchaser, this reduces the developer's ability to deliver affordable housing.

4.5. Founders considers that a closer review of the base cost of each project, and the duplication that appears in the project list should be considered in the first instance. If this does not noticeably reduce the contribution, the 30-year timeframe should be reconsidered and a revised policy released for consultation.

4.6. Founders would appreciate meeting with the Council's development contributions team with the view to offering a developer's perspective of the Policy.

Kind Regards



Christie Wrightson
General Manager - Operations

Development Contributions Policy Review

#114

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Submitter details:

Organisation (if applicable): CDL Land NZ Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

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   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

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   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

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   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

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We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

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What do you think of our proposed changes for the Drury area?

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We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Auckland Council
Development Contributions Policy 2024
Submission on behalf of CDL Land NZ Limited

15 November 2024

Introduction

1. This submission on Auckland Council's proposed Development Contributions Policy 2025 ("**DCP**") is made on behalf of CDL Land NZ Limited ("**CDL**").

2. In summary CDL asks that:

    a. **Issue 1** – Council revisits and restarts the process it has used when identifying:

        i. Future infrastructure works required to enable urbanisation in the Future Urban Zone ("**FUZ**") areas of the city;

        ii. Allocating those works to specific parts of the city; and

        iii. Calculating development contributions,

    by consulting with affected landowners and developing the DCP in cooperation with them.

    b. **Issue 2** – Council alters the allocation in the Funding Area Maps of the Future Urban Zone ("**FUZ**") land bordered by Hobsonville Road to the south, the SH16 Motorway to the west, the SH18 Motorway to the north and Light Industry zoning to the east ("**the Hobsonville FUZ Land**"). The DCP Funding Area Maps allocate the Hobsonville FUZ Land to what are variously called the Northwest 2025, Northwest, Whenuapai, Northwest Greenfield, Whenuapai / Redhills, Redhills / Westgate / Whenuapai and West Funding Areas (collectively, "**the Northwest Funding Areas**"). CDL asks that the Hobsonville FUZ Land be treated separately from the FUZ land to the north of the SH18 Motorway for the purposes of the calculation of contributions under the DCP.

c. **Issue 3** – Council reduces the list of projects in respect of which the DCP anticipates contributions from the Hobsonville FUZ Land.

d. **Issue 4** - In any event, the contributions required under the DCP for development within the Northwest Funding Areas be reduced because they are excessive as a consequence of:

i. What appear to be unrealistically high assumed costs of land acquisition for and construction of infrastructure; and

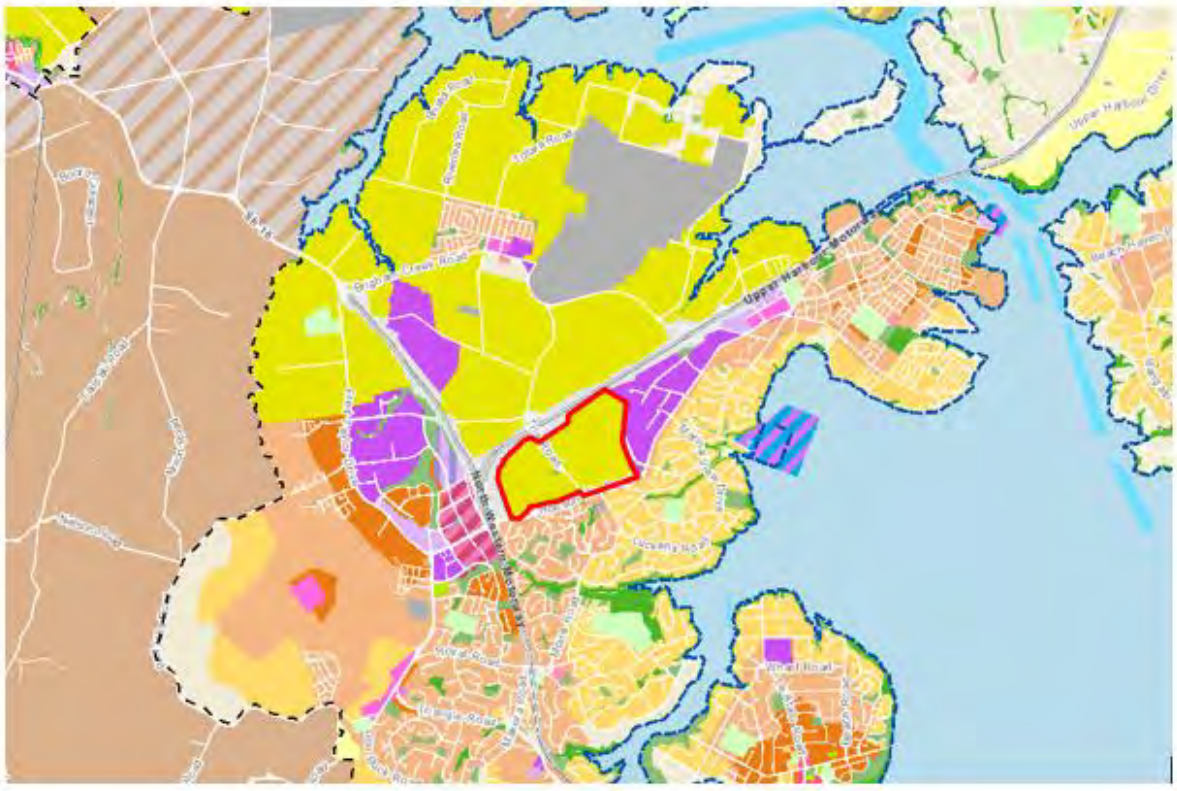
ii. The escalation factors that the Council has adopted to increase those costs over time.

3. The relief sought by CDL is set out in more detail within this submission, and is identified through underlining.

Background - CDL's Interest in the Hobsonville FUZ Land

4. The Hobsonville FUZ Land is outlined in red in the following map:

Hobsonville FUZ map



5. CDL owns 13.78 hectares of FUZ land ("**the CDL Land**") within that part of the Hobsonville FUZ Land west of Trig Road. The CDL Land is outlined in red in the following map:

CDL land locality map

6. The CDL Land:

    a. Is directly across the SH16 Motorway from the Westgate Metropolitan Centre and is within the walkable catchment of that centre in terms of the NPS-Urban Development ("**NPS-UD**").

    b. Has vehicular access directly to both Hobsonville Road and Trig Road.

    c. Has been identified through Council's structure planning process for a mix of THAB and Mixed Housing Urban residential zoning.

7. The Hobsonville FUZ Land is able to be urbanised in the short term, as has been the case for the past decade:

    a. As explained in **Annexure 1**, the Hobsonville FUZ Land can easily and speedily be connected to existing water supply, wastewater and electricity networks, and to other services in the immediate vicinity of the CDL Land, all of which are located to the south of the SH18 Motorway.

b. While the provision of services to the FUZ land north of the SH18 Motorway is likely to involve extensive works through the Hobsonville FUZ Land, the capital expenditure on that work is attributable to the urbanisation that is anticipated north of the Motorway, because it is that land that will benefit from the works.

8. CDL commenced acquiring the CDL Land well over a decade ago and, since then, has endeavoured unsuccessfully to have operative urban zonings applied to it:

a. Prior to notification of the Proposed Auckland Unitary Plan ("**PAUP**"), CDL requested Council to apply operative urban zonings to the CDL Land but was advised by Council to seek such zoning via submissions under the PAUP process.

b. In early 2014, CDL lodged Submission #3159 on the PAUP seeking to apply operative urban zonings to the CDL Land and the block of which it formed a part.

c. The AUP independent hearings panel rejected CDL's PAUP submission in reliance on assurances from Council that it would introduce a subsequent Whenuapai plan change to rezone that land.

d. Following completion of the AUP process, CDL met with Council officers and asked that its Whenuapai plan change treat the Hobsonville FUZ Land separately from the balance of the FUZ to the north of the SH18 Motorway, in order to avoid urbanisation of the Hobsonville FUZ Land being delayed by broader issues relating to the land north of the Motorway.

e. Council rejected CDL's request and notified PC5 to the AUP, which applied to an extensive area of land to the north of the SH18 Motorway, in addition to the Hobsonville FUZ Land.

f. As anticipated by CDL, PC 5 became bound up in procedural matters relating to land to the north of the Motorway and ultimately was withdrawn, approximately five years after notification and prior to completion of the first instance hearing process.

g. It is now over 10 years since CDL's submission on the PAUP and there has been no progress with the urbanisation of the CDL Land, despite its location

in the immediate vicinity of the Westgate Metropolitan Centre, key parts of the arterial road network, and public transport services.

Issue 1 - The need for a consultative and cooperative approach

9. CDL accepts that:

    a. The DCP is an important source of funding for the infrastructure required to support growth in Auckland.

    b. Significant infrastructure will need to be developed in the broader northwest area of the city, particularly to the north of the SH18 Motorway.

10. CDL is supportive of a DCP that allocates costs fairly between parties and communities who will benefit from that infrastructure. CDL considers that this should include:

    a. A fair and reasonable calculation of the likely costs of the works, including land costs where they will be incurred.

    b. An equitable allocation of cost between users of the existing infrastructure who will benefit from an improved level of service (e.g.: as a consequence of improved pedestrian or cycle connectivity, road safety, amenity, or community services).

    c. An equitable allocation of cost between different parts of the city (including in particular whether inclusion of the Hobsonville FUZ Land within the Northwest Funding Areas fairly and equitably recognises the costs of servicing those areas).

    d. An equitable allocation of costs between generations (e.g.: due recognition that a 2024 development will not benefit from an infrastructure improvement that will only be implemented 25 or 30 years in the future).

    e. An appropriate net present value calculation so that Council has sufficient funds to pay for works when they occur, rather than receiving both full contributions and compounding interest on those funds.

11. The DCP includes significant changes to the contributions regime that has previously

been applied. As a consequence, the development contributions required, particularly in greenfield areas, have increased markedly and to a point where they will adversely affect the ability of landowners and developers economically to urbanise land that the Council has identified for future urbanisation.

12. Urbanisation of that land, in accordance with the AUP and national planning instruments, will require cooperation between landowners, developers and Council. It is essential that decisions regarding the quantum of infrastructure works to be undertaken, the timing of that construction, the anticipated cost of those works and the allocation of responsibility for funding them are supported by developers and landowners. Failing that, implementation of the form and location of urbanisation anticipated in planning instruments is likely to be compromised:

    a. The DCP as notified effectively incentivises or disincentivises development in different parts of the city as a consequence of allocating vastly different development contributions.

    b. That approach ignores the broader planning, urban form, transportation and social factors that support the growth strategy embodied in the AUP and the NPS-UD, namely to intensify within and around major commercial centres and along transportation nodes.

    c. The consequence, in the case of the Hobsonville FUZ Land, is that the proposed development contributions (estimated in paragraph 21 of the Consultation Document as falling between $89,000 and $101,000 per HUE) discourage residential development immediately adjacent to a Metropolitan Centre and key transportation infrastructure and services.

    d. Rather than allowing one factor (i.e.; the anticipated infrastructure cost) to determine future urbanisation patterns around Auckland, CDL considers it desirable for the DCP to be integrated to the greatest extent possible with the long-term growth strategy, as expressed in planning instruments.

13. Given that the Council's development contributions regime in the DCP will be in place for decades and involves the payment now of contributions that reflect items of infrastructure that will only be implemented, and hence enjoyed to the public, in a generation's time, it is desirable that the DCP reflects principles and outcomes that

are acceptable to all parties – Council, landowners and developers.

14. Failing that, there is a risk that:

    a. The DCP regime will be subject to ongoing challenge by developers and land owners through the courts.

    b. The locations in which intensification occurs in the region will be driven by the relative quantum of development contributions required, which is most unlikely to coincide with the Council's intentions as embodied in planning instruments.

15. For that reason, CDL proposes that Council:

    a. Puts the current DCP process on hold;

    b. Embarks on a comprehensive consultation phase with developers and landowners;

    c. Invites into that process independent facilitators and experts (approved by all participants) to help derive the principles and outcomes that the parties collectively seek and the methodology through which development contributions will be calculated and allocated; and

    d. Undertakes the detailed calculation of contributions and drafting of the DCP only once that broad consensus has been reached.

16. Issues 2, 3 and 4 are raised in the event that the Council rejects the suggestion in paragraph 15 above.

Issue 2 – What are the Appropriate Funding Areas for the Hobsonville FUZ Land?

17. The Northwest Funding Areas all group the Hobsonville FUZ Land with the FUZ land to the north of the SH18 Motorway. CDL submits that the Hobsonville FUZ Land warrants being treated separately for the purposes of the calculation of contributions under the DCP.

18. Plans showing the revised Funding Areas sought by CDL are attached in **Annexure 2**.

Contextual Observations

19. Functionally, future urban development on the Hobsonville FUZ Land will form part of the urban area to the south of the SH18 Motorway. Its residents' primary commercial, recreational and social focus will be the Westgate Metropolitan Centre, which also functions as a public transport hub. In practice, given the proximity of the Westgate Metropolitan Centre to the Hobsonville FUZ Land, the Westgate Centre will provide that land with all of the services typically found in a local, town or metropolitan centre.

20. The Council's previous structure planning exercises have identified the FUZ land immediately north of the SH18 Motorway for extensive industrial zoning, in part because of its proximity to the Whenuapai Airbase. In those circumstances, most if not all commercial, recreational and social facilities anticipated by the DCP for the Northwest Funding Areas will be located a significant distance to the north of the Hobsonville FUZ Land and primarily will provide amenity to residents and workers located to the north of the Motorway rather than to residents of the Hobsonville FUZ Land. There is no rationale for imposing on the Hobsonville FUZ Land financial responsibility for those facilities.

21. The following paragraphs address the amendments sought by CDL for each funding area map.

Funding Area Map 1 – Community Infrastructure Local

22. The Hobsonville FUZ Land is included in the "*Northwest 2025*" Funding Area for Community Infrastructure Local. Also included in the area is the Westgate Metropolitan Centre, Redhills to the west, existing residential areas south of Hobsonville Road, and the extensive FUZ land north of the Motorway. This is a mixture of existing and future urban areas.

a. Westgate will be the community focus for the whole of this Funding Area, being the closest Metropolitan Centre zone and an existing employment, commercial and social centre. In practice, very little use will be made by residents of land south of the Motorway of any future local community infrastructure that is established north of the Motorway.

23. CDL therefore considers that:

a. This Funding Area is appropriate only if the bulk of community infrastructure that will be funded from it is located within or around the Westgate Metropolitan Centre.

b. If a significant proportion of the community infrastructure that will be funded from the Funding Area is located north of the SH18 Motorway, then the Funding Area should be divided in two with the Hobsonville FUZ Land being included in a Funding Area applying south of SH18 Motorway and west of SH16 Motorway (i.e.: including Westgate).

Funding Area Map 2 – Community Infrastructure Sub-regional

24. The Hobsonville FUZ Land is included in the "*Northwest*" Funding Area for Community Infrastructure Sub-regional. Also included in the area is the Westgate Metropolitan Centre, Redhills, existing residential areas south of Hobsonville Road, the extensive FUZ land north of the Motorway and the Kumeu Huapai growth area. This is a mixture of existing and future urban areas.

25. Westgate will be the community focus for the whole of this Funding Area, being the closest Metropolitan Centre. In practice, very little use will be made by residents of the Hobsonville FUZ Land of any community infrastructure that is developed north of the Motorway or in the Kumeu – Huapai area. Residents of the Hobsonville FUZ Land are more likely to make use of existing urban infrastructure.

26. CDL therefore considers that:

a. This Funding Area is appropriate only if the bulk of community infrastructure that will be funded from it is located within or around the Westgate Metropolitan Centre.

b. If a significant proportion of the community infrastructure that will be funded from the Funding Area is located north of the SH18 Motorway then the Funding Area should be subdivided with the Hobsonville FUZ Land being included in a Funding Area bordered by SH18 Motorway to the north, SH16 Motorway to the east and the Rural-Urban Boundary to the west (i.e.: including Westgate and Redhills).

Funding Area Maps 3 and 5 – Reserve Acquisition Local and Reserve Development Local

27. The Hobsonville FUZ Land appears to be included in the "*Whenuapai*" Funding Areas for Reserve Acquisition – Local and Reserve Development - Local. Also included in those Fundings Areas is the extensive FUZ land north of the Motorway.

28. The Council's previous structure planning exercises have involved identifying land within the Hobsonville FUZ Land for reserves. Similarly, PC5 anticipated setting aside specific land within the Hobsonville FUZ Land for that purpose. Those reserves will address the local requirement for open space within the Hobsonville FUZ Land.

29. For the reasons set out above, functionally the Hobsonville FUZ Land forms part of the existing urban area to the south of the SH18 Motorway and its residents will, logically and conveniently, also make use of the existing reserve network south of the Motorway.

30. Given the expectation that the FUZ land immediately north of the SH18 Motorway will be zoned used for industrial activities, the reserves anticipated by the DCP for the Whenuapai Funding Area will be located a significant distance from the Hobsonville FUZ Land and will provide amenity to residents and workers located to the north of the Motorway rather than to residents of the Hobsonville FUZ Land. There is no rationale for imposing on the Hobsonville FUZ Land financial responsibility for those reserves.

31. CDL therefore considers that the Hobsonville FUZ Land should:

    a. Be removed from the Whenuapai Funding Areas for Reserve Acquisition – Local and Reserve Development – Local; and

    b. Comprise a separate (self-contained) Funding Area for each of Reserve Acquisition – Local and Reserve Development – Local.

Funding Area Map 4 – Reserve Acquisition Sub-regional

32. The Hobsonville FUZ Land is included in the "*Northwest Greenfield*" Funding Area for Reserve Acquisition Sub-regional. Also included in the area is the Westgate Metropolitan Centre, Redhills, existing residential areas south of Hobsonville Road,

the extensive FUZ land north of the Motorway, and the Kumeu Huapai growth area. This is a mixture of existing and future urban areas.

33. In practice, little use will be made by residents of the Hobsonville FUZ Land of any reserves infrastructure that is developed either in the FUZ land north of the SH18 Motorway or in the Kumeu – Huapai area. Residents of the Hobsonville FUZ Land are more likely to make use of reserves in the existing urban area.

34. CDL therefore considers that:

    a. It is appropriate to include the Hobsonville FUZ Land in this Funding Area only if the bulk of new reserves that will be funded from it are located in close proximity.

    b. If a significant proportion of the reserve acquisition that will be funded from the Funding Area is located north of the SH18 Motorway or in the Kumeu – Huapai areas then the Funding Area should be subdivided with the Hobsonville FUZ Land being included in a Funding Area bordered by SH18 Motorway to the north, SH16 Motorway to the east and the Rural-Urban Boundary to the west (i.e.: including Westgate and Redhills).

Funding Area Map 6 – Stormwater Local

35. The Hobsonville FUZ Land is included in the "*Whenuapai / Redhills*" Funding Area for Stormwater – Local. Also included in that Funding Area is the extensive FUZ land north of the Motorway and Redhills.

36. Stormwater on the Hobsonville FUZ Land flows towards the SH18 Motorway. Stormwater from that part of the Hobsonville FUZ Land west of Trig Road (i.e.: including the CDL Land) flows to the north west, while stormwater from land east of Trig Road flows to the north east. As a consequence of construction of the SH18 Motorway, stormwater treatment and disposal on the southern side of the Motorway will need to be addressed separately from the measures to be adopted north of the Motorway.

37. CDL acknowledges that it will need to address these issues either wholly within the CDL Land or in conjunction with other landowners within that part of the Hobsonville FUZ Land west of Trig Road.

38. CDL therefore considers that the Hobsonville FUZ Land should:

    a. Be removed from the Whenuapai / Redhills Funding Areas for Stormwater – Local; and

    b. Comprise a separate Funding Area for Stormwater – Local.

Funding Area Map 7 – Stormwater Sub-regional

39. The Hobsonville FUZ Land is appropriately excluded from the "*Urban Auckland*" Funding Area for Stormwater – Sub-regional.

Funding Area Map 8 – Transport Local

40. The Hobsonville FUZ Land is included in the "*Redhills / Westgate / Whenuapai*" Funding Area for Transport – Local. Also included in that Funding Area is the extensive FUZ land north of the Motorway, the Westgate Metropolitan Centre, and Redhills.

41. Urbanisation of the FUZ land to the north of the SH18 Motorway will necessarily require extensive upgrading of arterial road links across the motorway network including upgrading of the existing Trig Road crossing and provision of a new crossing at Spedding Road, at great expense. The Hobsonville FUZ Land already has a direct interface with the arterial road network (from both Hobsonville Road and Trig Road), however, and is in the immediate vicinity of existing interchanges with the Motorway network. No significant public expenditure is required to upgrade the road network in order to provide for urbanisation of the Hobsonville FUZ Land.

42. The Hobsonville FUZ Land is also adjacent to key existing public transport nodes, services and facilities (e.g.: the Westgate Metropolitan Centre, bus routes along Hobsonville Road, and bus routes along the Northwestern Motorway to the Auckland City Centre). No significant public expenditure is required to upgrade public transport services and facilities serving the Hobsonville FUZ Land.

43. While the provision of transport linkage to the FUZ land north of the SH18 Motorway is likely to involve extensive works through the Hobsonville FUZ Land, the capital expenditure on that work is attributable to the urbanisation that is anticipated north of the Motorway, because it is that land that will benefit from the works. Accordingly, development contributions for the works within the Hobsonville FUZ Land should be

sought from a much wider funding area (i.e.: extending well beyond the Hobsonville FUZ Land).

44. CDL therefore considers that the Hobsonville FUZ Land should:

    a. Be removed from the Redhills / Westgate / Whenuapai Funding Area for Transport – Local.; and

    b. Comprise a separate Funding Area for Transport – Local.

Funding Area Map 9 – Transport Sub-regional

45. The Hobsonville FUZ Land is appropriately included in the "*West*" Funding Area for Transport – Sub-regional.

Issue 3: Allocation of Projects to Funding Areas

46. **Annexure 3** is a schedule which identifies the projects in respect of which CDL understands that the Council is seeking to recover funding from development contributions relating to development of the Hobsonville FUZ Land. In that regard:

    a. Column 1 is headed "*Activity*" and identifies the funding category to which the project has been allocated (e.g.: Community Infrastructure or Transport).

    b. Column 2 is headed "Funding Area" and identifies the funding area to which the Hobsonville FUZ Land has been allocated for this activity.

    c. Column 3 is headed "*Project name*" and lists the name that the Council has allocated to the project.

    d. Column 4 is headed *"Project Description"* and briefly describes the work as Council has identified.

    e. Column 5 is headed "Ca*pital expenditure (planned or already incurred*)" and specifies the cost of the project as calculated by Council.

    f. Column 6 is headed "*Planned capital expenditure funding from DC's*".

g. Column 7 is headed "*Proportion funded by DC's*" and records the quantum of the total capital expenditure on the project that is proposed to be funded by development contributions.

h. Column 8 is headed "*Reason for relevance / not being relevant*". This column records CDL's assessment to whether and to what extent the project should be funded (at least in part) by development on the Hobsonville FUZ Land.

47. Projects that CDL considers should not be funded by development on the Hobsonville FUZ Land are identified by annotations striking out the entries for that project in columns 1-7. CDL asks that Council amend the DCP to accurately reflect CDL's analysis.

Issue 4 – Calculation of Development Contributions

48. The DCP represents a significant departure from the approach adopted in Auckland in the past, most notably through the incorporation of a 30+-year timeframe for assessing infrastructure works and calculating development contributions in place of the 10- year timeframe previously adopted (other than in Drury from 2024).

49. Those decisions have had significant consequences:

a. The much longer timeframe has increased significantly the uncertainty regarding the reliability of predictions regarding the nature, cost and timing of infrastructure works.

b. The extended timeframe results in relatively small changes to escalation factors or NPV interest rates adopted by Council producing great volatility in the quantum of the development contributions calculated.

c. The financial consequences of those errors compound and are likely to have a direct impact on investment decisions by developers and on the relative attractiveness of developing land in different parts the city.

50. CDL's understanding of the DCP is that, in calculating the development contributions, the Council has:

a. Assumed that unnecessarily extensive infrastructure works are required;

b. Adopted unrealistically high estimates of land purchase and construction costs; and

c. Applied unrealistically high escalation factors to those cost estimates to take account of changes over time.

51. The consequence is that the development contributions required are significantly greater than CDL considers are reasonable or appropriate.

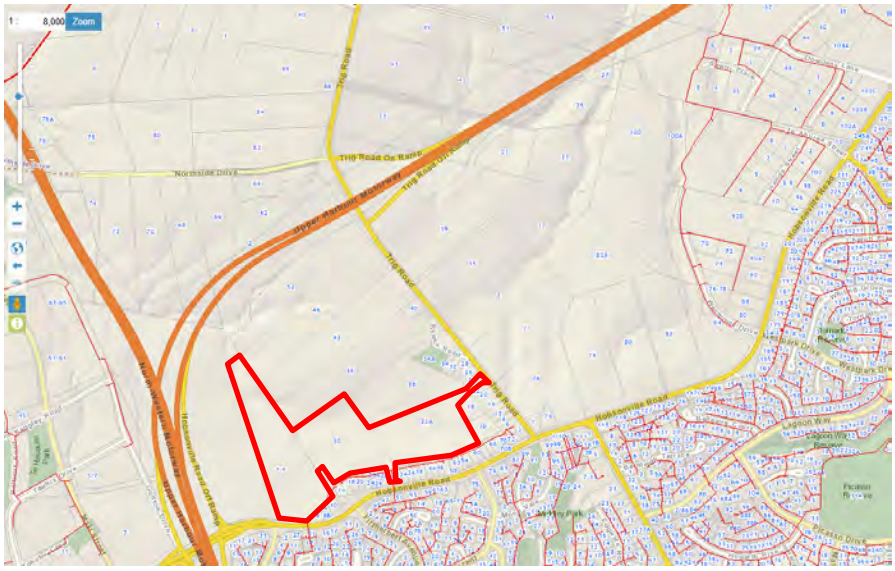
52. CDL asks Council to incorporate into the process addressed in Issue 1 above a comprehensive review of the assumptions, costings, escalation factors, NPV interest rates relied on in the DCP.

Dated 15 November 2024
CDL Land NZ Limited

Annexure 1 Infrastructure Schedule

The following table lists the proposed infrastructure arrangements required to service the CDL Land. [Nb: "FDS" is the Auckland Council Future Development Strategy.]

Infrastructure	Requirement
Water	The FDS suggests that the Trig Road water reservoir, the North Harbour No. 2 watermain project and the Brigham Creek pump station are required to be commissioned prior to the CDL Land (as part of a wider Whenuapai South area) being considered development ready. CDL has presented evidence to Council on several occasions that supports the ability to service its landholdings with existing water infrastructure. Mr Vaughan Crang presented expert engineering evidence to the AUP PC5 hearing that identified existing water supply infrastructure running along Trig Road and a bulk supply point located at the Trig Road / Hobsonville Road intersection. Watercare confirmed at that time that the reticulated water supply had capacity to service the CDL Land. Simple extensions from the existing network and bulk supply point would therefore be possible immediately and/or in the short term.
Wastewater	The FDS identified that the Whenuapai and Redhills wastewater scheme and Northern Redhills to Brigham Creek wastewater project are required prior to the CDL Land (as part of a wider Whenuapai South area) being considered development ready. Packages 1 and 2 from Watercare's above schematic are scheduled to be complete by 2026. The remaining packages are not relevant to development of the CDL Land. Mr Crang also identified (at the PC5 hearing) that temporary connections are available to the existing watermain in Rawiri Place and an indicative route for that temporary connection was illustrated as follows (and supported by Watercare):

Infrastructure	Requirement
	  In the intervening time, public assets have extended further west, closer to the CDL Land, as illustrated in the following snip from Council's Geomaps:  Again, none of these issues are insurmountable and would be easily resolved through a consenting process. Wastewater infrastructure is no impediment to development-readiness of CDL Land.
Stormwater	Stormwater can be appropriately managed on-site, adhering to accepted best practice in respect of catchment analysis, stormwater management planning and with due regard to the requirements of the NSP-FW, NES-FW and AUP provisions regarding water quality. Stormwater on the Hobsonville FUZ Land flows north towards the SH18 Motorway. Stormwater from that part of the Hobsonville FUZ Land west of Trig Road (i.e including the CDL Land) flows to the north east. As a consequence of construction of the SH18 Motorway, stormwater treatment and disposal on the southern side of the Motorway will need to be addressed separately from the measures to

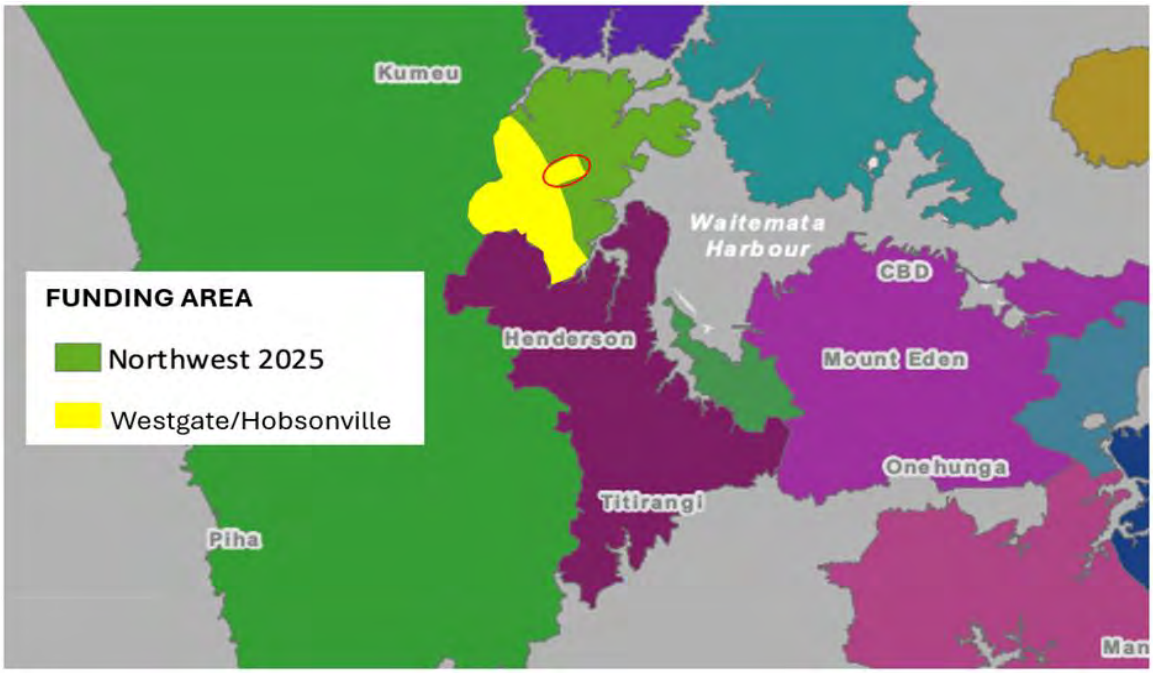
Infrastructure	Requirement
	be adopted north of the Motorway. CDL acknowledges that it will need to address these issues either wholly within the CDL Land or in conjunction with other landowners within that part of the Hobsonville FUZ Land west of Trig Road.
Transport	CDL Land has access to Trig Road on its eastern boundary and to Hobsonville Road on its southern boundary. Hobsonville Road already comprises an urban arterial standard such that no upgrade is required to facilitate development. Trig Road remains rural in character but still affords access to a formed, legal road. Any future development seeking access via either road will be required to consider safe and efficient access in respect of intersection design, however this is commonplace for residential development and does not comprise a hindrance or limitation in this instance.

Annexure 2 Revised Funding Areas

Funding Area Map 1 – Community Infrastructure Local

Existing (approx. location of Hobsonville FUZ Land outlined in red). No change is proposed to this funding area provided the bulk of community infrastructure that will be funded from it is located within or around the Westgate Metropolitan Centre. Refer submission for proportionate allocation discussion.

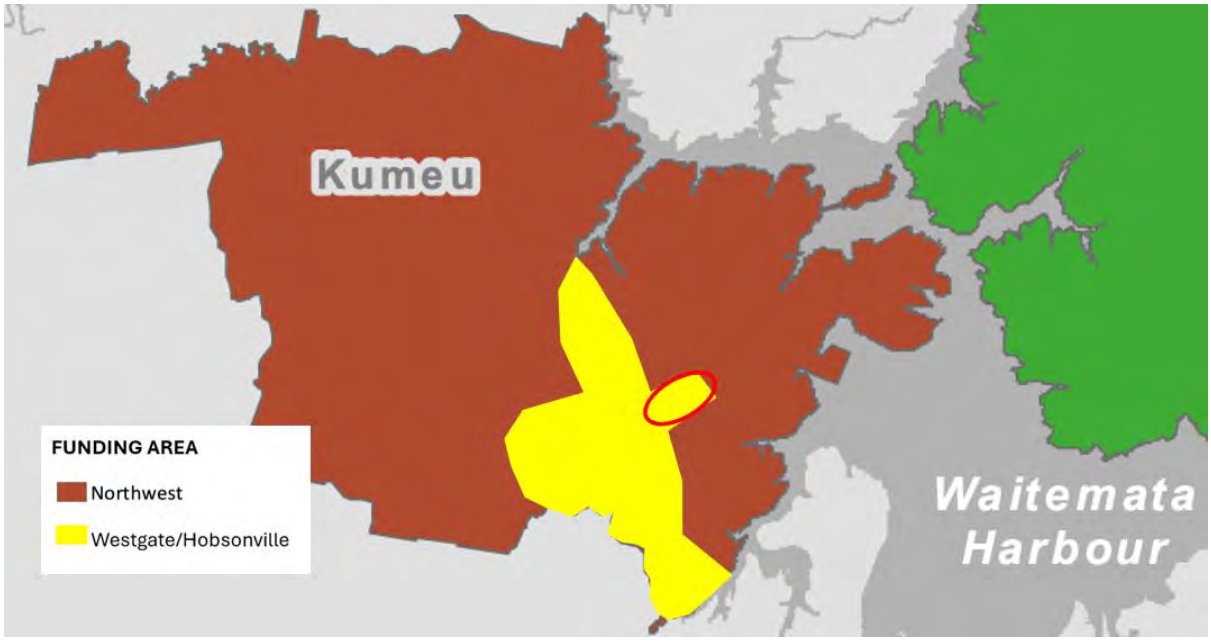
Proposed Split Funding Area (approx. location outlined in red). This allocation is sought if a significant proportion of the community infrastructure that will be funded from the Funding Area is located north of the SH18 Motorway.



Funding Area Map 2 – Community Infrastructure Sub-regional

Existing (approx. location outlined in red). No change is proposed to this funding area provided the bulk of community infrastructure that will be funded from it is located within or around the Westgate Metropolitan Centre.

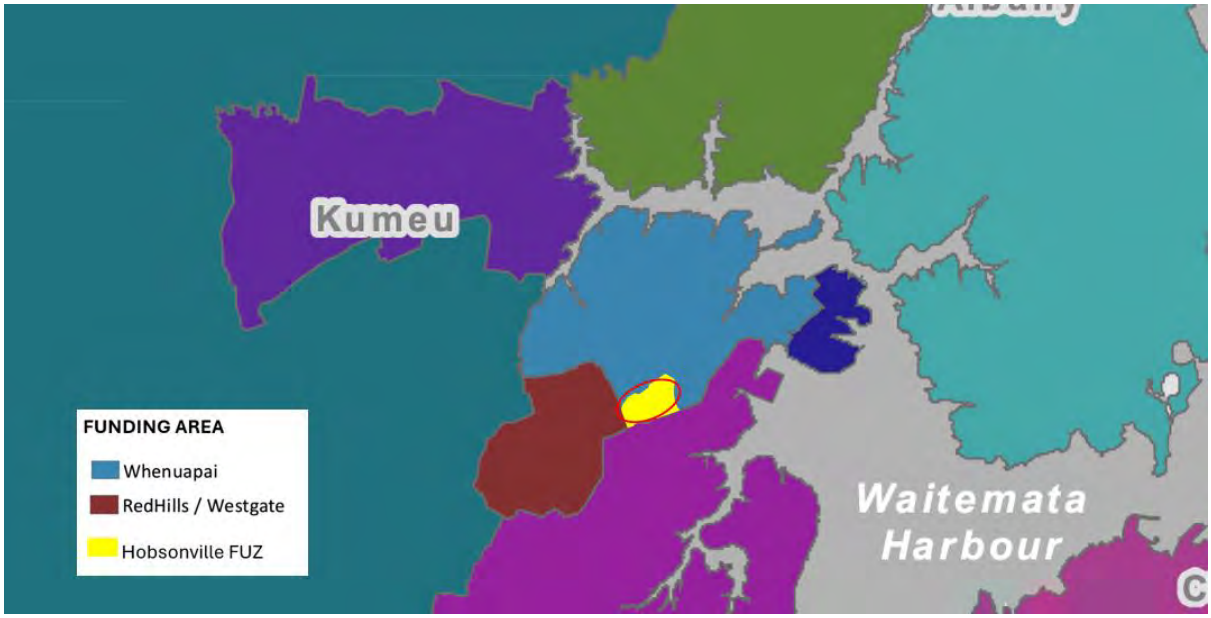
Proposed Split Funding Area (approx. location outlined in red). This allocation is sought if a significant proportion of the community infrastructure that will be funded from the Funding Area is located north of the SH18 Motorway.



Funding Area Maps 3 and 5 – Reserve Acquisition – Local; and Reserve Development – Local

Existing (approx. location outlined in red). This funding area is opposed.

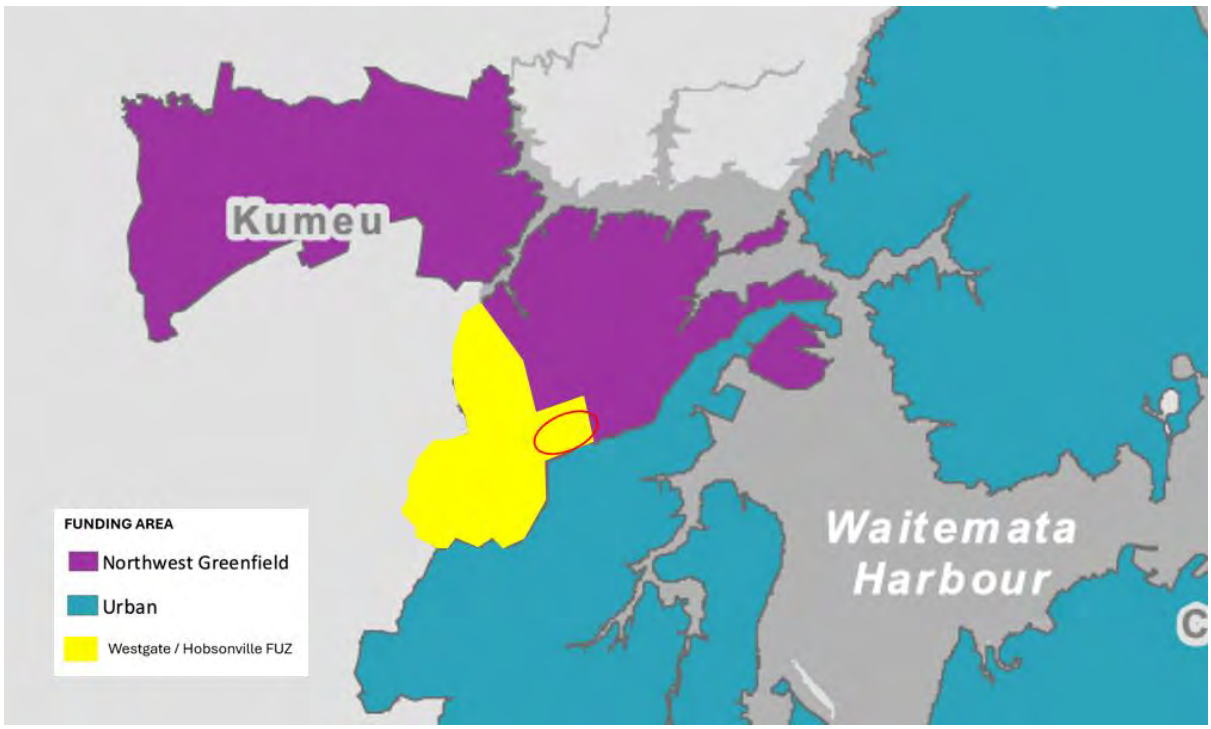
Proposed Split Funding Area (approx. location outlined in red). This allocation is sought.



Funding Area Map 4 – Reserve Acquisition – Sub-regional

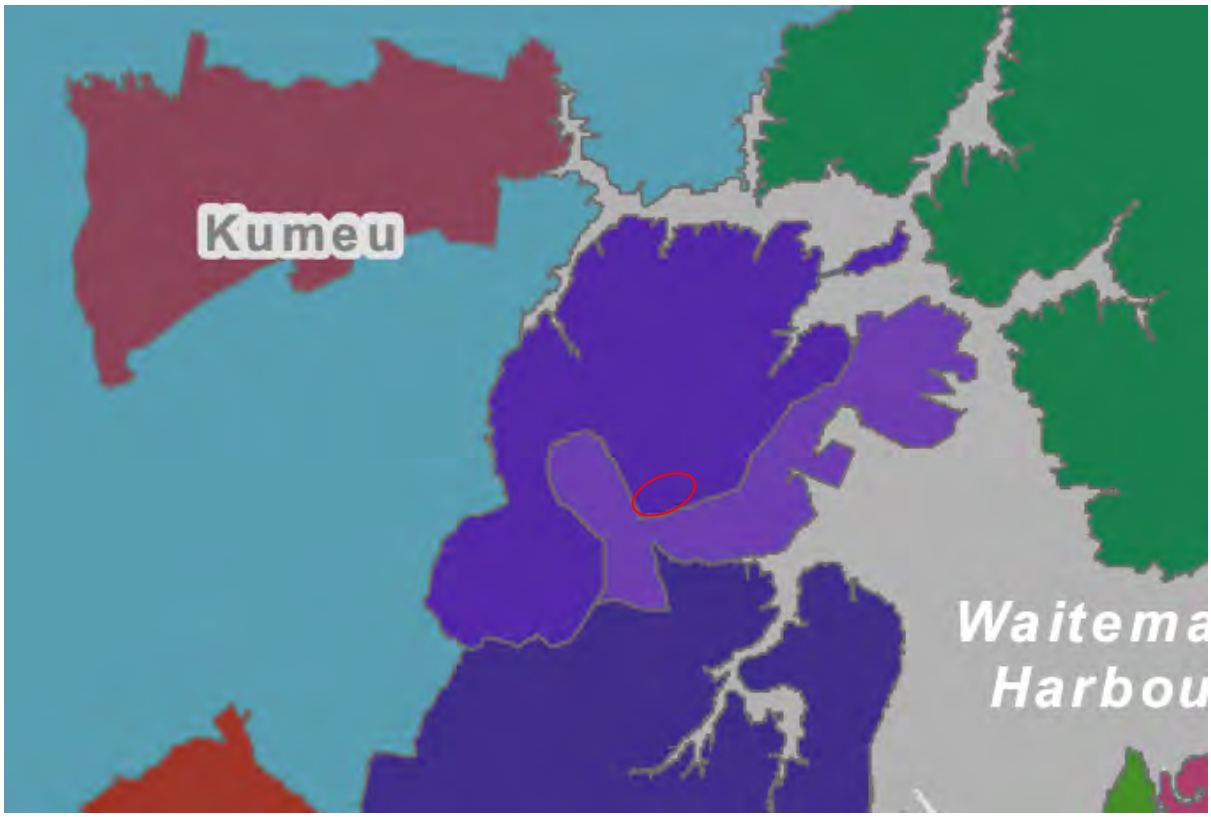
Existing (approx. location outlined in red). No change is sought to this funding area provided the bulk of new reserves that will be funded from it are located in close proximity to the Hobsonville FUZ Land.

Proposed Split Funding Area (approx. location outlined in red). This allocation is sought if a significant proportion of the community infrastructure that will be funded from the Funding Area is located north of the SH18 Motorway.

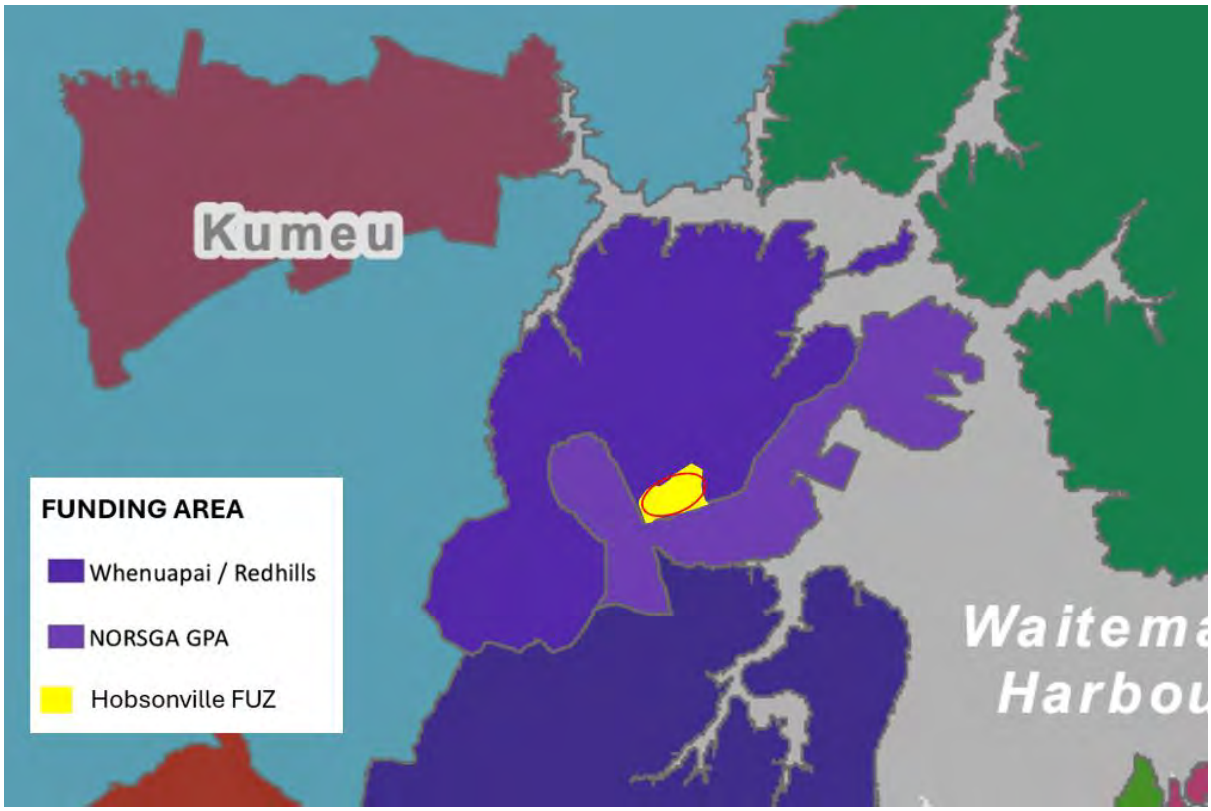


Funding Area Map 6 – Stormwater – Local

Existing (approx. location outlined in red). This funding area is opposed.

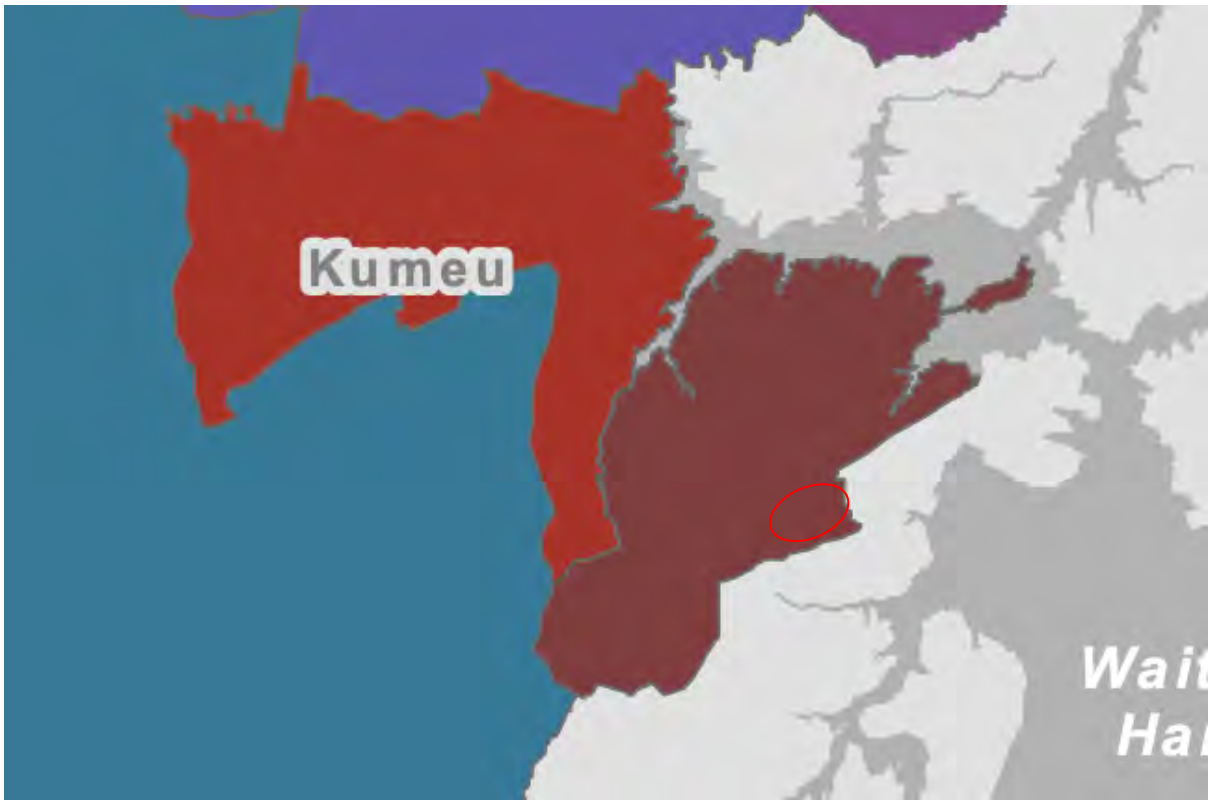


Proposed Split Funding Area (approx. location outlined in red). This allocation is sought.

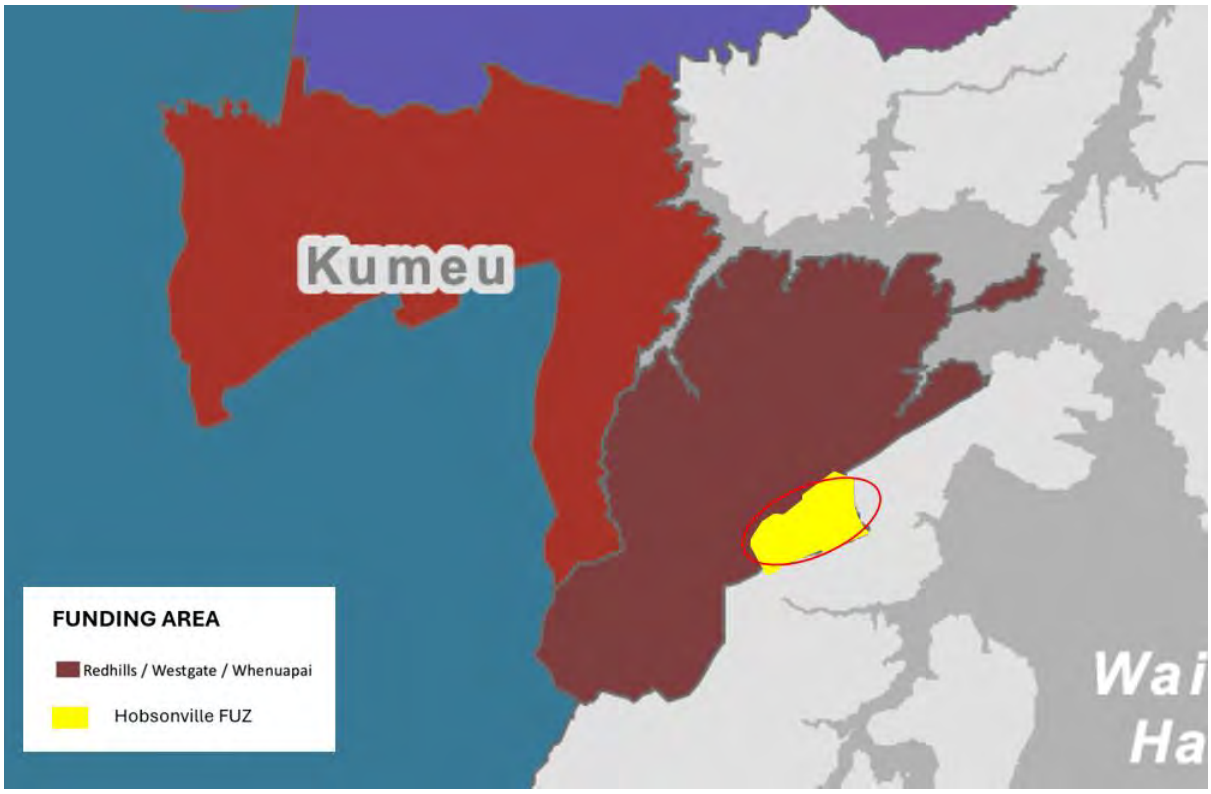


Funding Area Map 8 – Transport – Local

Existing (approx. location outlined in red). This funding area is opposed.



Proposed Split Funding Area (approx. location outlined in red). This allocation is sought.



Annexure 3 - CDL Whenuapai – List of projects of relevance to development within Hobsonville FUZ Land

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
~~Community infrastructure~~	~~Northwest~~	~~Community centre (Massey North)~~	~~Improving the youth facility at Massey North~~	~~$14,910,788~~	~~$14,910,788~~	~~100%~~	Massey North community centre is located at least 2.5kms from the Hobsonville FUZ Land. They are most unlikely to be patronised by residents of the Hobsonville FUZ Land. Any community facilities of this sort would more appropriately and usefully occur within the adjacent Westgate Metropolitan Centre (where they are enabled). Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Community infrastructure~~	~~Northwest~~	~~General Park Development (Observation Green)~~	~~Develop a new neighbourhood park at Observation Green Hobsonville to meet the needs of the growing community in a new subdivision area~~	~~$878,310~~	~~$878,310~~	~~100%~~	Observation Green is a reserve located in Scott Point, Hobsonville, approximately 4.5kms from the Hobsonville FUZ Land. It is most unlikely to be patronised by residents of the Hobsonville FUZ Land. Neighbourhood parks are anticipated to be provided within the block. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
Community infrastructure	Northwest	Multi-purpose community facility and town square (Westgate)	New multi-purpose (community facilities 67% and library 33%) and town square (open civic space) to meet future demand arising	$23,679,438	$15,865,233	67%	Located adjacent Westgate Metropolitan Centre, the Hobsonville FUZ Land will rely on delivery of community facilities, among others, within the centre. This growth project is therefore applicable. The DCs should

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
			from population growth in the north west area (Community Facilities Network Plan)				however be sought from development throughout the Westgate Metropolitan Centre catchment. The 67% allocation of funding to DCs is excessive as there will be a significantly improved level of service for the large existing population within the catchment.
~~Community infrastructure~~	~~Northwest~~	~~Playground and landscaping development (Huapai, Matua Road)~~	~~Develop the local park in the new subdivision at Matua Road~~	~~$695,540~~	~~$521,655~~	~~75%~~	This local park is located in Huapai, approximately 11kms from the Hobsonville FUZ Land. It is most unlikely to be patronised by residents of the Hobsonville FUZ Land. As noted above, neighbourhood parks are anticipated to be provided within the block. Further, the Whenuapai Structure Plan Open Space Strategy identifies places within wider Whenuapai (being far closer than Huapai) where future reserves can locate, for use by future residents of the Hobsonville FUZ Land. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Community infrastructure~~	~~Northwest~~	~~Play space with Walkways (Riverhead)~~	~~Develop play space infrastructure with walkway connections in the new Riverhead subdivision area to meet the demands of population growth in the immediate area. Works include development of~~	~~$797,500~~	~~$797,500~~	~~100%~~	The description identifies this community infrastructure is intended to meet a local or immediate area need. Riverhead is located over 8kms from Hobsonville FUZ Land and playgrounds within Whenuapai and even within the CDL block itself will be far more convenient. The facilities are most unlikely to be patronised by

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
			~~a playground in Riverhead Point Drive…~~				residents of the Hobsonville FUZ Land. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Community infrastructure~~	~~Northwest~~	~~Playspace, car park and minor assets (Riverhead War Memorial Park)~~	~~Enhance and expand the amenities on the park to meet the needs of new and future residents… Project also includes renewal of other minor park assets…~~	~~$3,385,375~~	~~$846,344~~	~~25%~~	The description identifies this is community infrastructure to meet a local or immediate area need. Riverhead is located over 8kms from Hobsonville FUZ Land and playgrounds within Whenuapai and even within the CDL block itself will be far more convenient. The facilities are most unlikely to be patronised by residents of the Hobsonville FUZ Land. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Community infrastructure~~	~~Northwest~~	~~Town Square PC15 (Massey North)~~	~~New multi-purpose (community facilities 67% and library 33%) and town square (open civic space) to meet future demand arising from population growth in the north west area (Community Facilities Network Plan)~~	~~$9,110,420~~	~~$5,694,013~~	~~62.5%~~	Massey North community centre is located at least 2.5kms from the Hobsonville FUZ Land. These facilities are most unlikely to be patronised by residents of the Hobsonville FUZ Land. Any community facilities of this sort would more appropriately and usefully occur within the adjacent Westgate Metropolitan Centre (where they are enabled). Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Community infrastructure~~	~~Northwest~~	~~YFTRH – HM – Te Rangi Hiroa Reserve Youth Facility~~	~~Development of an outdoor youth facility in an old wood yard site within the reserve to~~	~~$1,638,272~~	~~$799,980~~	~~48%~~	Swanson is a considerable distance (10kms) from the Hobsonville FUZ Land and unlikely to garner patronage by residents of the Hobsonville FUZ

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
			~~meet the demands of the growing population in the area and in support of the new subdivision in Swanson.~~				Land as a result. Youth facilities are better provided for at Westgate. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Community infrastructure~~	~~Northwest~~	~~Youth Facility (Te Rangi Hiroa Reserve)~~	~~Development of an outdoor youth facility in an old wood yard site within the reserve to meet the demands of the growing population in the area and in support of the new subdivision in Swanson.~~	~~$1,638,272~~	~~$799,980~~	~~48%~~	This appears to be a double entry of the previous item.
Community infrastructure	Northwest	Northwest aquatic / rec	None	$132,968,695	$69,143,721	52%	CDL accepts this project may be relevant to growth in Hobsonville FUZ Land. The DCs should however be sought from development throughout the Westgate Metropolitan Centre catchment.
~~Community infrastructure~~	~~Northwest~~	~~Whenuapai Library / Comm C~~	~~None~~	~~$81,702,844~~	~~$63,728,218~~	~~78%~~	Again, the Hobsonville FUZ Land is better served by Westgate Metropolitan Centre and the community centre anticipated to be located there. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
~~Reserve Acquisition~~	~~Whenuapai~~	~~Park land acquisition - Whenuapai~~	~~Acquisition of land for neighbourhood / suburb parks in new development areas in accordance with the Open Space Provision~~	~~$28,687,643~~	~~$25,818,879~~	~~90%~~	Neighbourhood parks are anticipated to be provided within the CDL block. New suburb parks are more likely to be utilised where located south of the State Highway 18 motorway, e.g. Westgate. Development at the

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
			~~Policy.~~				Hobsonville FUZ Land does not contribute to the need for this facility.
~~Reserve Acquisition~~	~~Whenuapai~~	~~Park land acquisition - Whenuapai~~	~~Acquisition of land for neighbourhood / suburb parks in new development areas in accordance with the Open Space Provision Policy.~~	~~$475,349,383~~	~~$427,814,444~~	~~90%~~	To the extent this appears to replicate the entry above, so could be rationalised, but otherwise not relevant for the reasons listed above. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
Reserve Development	*Whenuapai*	*General park development (Whenuapai)*	*Develop new neighbourhood parks to meet the needs of the growing community in conjunction with the Open Space Provision Policy.*	*$1,752,068*	*$1,576,861*	*90%*	Proportions of these projects may be relevant to growth in the Hobsonville FUZ Land so long as the parks to be developed are located south of the State Highway 18 corridor, and particularly within the block. A proportionate approach is proposed.
Reserve Development	*Whenuapai*	*Reserves one two and three PC14 (Hobsonville Corridor)*	*Provision of new open space areas in association with urbanisation of greenfield area*	*$3,523,888*	*$1,761,944*	*50%*	As above.
Reserve development	*Whenuapai*	*General park development (Whenuapai)*	*Develop new neighbourhood parks to meet the needs of the growing community in conjunction with the Open Space Provision Policy*	*$133,695, 333*	*$120,325,800*	*90%*	This is listed in the Council's published "Inner North West List of projects for other investment priority areas" and includes a completion year of 2048. The extent to which this incorporates the above or is an additional project is not clear. A proportionate approach as above is proposed whereby DCs are sought only to the extent that development of the Hobsonville FUZ Land contributes to the need for the project.

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
Public Transport	West	Northwest Bus Improvements	Bus improvements to support the interim Northwest RTN and Westgate station	$26,502,984	$26,502,984	100%	Relevant given proximity and intention for future residents to travel via public transport as preferred mode. The DCs should however be sought from development throughout the Westgate Metropolitan Centre catchment. The 100% allocation of funding to DCs is excessive as there will be a significantly improved level of service for the large existing population within the catchment.
~~Transport~~	~~Redhills / Westgate / Whenuapai~~	~~Collector roads~~	~~Building or upgrading of collector roads in Drury [sic] which benefit this funding area~~	~~$4,176,843~~	~~$3,512,491~~	~~84.1%~~	Auckland Transport expects developers to construct local and collector roads to service their developments. As such, so long as there is potential for future projects to seek a DC reduction on this basis, this entry is applicable to the Hobsonville FUZ Land. Otherwise, this project needs to be deleted.
~~Transport~~	~~Redhills / Westgate / Whenuapai~~	~~Redhills Arterial Upgrade~~	~~Projects to support high priority greenfield growth areas, including new Redhills connections with appropriate public transport and active mode provision.~~	~~$233,723~~	~~$175,293~~	~~75%~~	Development of the Hobsonville FUZ Land is not dependent on nor does it generate demand on connections to arterial roads within Redhills. Development at the Hobsonville FUZ Land does not contribute to the need for this facility.
Transport	Redhills / Westgate / Whenuapai	Whenuapai Arterial Upgrade and Realignment	Projects to support high priority greenfield growth areas	$4,554	$3,051	67%	It is suggested the figures in the Assets funded by DCs List are incorrect. Notwithstanding, to the extent that the arterial roads mentioned include Hobsonville Road and Trig Road, these

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
							are relevant to growth in the Hobsonville FUZ Land. DCs for the major arterial works should be sought from development throughout the West area. The 67% allocation of funding to DCs is excessive as there will be a significantly improved level of service for the large existing population within the catchment.
Transport	Redhills / Westgate / Whenuapai	Arterial roads and infrastructure for multi-modal corridors	Upgrading existing roads and arterial roads in Drury [sic] to cater for higher traffic volumes, which benefit this funding area. In some cases, also building multi-modal corridors to allow active modes and public transport.	$1,900,495,456	$946,081,655	49.8%	To the extent that the arterial roads mentioned include Hobsonville Road and Trig Road, these are relevant to growth in the Hobsonville FUZ Land. The DCs for those major arterial works adjacent to the Hobsonville FUZ Land should be sought from development throughout the West area. The 49.8% allocation of funding to DCs (which presumably reflects the Waka Kotahi / NZTA contribution) is excessive as there will also be a significantly improved level of service for the large existing population with in the catchment.
~~Transport~~	~~Redhills / Westgate / Whenuapai~~	~~Collector roads~~	~~Building or upgrading of collector roads in Drury [sic] which benefit this funding area.~~	~~$348,122,871~~	~~$292,751,784~~	~~84.1%~~	This replicates the entry above. Further, Auckland Transport expects developers to construct local and collector roads to service their developments. As such, so long as there is potential for future projects to seek a DC reduction on this basis, this entry is applicable to the Hobsonville FUZ Land. Otherwise it should be

Capital growth projects to be funded by development contributions							
Activity	**Funding Area**	**Project name**	**Project description**	**Capital expenditure (planned or already incurred)**	**Planned capital expenditure funding from DCs**	**Proportion funded by DCs**	**Reason for relevance / not being relevant**
							deleted. The Hobsonville FUZ Zone should only fund works adjacent to the Hobsonville FUZ Land.
~~Stormwater~~	~~NORSGA GPA~~	~~Outfalls Package 2 – Whau and Massey Catchments~~	~~To improve stormwater conveyance capacity at inlets and outlets and to reduce erosion in the vicinity…~~	~~$98,659~~	~~$9,866~~	~~10%~~	Hydrologically and geographically distanced from the Hobsonville FUZ Land. Not applicable to growth in this area. Development at the Hobsonville FUZ Land does not contribute to the need for this project.
~~Stormwater~~	~~NORSGA GPA~~	~~Stormwater PC14 (Waiarohia ponds)~~	~~Stormwater ponds to support growth in Plan Change 14 area~~	~~$7,067,983~~	~~$7,067,983~~	~~100%~~	PC14 covers land to the east of Hobsonville FUZ Land. Not applicable, noting growth in this area will accommodate its own stormwater management. Development at the Hobsonville FUZ Land does not contribute to the need for this project.
~~Stormwater~~	~~NORSGA GPA~~	~~Stormwater PC15 (Totara ponds)~~	~~Stormwater ponds to support growth in Plan Change 15 area~~	~~$56,942,253~~	~~$17,603,468~~	~~30.9%~~	PC15 covers land to the west of Hobsonville FUZ Land in Westgate Metropolitan Centre and land to its north. Not applicable, noting growth in this area will accommodate its own stormwater management. Development at the Hobsonville FUZ Land does not contribute to the need for this project.
Stormwater	Urban Area	Projects too numerous to repeat and Hobsonville FUZ Land appropriately excluded.					

Development Contributions Policy Review

#115

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Disabled Persons Assembly New Zealand Inc.

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

November 2024

Tēnā koutou ki te Kaunihera o Tāmaki Makaurau

Please find attached DPA's submission on the Auckland Council Development Contributions Policy 2025

Disabled Persons Assembly NZ

For any further inquiries, please contact:

[redacted]

Policy Advisor – Auckland/Northland

Disabled Persons Assembly New Zealand

Email: policy@dpa.org.nz

Introducing Disabled Persons Assembly

We work on systemic change for the equity of disabled people

Disabled Persons Assembly NZ (DPA) is a not-for-profit pan-impairment Disabled People's Organisation run by and for disabled people.

We recognise:

- Māori as Tangata Whenua and Te Tiriti o Waitangi as the founding document of Aotearoa New Zealand;
- disabled people as experts on their own lives;
- the Social Model of Disability as the guiding principle for interpreting disability and impairment;
- the United Nations Convention on the Rights of Persons with Disabilities as the basis for disabled people's relationship with the State;
- the New Zealand Disability Strategy as Government agencies' guide on disability issues; and
- the Enabling Good Lives Principles, Whāia Te Ao Mārama: Māori Disability Action Plan, and Faiva Ora: National Pasifika Disability Disability Plan as avenues to disabled people gaining greater choice and control over their lives and supports.

We drive systemic change through:

Rangatiratanga / Leadership: reflecting the collective voice of disabled people, locally, nationally and internationally.

Pārongo me te tohutohu / Information and advice: informing and advising on policies impacting on the lives of disabled people.

Kōkiri / Advocacy: supporting disabled people to have a voice, including a collective voice, in society.

Aroturuki / Monitoring: monitoring and giving feedback on existing laws, policies and practices about and relevant to disabled people.

The submission

Introduction

DPA welcomes the opportunity to engage with Auckland Council on the Development Contributions Policy 2025.

Council investment in new assets with developers would be positive from an accessibility standpoint as building new facilities means that they can be designed and constructed to universal design principles.

However, DPA recommends that Auckland Council focus on providing equity of service for disabled people across all services.

Accessibility lens on policy

DPA highlights the need for an accessibility lens on developments.

Auckland Council needs to work with developers on universal design as outlined in the updated Auckland Design Manual[1], developed as part of the Auckland Disability Action Plan.

DPA has previously mentioned that accessibility advisors conduct disability impact assessments developed by Auckland Council's Disability Reference Panel which leads to our first recommendation.

Recommendation 1: that Council advise developers on accessibility advisors disability impact assessments.

[1] Auckland Council. (n.d.). *Auckland Design Manual*. https://www.aucklanddesignmanual.co.nz/en/design-guidance/universal-design.html

Auckland City disability statistics

According to the Office of Disability Issues, 1 in 4 New Zealanders have a physical, sensory, learning, mental health or other disability.[2] In Statistics New Zealand's 2013 Disability Survey, Auckland recorded a disability population rate of 19 percent meaning that there were approximately 331,000 disabled people living in the city at that time.[3] [4]

The increasing number of disabled and older people is why all councils should plan and invest in the development of fully accessible, inclusive communities.

Developers and ratepayers' contributions

Statistics show that disabled people are predominantly low-income earners.[5]

In the discussion document, Council raised the subject of developers versus ratepayers' contributions being equitable in terms of a return on investment to ratepayers. Disabled people are ratepayers as either home owners or tenants.

Statistics from Ministry of Housing noted that 56.5% of disabled people were living in an owner-occupied dwelling, however reports from Donald Beasley Institute specialising in disability research highlight disabled community faced significant challenges when trying to access the housing market as tenants or as buyers.[6] [7]

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[2] Office of Disability Issues. (n.d.). *Key facts about disability in New Zealand.* https://www.odi.govt.nz/home/about-disability/key-facts-about-disability-in-new-zealand/

[3] Statistics NZ Disability survey: 2013. https://www.stats.govt.nz/information-releases/disability-survey-2013

[4] Statistics NZ Subnational population estimates (RC, SA2), by age and sex, at 30 June 1996-2023 (2023 Boundaries). https://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE7979

[5] Figure.NZ. (n.d.) *Median weekly income for disabled people in New Zealand 2017 Q2–2023 Q2* https://figure.nz/chart/pXcWorfm74PV07bu

[6] Donald Beasley Institute. (2020). Housing for Disabled People: Family/Whānau and Close Supporter Perspectives. [Monitoring Report]. New Zealand Disabled People's Organisations Coalition. https://www.donaldbeasley.org.nz/assets/publications/uncrpd/Housing-for-Disabled-People-Family-Whanau-and-Close-Supporter-Perspectives.pdf

[7] Donald Beasley Institute. (2020). My Experiences, My Rights: A Monitoring Report on Disabled Person's Experience of Housing in Aotearoa New Zealand. [Easy Read Monitoring Report]. New Zealand Disabled People's Organisation Coalition. https://www.donaldbeasley.org.nz/assets/projects/UNCRPD/My-Experiences-My-Rights-A-Monitoring-Report-on-Disabled-Persons-Experience-of-Housing-in-Aotearoa-New-Zealand/My-Experiences-My-Rights-A-Monitoring-Report-on-Disabled-Persons-Experience-of-Housing-in-Aotearoa-New-Zealand.pdf

For disabled people who are fortunate enough to own their own homes, there is the issue of facing high rates bills imposed as part of council's austerity measures. In addition to this, the need to pay higher rates comes on top of ongoing increases in the cost-of-living which are further exacerbated by high disability related living costs, for example, the need for additional electricity.

This means that for disabled people and other low-income homeowners, there is more need than ever for the availability of rates rebates to be more widely promoted and in accessible ways.

Recommendation 2: that Council provide accessible information about rates rebates and in accessible ways.

Equity for disabled people

There is a lack of equity of access for disabled people to Council services and projects as well. Some priority areas for disabled people mentioned in the policy document are:

- Affordable, accessible, active public transport including essential road safety, walking and cycling improvements.
- Building and sustaining accessible, connected communities where everyone can live without barriers to their participation in terms of good housing, infrastructure, community facilities and parks.
- Enabling the participation of disabled people in the economic life of the city as workers, consumers and entrepreneurs.
- Ensuring that the voices of disabled people can be heard in all decisions, especially those that impact on our disabled communities across Tāmaki Makaurau Auckland.
- Developing a climate resilient, environmentally friendly city that can withstand the challenges of climate change and contribute to its reversal.

Priority for investment areas

The prioritising of investments in greenfield and brownfield areas for the assets listed below needs to be considered through taking a 'whole journey' approach when it comes to improving access for everyone, including disabled people. These new developments need to be well-connected to public transport, within easy wheelable/walkable distances and have facilities that meet robust Lifemark[8] universal design standards.

These assets include:

- transport, footpaths, roads and intersections
- parks, park facilities and sports grounds
- drainage and stormwater systems
- community facilities

Recommendation 3: that Council contract and consult Lifemark or similar providers specialising in universal design standards and provide these contacts to developers

The provision of public transport services is important for disabled Aucklanders in terms of their ability to undertake social connection, inclusion and participation in their communities. The Auckland Transport Accessibility Action Plan[9] aims to make the city's transport network fully accessible for everyone, including disabled people.

From our perspective, the development of active transport modes is important, including for disabled people as many of Auckland's disabled community are either walking or wheelchair/mobility device using pedestrians and need to mobilise safely.

[8] Lifemark. (2024, 26 Sep). *Mātāwai: Future Focussed, Supportive and Universally Designed Public Housing* https://www.lifemark.co.nz/about-us/news/article/te-m%C4%81t%C4%81wai-future-focussed-supportive-and-universally-designed-public-housing

[9] Auckland Transport. (2022, 12 Apr). *Accessibility Action Plan - Delivering a transport system which meets the needs of all Aucklanders Version 3: 202 2 - 2024* https://at.govt.nz/media/1989002/accessibility-action-plan-2022-24.pdf

At this point, we want to reiterate the need for any walking, cycling or micromobility connections to be placed separately but parallel to one another for safety reasons.

In the transport safety space, there is a need for Council to continue investing in other road safety measures which benefit everyone, including disabled people, such as raised pedestrian crossings.

Recommendation 4: that Council inform key development stakeholders including architects, landscape designers, engineering consultants, project management companies, placemaking agencies and infrastructure companies of Council's commitment to universal design.

Climate Change, Natural Hazards and Disabled People

DPA advocates for climate resilient solutions and want Council to ensure that the developers that they contract are committed to sustainable practices who support appropriate development within sustainable environmental limits to protect the health, wellbeing, and economic opportunities of the disability community in Aotearoa New Zealand.

DPA opposed the Fast-track Approvals Bill as it disproportionately favoured large scale development with long lasting impacts, which will have far-reaching adverse implications for Aotearoa New Zealand's environment. It risks locking in an infrastructure that is inaccessible and unsafe for disabled people.

Our environment is already degraded from decades of inappropriate development and unsustainable practices and is also facing major risks from climate change and the cumulative effects of existing land and resource use. We need to restore and protect what we have left, instead of finding ways to further degrade it.

Disabled people are one of the groups most at risk from climate change[10] and natural hazards. Many examples exist of disabled people being highly impacted by urban

[10] Schulte, C. (2020, March 28). People With Disabilities Needed in Fight Against Climate Change. Retrieved from https://www.hrw.org/news/2020/05/28/people-disabilities-needed-fight-against-climate-change#:~:text=People%20with%20disabilities%20are%20at,said%20in%20a%20recent%20report.

planning failing to provide for the impact of climate change and natural hazards occurring across low-lying communities in Aotearoa New Zealand.

There is a need for all decision makers to take steps to uphold wellbeing of our disabled community who are affected by natural disasters. Adverse weather events also cause substantial infrastructure damage including to roading, so further erosion with the introduction of any mining companies or property developers reduces our climate resilience. The impact that weather-enforced homelessness has had on disabled people is further exacerbated by the lack of accessible housing.

DPA also asks that all decision-making bodies be required to consider the needs of disabled people and that engagement processes be required to consult with disabled people and their representative organisations.

Recommendation 5: that disabled people can have input into the decision-making processes of development projects that impact on our health and wellbeing.
Recommendation 6: that the impact of climate change and natural hazards is fully accounted for when considering development projects.
Recommendation 7: that all decision-making bodies be required to consider the needs of disabled people and that disabled people's organisations are involved as co-design partners in all projects.

Development Contributions Policy Review

#116

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Retirement Villages Association

Local Board: Waitematā

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Auckland Council Draft Contributions Policy 2025

Submission by the Retirement Villages Association of New Zealand

15 November 2024

SUBMISSION ON AUCKLAND COUNCIL'S DRAFT CONTRIBUTIONS POLICY 2025 BY THE RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND

To: Auckland Council

Name of submitter: Retirement Villages Association of New Zealand Incorporated (*RVA*)

1 This is a submission on Auckland Council's (*Council*) Draft Development Contributions Policy 2025 (*DC Policy 2025*) on behalf of the RVA.[1] This submission builds on the RVA's previous submissions,[2] and is supported by further analysis undertaken by Market Economics in relation to the DC Policy 2025 (Appendix A). The RVA's previous submissions highlight our significant concerns with the Council's '30 year approach' to funding infrastructure across Auckland. We maintain our position within those submissions.

EXECUTIVE SUMMARY

2 The RVA and its members are very concerned about Council adopting DC Policy 2025 and its roll out of the '30 year approach' to the Auckland Housing Programme (Mt Roskill, Māngere, and Tāmaki), the Inner Northwest (including Red Hills, Westgate and Whenuapai), Drury, and the City centre (CRL stations at Maungawhau and Karanga-a-Hape), (together, the Investment Priority Areas, *IPAs*). We are also concerned that this approach may be rolled out in other areas in Auckland.

3 The RVA acknowledges the development sector's role in making fair contributions towards necessary growth infrastructure, and its members will play their part. However, the proposal will have far reaching implications for Auckland's growth aspirations and worsen Auckland's housing affordability, which is already a major issue. The proposal materially adds to what is already a challenging development landscape, given economic and property cycle issues, and building cost inflationary pressures.

4 That is set against the huge pressures to deliver appropriate housing in Auckland to accommodate the rapidly increasing ageing population. Regulatory costs, such as development contribution (*DC*) charges, materially affect the viability of new villages and therefore will further exacerbate the current retirement living crisis. The Council should be encouraging housing rather than adding new barriers.

5 The RVA's concerns with DC Policy 2025 are that:

5.1 The price increases proposed are, as they were for Variation A, staggering and are unable to be simply absorbed into existing feasibility planning. Acknowledging the Council's financing and funding constraints, it is counterproductive and unfair to pass on these substantial costs to home builders.

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[1] Today, the RVA has 422 member villages throughout New Zealand, with approximately 43,700 units that are home to around 53,000 older New Zealanders. This figure is 96% of retirement village units in New Zealand (there are also around 6,400 Occupation Right Agreements for care suites as part of the aged care system). The RVA's members include all five publicly-listed companies (Ryman Healthcare, Summerset Group, Arvida Group, Oceania Healthcare, and Radius Residential Care Ltd), other corporate groups (such as Metlifecare and Bupa Healthcare) independent operators, and not-for profit operators (such as community trusts, and religious and welfare organisations).

[2] The RVA lodged a written submission on the Council's draft DC Policy 2021 (*Draft Policy 2021*) on 17 October 2021 and on proposed Variation A (*Variation A*) to the Development Contributions Policy 2022 (*DC Policy 2022*) on 8 November 2022. Both submissions were supported by advice from independent economist, Greg Akehurst, Director at Market Economics.

Doing so will stall development, put up house prices and make some development activities unviable.

5.2 It would be an error for the Council to rely on the current information presented in the consultation material. Significant further work is required to justify the change in approach and the charges themselves, albeit the RVA does not consider further work will fix the fundamental problems with the 30 year approach.

5.3 The Council should have, but has not, adequately considered alternative approaches to its proposed recovery of costs in DC Policy 2025.

5.4 The Council's process and setting of DC Policy 2025 is premature. Outcomes on project funding are not yet clear, unit of demand reviews are not complete, and some charges are not set. Accordingly, DC Policy 2025 will soon be out of date and require amendment to reflect the outcomes of these decisions and reviews.

5.5 Many of these issues offend against Local Government Act 2002 (*LGA*) requirements. Any decision on DC Policy 2025 will therefore be susceptible to legal challenge.

5.6 The RVA also notes that Council's proposal is placing a significant strain on the relationship between the Council and the development industry. As a result, other regions across New Zealand may become more attractive investment areas – further precluding and/or slowing growth in Auckland.

RECOMMENDATIONS

6 The RVA seeks that the Council:

6.1 reject the proposal to charge DCs for investments in infrastructure after 2035 in the IPAs;

6.2 reject any similar proposals for other growth areas in Auckland; and

6.3 return to the usual DC funding approach covering a 10 year period (which more fairly aligns developer payments with the actual benefits they will receive from infrastructure provision).

7 The RVA also encourages the Council to continue considering and exploring alternative sources of funding and settling DCs once it has exhausted these other avenues.

SUBMISSION CONTENT

8 This submission covers:

8.1 An overview of the importance of retirement villages in addressing the housing crisis;

8.2 A brief outline of the statutory framework governing DC policies;

8.3 The RVA's concerns about DC Policy 2025; and

8.4 Conclusions.

9 Appendix A sets out independent economic advice from Greg Akehurst from Market Economics, on the process undertaken by the Council and the implications of DC Policy 2025.

10 Appendix B provides an insight into the different types of retirement villages.

11 Appendix C provides a summary of the relevant provisions of the LGA.

12 These appendices help illustrate the reasons for the RVA's feedback on DC Policy 2025.

IMPORTANCE OF RETIREMENT VILLAGES IN ADDRESSING THE HOUSING CRISIS

Summary

- Auckland is facing a housing crisis, including a retirement living and aged care crisis.
- The retirement sector plays a major and increasing role in housing and caring for older people.
- The +75 demographic in Auckland will more than double between 2023 and 2048, from 102,590 last year to almost 246,480.
- Demand for retirement village accommodation is outstripping supply. This is clearly reflected in Auckland, which has the largest share of the development pipeline.
- Deliverability of this pipeline and affordability is materially impacted by DC charges.

13 New Zealand, and in particular Auckland, is facing a housing crisis, including a retirement living and aged care crisis. There is a severe lack of appropriate housing and care for our growing ageing population. This problem is immediate, and is projected to worsen over the coming decades.

14 The government's Going for Housing Growth (*GfHG*) plan provides policy direction in response to this housing crisis, to "*improve housing affordability and increase competition in urban land markets by significantly increasing the supply of developable land for housing, both inside and at the edge of our urban areas*."[3]

15 The government has also recognised the ageing population as one of the key housing and urban development challenges facing New Zealand in its overarching direction for housing and urban development - the Government Policy Statement on Housing and Urban Development (*GPS-HUD*).[4] The GPS-HUD records that "*[s]ecure, functional housing choices for older people will be increasingly fundamental to wellbeing*."[5]

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[3] Regulatory Impact Statement: Going for Housing Growth – Freeing up land for development and enabling well-functioning urban environments (dated 12 June 2024), at [37].

[4] The GPS-HUD was issued in September 2021.

[5] GPS-HUD, page 10.

16 A key connecting government strategy, *Better Later Life – He Oranga Kaumatua 2019 to 2034*, outlines what is required to have the right policies in place for our ageing population, including creating diverse housing choices and options.[6] The strategy notes that "*[m]any people want to age in the communities they already live in, while others wish to move closer to family and whānau, or to move to retirement villages or locations that offer the lifestyle and security they want*."[7]

Benefits of retirement villages

17 Retirement villages provide appropriate accommodation and care for the most vulnerable sector of our community. They allow older people to continue living in their established community, while down-sizing to a more manageable property (i.e. without stairs or large gardens). Retirement village living provides security, companionship and peace of mind for residents.[8] Residents will also, in most cases, have easy access to care and other support services. Appendix B provides a brief insight into the different types of retirement villages.

18 Retirement villages already play a significant part in housing and caring for older people in New Zealand. Currently, 14% of the 75+ age group population live in retirement villages, a penetration rate that has risen from around 9.0% of the 75+ age population at the end of 2012.[9] The Auckland region has the second-highest penetration rate in New Zealand (16%).[10]

19 New build data from Statistics New Zealand shows that retirement village developments provided 5% of all new residential developments between September 2023 and September 2024.[11] It is estimated that in addition to the current development pipeline, an added 932 units need to be built every year for the next 25 years for the industry to meet its demand by 2048.[12]

20 Retirement villages help to ease demand on the residential housing market and assist with the housing supply shortage in New Zealand. That is because growth in retirement village units is faster than growth in the general housing stock. And, the majority of new villages are located in major urban centres.

21 The retirement village sector allows older New Zealanders to free up their often large and age-inappropriate family homes and move to comfortable and secure homes in a retirement village. The RVA estimates that around 4,700 family homes are released back into the housing market annually through new retirement village builds (approximately 1,700 units). A large scale village releases approximately 300 houses back onto the market to be more efficiently used by families desperate for homes. To illustrate, retirement units are generally occupied by an average of 1.3 people per unit, compared to an average of 2.6 people per standard dwelling.

22 The retirement village sector also produces other broader benefits:

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6 *Better Later Life – He Oranga Kaumatua 2019 to 2034* (available online).

7 Ibid, page 32.

8 PWC 'Retirement village contribution to housing, employment, and GDP in New Zealand' (March 2018). Brown, N.J., "*Does Living Environment Affect Older Adults Physical Activity Levels*?". Grant, Bevan C. (2007) 'Retirement Villages', *Activities, Adaptation and Aging*, 31:2, 37-55.

9 Jones Lang LaSalle, NZ Retirement Villages and Aged Care Whitepaper, June 2021, page 15, and Jones Lang LaSalle, NZ Retirement Villages Whitepaper, August 2024, page 25.

10 Ibid, page 25.

11 See *Stats NZ - Building consents issued.*

12 Jones Lang LaSalle, NZ Retirement Villages Whitepaper, August 2024, page 35.

22.1 The sector employs approximately 19,000 people to support day-to-day operations, and contributes around $1.1 billion to New Zealand's GDP from day-to-day operations.[13]

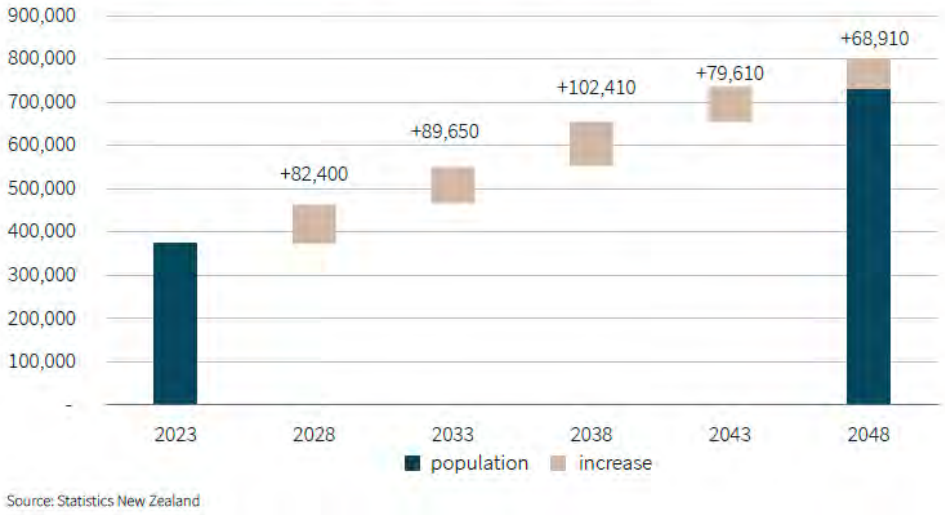
22.2 The contribution of retirement village construction is also substantial. For example, a large scale new village will cost in the order of $100-$200 million to construct. Retirement village construction is also expected to employ approximately 5,700 FTEs each year.[14]

Increasing demand for retirement villages

23 The proportion of older people compared to the rest of the population in New Zealand is increasing exponentially (as illustrated by the graph below). Auckland is the largest contributor to New Zealand's estimated 75+ population growth. Statistics New Zealand estimate that in 2023, 102,590 people were aged over 75. By 2048, this number is forecast to more than double to 246,480.

24 The growth in the 85+ age bracket in Auckland is even more significant. Statistics New Zealand estimates that in 2023, 26,540 people are aged over 85. By 2048, this number is forecast to more than triple to 86,690.

Figure 8: Forecast population for 75+ years age bracket to 2048



Source: Statistics New Zealand

25 Demand for retirement village accommodation is outstripping supply. The ageing population and longer life expectancy, coupled with a trend towards people wishing to live in retirement villages that provide purpose-built accommodation, means that demand is continuing to grow.

26 That demand is reflected in the development pipeline, of which Auckland has the largest share across New Zealand.[15]

27 Deliverability of this pipeline is contingent on a number of factors. These include property market conditions, construction, building materials, and labour costs, timing of

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[13] PWC 'Retirement village contribution to housing, employment, and GDP in New Zealand' (March 2018), page 4.

[14] Ibid.

[15] Jones Lang LaSalle, NZ Retirement Villages Whitepaper, August 2024, page 32.

resource consent approvals, as well as the feasibility of projects which includes regulatory barriers and costs such as DC charges.

28 The sector is currently facing substantial pressures to deliver new accommodation and care across these metrics given the coincidence of economic stagnation, inflationary costs, tough regulatory conditions and challenges finding suitable sites for large scale retirement villages.

STATUTORY FRAMEWORK

Summary

A DC policy and the process to develop it must strictly comply with the relevant provisions of the LGA. Key requirements include:

- Fairness, equity and proportionality when setting DCs.
- DCs should only be required where there is a causal connection between the development demand and the need for new assets or assets of increased capacity which Council will need to fund.
- DCs levied should reflect the need generated and the benefit received by the user.
- The DC regime should be clear, transparent and predictable.
- The Council must seek to identify all reasonably practicable options to achieve its objective and assess the options in terms of their advantages and disadvantages.
- The Council must provide reasonable access to relevant information in a manner and format that is appropriate.
- The DC regime should be based on robust evidence to ensure the fees are justifiable.

Fairness, equity and proportionality

29 The LGA empowers councils to require DCs in certain circumstances. The purpose of the DC scheme is:[16]

> *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.*

30 A territorial authority can only require a DC if:[17]

> *the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, the territorial authority incurs capital expenditure to provide appropriately for - (a) reserves, (b) network infrastructure, (c) community infrastructure.*

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[16] LGA, s197AA.

[17] LGA, s199.

31 This provision essentially imposes a threshold test. If there is no new or additional demand for infrastructure from a development, there can be no DC charge. This threshold test reinforces several themes in the DC principles noted above, including the need for a 'causal connection'.

32 In the leading decision on development contributions, *NEIL Construction Ltd v North Shore City Council,*[18] the High Court emphasised the strict legal requirements relating to DCs, stating:

> [47] … whether viewed as a tax or a charge or a hybrid, a development contribution involves: A compulsory exaction of money by a public authority for public purposes, enforceable by law … not a payment for services rendered… Accordingly, as counsel for both parties accepted, a development contribution can only be imposed pursuant to clear and express words contained in a statute, and in accordance with the statutory powers and requirements…
>
> [48] The Act provides expressly for local authorities to require and impose development contributions. But a development contributions policy and the processes in relation to it, must comply strictly with the relevant provisions of the Act which are the sole source of a council's power to exact development contributions…

Need generated

33 A DC regime is to recover the costs of specific growth projects. The causal connection principle reflects the theme that DCs levied should reflect the benefit received by the user. The regime is not to be used for making profit or as a general pool of public money.

34 Developers should only pay for the infrastructure that is required by a development. Communities should pay for infrastructure that will benefit the whole community. DCs do not provide an opportunity for councils to ask developers to subsidise ratepayers as a whole or pay for costs unrelated to growth.

35 The RVA considers the Council has not complied with, and DC Policy 2025 does not comply with, the statutory requirements for DCs contained in the LGA. In particular, the process does not meet relevant administrative law and LGA requirements. In addition, the content does not result in "*fair, equitable, and proportionate*" DC charges. Further legal context relied on to support this submission is outlined in Appendix C.

THE RVA'S CONCERNS WITH DC POLICY 2025

Summary

The RVA is very concerned that DC Policy 2025 fails to ensure a "*fair, equitable and proportionate*" DC regime. It strongly opposes the Council's proposal to include capital projects beyond 10 years in the IPAs. Key issues are:

- Charging capital projects beyond 10 years results in staggering DC increases that are likely to cause major impacts on development businesses. Modelling errors and inaccuracies over a 30 year period also result in poor evidence to support relative costs and benefits.

[18] *NEIL Construction Ltd v North Shore City Council* [2008] NZRMA 275; as affirmed in *AGPAC Limited v Hamilton City Council* [2021] NZHC 2222, at [21].

- Significant impacts on housing supply and housing affordability, including the risk of over-recovery of costs.

- The proposal is inconsistent with clear government direction with respect to increasing housing supply and removing barriers.

Including capital projects beyond 10 years

36 The Council is proposing to update the DC Policy to include infrastructure required to support growth over a 30 year period in the IPAs.

37 The Council's proposed charges represent astounding increases including:

37.1 In the Inner Northwest, an average increase per HUE of $25,167 to $98,000, or 290%.

37.2 In Māngere, an average increase per HUE of $18,123 to $29,000, or 60%.

37.3 In Mt Roskill, an average increase per HUE of $20,406 to $52,000, or 155%.

37.4 In Tāmaki, an average increase per HUE of $31,157 to $119,000, or 280%.

38 The increases above for the Inner Northwest, Mt Roskill and Māngere do not include stormwater costs. For Mt Roskill and Māngere, further work is to be undertaken in 2025,[19] meaning additional increases on top of these numbers is likely.

39 In Drury, the Council is proposing a 20% increase to the current $70,000 DC to $83,000 to account for stormwater (which is on top of what were already huge increases post Variation A). Additional work on transport requirements is to be undertaken in 2025,[20] potentially resulting in further increases.

40 For retirement villages, the percentage increases in the IPAs are even more significant (with the exception of Tāmaki), due to the relative impact of different infrastructure types. The RVA estimates increases as follows:

40.1 In the Inner Northwest, an average increase of 350% per retirement unit and 390% for aged care rooms.

40.2 In Māngere, an average increase of 120% per retirement unit and 160% for aged care rooms.

40.3 In Mt Roskill, an average increase of 350% per retirement unit and 470% for aged care rooms.

40.4 In Tāmaki, an average increase of 130% per retirement unit and 150% for aged care rooms.

41 The RVA strongly opposes the Council's proposal to include capital projects beyond 10 years, given the major impacts on development business, housing supply and housing affordability. The RVA remains very concerned with the severe consequences on some

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[19] Auckland Council, 'Sharing the cost of growth – Contributions Policy 2025 Consultation document' (September 2024), at [32] (*Consultation Document*).

[20] At [110].

developers resulting from the changes. DC Policy 2025 is likely to result in some developers having to pause, or being unable to complete their developments.

42 Including infrastructure required to support growth over the next 30 years introduces scope for significant error and inaccuracy in Council's calculations when setting DC fees. As noted by Market Economics, the timeframe introduces considerable uncertainty and risks misalignment with actual growth and infrastructure needs.[21] The assumptions used for interest costs, construction sector inflation, land value inflation, population, and rates all have a significant influence on the actual charges levied and are subject to significant uncertainties. Therefore, there is a real risk that the Council will not comply with its LGA obligation to avoid the over-recovery of actual costs.[22]

43 Further issues relate to:

43.1 benefits of paying upfront versus delivery risks;

43.2 fair attribution of benefits for those that pay well before the infrastructure is delivered (lower benefit) and those that pay closer to the time of delivery (higher benefit); and

43.3 a lack of transparency or accounting of what infrastructure will be developer led, versus what work Council will undertake.

44 It is also unclear what the Council proposes to do if the projects expected to be built in the next 30 years do not proceed. Collecting DCs does not necessarily mean building will occur. It is unreasonable for the Council to expect the industry to provide feedback and accept a proposal without understanding how the process will work.

45 Council acknowledges the degree of uncertainty with the 30 year approach, and notes that three-year contribution reviews will ensure that planned infrastructure investment is appropriately costed.[23] With respect, updating DC charges on a likely retrospective three-year basis is not an appropriate way to manage costing of DCs. The Council's approach should ensure that the DCs imposed are accurate and certain when introduced, instead of relying on a review process to go back and fix errors in the policy.

46 A study undertaken by the Australian Government confirms the issues with poor policies as follows:[24]

> "*If developer contributions are unpredictable, poorly scoped or administered inefficiently, they have the potential to impede new housing supply and unnecessarily increase the cost of new housing*."

47 Given the above concerns, and as noted by Market Economics, the time horizon for projects included in DC Policy 2025 should be reduced from 30 years to 10 years.

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[21] Market Economics Auckland 2025 DC Policy Consultation: Economic Assessment (dated 14 November 2024), page 2.

[22] LGA, s197AB.

[23] Consultation Document, at [70] and [71].

[24] Australian Government and National Housing Finance and Investment Corporation, 'Developer Contributions: How should we pay for new local infrastructure?' (dated August 2021), pages 2 and 3.

48 For the reasons outlined, the RVA submits that Council's proposal is unfair, inequitable, and disproportionate and should be abandoned.

Significant impacts on housing supply and affordability

49 As acknowledged by the Council, the proposal will result in "*major DC price increases*".[25] The RVA's members remain very concerned with the significant consequences on housing supply, including retirement and aged care accommodation, and housing affordability.

50 Council is relying on the previous economic advice from Dr Helm and Dr Murray in 2022 in relation to the likely impact of increased DCs on housing markets.[26] Council's position is that housing prices are determined by larger market impacts, and therefore higher DCs will not be passed forward to rents or prices.[27] As noted by Market Economics, Council's conclusion requires several overreaching assumptions and simplifications that ignore realities.[28]

51 The RVA maintains its position that inclusion of 30 year projects will impact house prices and reduce housing affordability, as confirmed by the previous and updated work undertaken by Market Economics.[29]

52 According to Market Economics, this will happen in one of the following ways:[30]

52.1 Developers may choose to increase house prices in order to ensure margins are protected and their developments remain viable;

52.2 Some developers may not be able to complete their developments and go out of business. This will lead to a reduced volume of housing stock causing prices to rise; and

52.3 Some developers may choose to delay development until the market prices adjust up to the point where delaying is no longer the economically rational thing to do, reducing supply and pushing up costs.

53 The Council's proposal will be a strong disincentive to development, which is critically needed to address the acute housing shortage, including the retirement and aged care living crisis. As previously indicated to the Council, the RVA's members are already experiencing huge pressure to deliver appropriate housing in Auckland to accommodate the rapidly increasing ageing population and provide adequate care in a challenging market.

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[25] Consultation Document, at [22].

[26] At [94]; Dr Cameron K. Murray and Dr Tim Helm, "Economic incidence of developer contributions", 10 June 2022.

[27] Consultation Document, at [26].

[28] Market Economics Auckland 2025 DC Policy Consultation: Economic Assessment (dated 14 November 2024), page 5.

[29] Market Economics (G Akehurst), "Drury Development Contributions: Economics Assessment", 8 November 2022 – appended to the RVA's submission on Auckland Council Contributions Policy 2022 – Variation A and Market Economics Auckland 2025 DC Policy Consultation: Economic Assessment (dated 14 November 2024).

[30] Market Economics (G Akehurst), "Drury Development Contributions: Economics Assessment", 8 November 2022 – appended to the RVA's submission on Auckland Council Contributions Policy 2022 – Variation A, section 2.

DC Policy 2025 is inconsistent with government direction

54 The Consultation Document states that "*the impact on house prices is not a key consideration in the development of our contribution charges*".[31] This statement is highly concerning to the RVA, and in breach of GfHG.

55 The objective of the GfHG is to "*improve housing affordability and increase competition in urban land markets by significantly increasing the supply of developable land for housing, both inside and at the edge of our urban areas.*"[32]

56 The Council's proposal will constitute a significant hurdle to realising this objective. As is set out in more detail below, DC Policy 2025 will *worsen* housing affordability and *decrease* the supply of housing by driving up housing prices to offset the burden of additional contribution costs on developers. Ironically, DC Policy 2025 will disincentivise development in the IPAs – areas which have been specifically identified for housing growth, as Mr Akehurst points out.

57 The proposal is also inconsistent with the National Policy Statement on Urban Development 2020, which identifies Auckland as a Tier 1 urban environment and makes the Council responsible for ensuring more homes can be built in response to demand.

58 In the current climate, delaying and/or inhibiting the release of housing and affordable housing is also, in the RVA's view, not a positive direction to take. This approach goes against the central and local governments' direction to deliver more housing and more affordable homes.

Relief sought

59 The RVA seeks that the proposal to include infrastructure required to support growth in the IPAs over the next 30 years be rejected.

60 In the event the Councillors are not minded to reject the proposal, the RVA seeks that alternative mechanisms, such as targeted rates,[33] phasing the charges, and looking into alternative funding tools, are further considered to address the RVA's concerns.[34]

THE RVA'S CONCERNS ABOUT THE PROCESS

Summary

The RVA is concerned about the process undertaken by the Council to introduce the material changes proposed in DC Policy 2025, namely that:

- Alternatives to DC Policy 2025 have not been adequately considered.

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31 Consultation Document, at [26].

32 Regulatory Impact Statement: Going for Housing Growth – Freeing up land for development and enabling well-functioning urban environments (dated 12 June 2024) at [37].

33 The RVA considers it is not clear why the Council has disregarded alternative mechanisms of gathering the necessary funding. The Council's Chief Economist Unit's previous work on how to fund greenfield infrastructure, provides that the cost of new infrastructure could be passed on via development contributions or targeted rates, further noting that "[t]argeted rates provide greater certainty on timing of funding, spread costs intergenerationally, and incentivise quicker, more affordable development" (see Auckland Council, Insights: How should we fund our greenfield infrastructure?", September 2017). It is therefore unclear why the Council has therefore resorted to such significant increases in development contributions.

34 Under the LGA, the Council must seek to identify all reasonably practicable options to achieve its objective and assess the options in terms of their advantages and disadvantages (LGA, s77).

- The review is premature given a further demand factor review is yet to take place and assessment of charge types for some of the IPAs is not yet complete - it is inappropriate to propose significant new charges without knowing if the current demand factors are fair, equitable and proportionate.

61 The RVA is disappointed with the Council's process to introduce the changes proposed in DC Policy 2025. Given the significant impact of the changes, the RVA expected a more collaborative and evidence-based process. The RVA's key concerns about the review process are outlined below.

Inadequate consideration of alternatives

62 The Council's consideration of alternatives is inadequate given the proposed scale of change and the significant impact. The extent of explanation provided by Council on its consideration of alternatives to DC Policy 2025 is six paragraphs in the Consultation Document. The RVA does not contest the Council's ability to use DCs as a source of funding. However, the RVA is concerned that the Council has not sufficiently explained its choice of funding as required by section 106(2)(c) of the LGA.

63 The RVA considers it is vital for the Council to thoroughly consider the full range of funding and financing options available to fund infrastructure and share its findings with the community.[35] Tools such as the Infrastructure Funding and Financing Act 2020 should be pursued in the first instance. This approach is consistent with the requirements set out in the LGA, which require the Council to identify all reasonably practicable options to achieve its objective and assess the options in terms of their advantages and disadvantages (LGA, s77). The RVA seeks the proposal be paused until such time that these other funding options have been pursued.

The process is premature

64 Decisions on third-party funding, Council's unit of demand review process, and assessment of charge types for some of the IPAs is not yet complete, meaning the present process is premature. Errors and flaws in the modelling would also need to be rectified to enable a proper consultation process and a robust Council decision, albeit fundamental issues would remain.

Other funding sources not resolved

65 Council is repeating the mistakes of Variation A by making decisions on DC Policy 2025 prior to decisions on third-party infrastructure funding being made. As part of DC Policy 2025, Council is currently proposing amendments to remove projects in Drury that are now to be funded by the government, and to update assumptions made for investments in Drury using later available information.[36] The need for these updates to be made demonstrates that the previous process was premature, resulting in disproportionate and unfair charges.

66 Essentially the same approach is now being taken with respect to DC Policy 2025. Decisions on third-party funding for several projects accounted for within DC Policy

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[35] As explained in the LGA Amendment Bill (No 3), 14 November 2013, Explanatory Note (page 3), the 2013 government review of DCs identified difficulties associated with the previous legislative framework and how it was being implemented by councils, including how DCs were being used to fund types of infrastructure that may be better funded from general revenue sources. The review also identified that the degree of transparency in the apportionment of the costs and benefits of infrastructure was variable.

[36] Consultation Document, at [31] and [104].

2025 are yet to be made, but are expected within the coming months.[37] These decisions could fundamentally alter DC Policy 2025. Council proposes to go ahead with the proposal in any case and incorporate amendments as a result of these funding decisions into DC Policy 2025 prior to its adoption in February 2025.[38]

67 Further, the Consultation Document states that the Council is "*continuing to explore the use of targeted rates and the financing and funding tools in the Infrastructure Funding and Financing Act… Until this work is completed, we propose to continue to use DCs as our primary funding tool*."[39] Council also acknowledges that the Minister of Infrastructure's report on broadening funding and financing tools available to councils is anticipated this year.[40]

68 Making a decision on DC Policy 2025 in advance of the Minister's report, and decisions and further investigation of other alternative funding sources will result in:

68.1 a piecemeal approach for Auckland's DCs;

68.2 Council having to retrospectively fix inaccuracies in its DC Policy, as has been evidenced by Variation A;

68.3 high uncertainty for developers; and

68.4 a fundamental transparency and public participation breach. Submitters will not have the opportunity to consider and respond to these future potentially significant changes to the proposal.

Review of demand factors incomplete

69 Council's review of demand factors starting in 2019 appears to be incomplete. The Consultation Document states that Council is reviewing the current demand factors in the policy.[41] As noted in the RVA's submission on the Draft Policy 2021 and Variation A, the demand factors review may lead to redistribution of charges between different activities and may significantly change the impacts of the current proposal. And notably, the Council has not undertaken a comprehensive and evidence-based unit of demand review at any time in the past, meaning the current demand assumptions are likely to be materially inaccurate.

70 In this context, and as submitted previously, it is premature to propose significant new charges without knowing if the current demand factors are fair, equitable and proportionate. The full extent of the implications of DC Policy 2025 on affected parties cannot be confirmed. Without this information, the Council is also unable to consider the overall impact of the "*allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community*", as required by sections 101(3) and 103(3) of the LGA.

71 We note that Market Economics makes the case for much lower HUEs for retirement units and aged care rooms based on actual demand.[42] That indicates that the current

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[37] Consultation Document, at [50] and [51].

[38] At [51].

[39] At [102].

[40] At [45].

[41] At [111].

[42] Market Economics Auckland 2025 DC Policy Consultation: Economic Assessment (dated 14 November 2024), pages 11 and 12.

charging regime is unfair and disproportionate. In circumstances where the charges themselves are increasing substantially, as is the case here, those problems only worsen.

Some charges not set

72 The Council acknowledges that stormwater charges for Mt Roskill and Māngere have not yet been included in the DC charges, but will be added to the DC Policy after work is undertaken in 2025.[43] In Drury, additional work on transport requirements is also to be undertaken in 2025.[44] Given the likelihood that such charges will add further material increases to DCs per HUE, it is important that this information is provided at the same time, so the full impact of the proposal can be considered.

Material flaws and other issues in modelling work need to be addressed

73 There are material flaws and other issues in the Council's financial models and supporting information that make them unreliable, as outlined in detail by Mr Akehurst. Some key issues are emphasised below.

Risk of over-recovery of costs

74 The RVA acknowledges that the Council's intention is to review the DC Policy on a three-yearly basis to base the charges on the most up to date information. However, the RVA remains concerned that there is a real risk that the Council will not comply with its LGA obligation to avoid the over-recovery of actual costs.[45]

75 Including infrastructure required to support growth over 30 years is likely to result in a significant margin of error and uncertainty in the calculations of DC fees. Assumptions used for interest costs, construction sector inflation, land value inflation, population, and rates all have a significant influence on the actual charges levied and are subject to significant uncertainties.

Council has not considered or responded to previous concerns raised

76 The materials provided by Council generally do not consider or respond to points raised in submissions on Variation A of DC Policy 2021. We can only assume that this lack of response means that Council officers do not refute many of the key issues identified by the RVA and other property industry members with Council's '30 year approach', and its setting of DC policies generally. The Council is yet again faced with making a decision on the proposal relying on highly inaccurate information, which is likely to lead to errors.

Lack of access to all relevant information

77 The Council has not disclosed clear and comprehensive information to fully understand the proposal and the significant impact it is likely to have in the IPAs. An example of the concern is that the Council has not completed its review.[46] This means that the significant DC charge increases proposed could be subject to further increases.

78 In addition, as pointed out by Market Economics, no methodology has been provided for calculating the proportion of a unit of demand for each development typology, with transport and other infrastructure charges relating to retirement villages appearing to

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[43] Consultation Document, at [32].

[44] At [110].

[45] LGA, s197AB.

[46] The proposed increases for Mt Roskill and Māngere do not include stormwater costs, for which further work is to be undertaken in 2025. In Drury, further work on transport requirements is to take place in 2025. See the Consultation Document, at [32] and [110].

be arbitrarily applied and excessive.[47] Without this demand factor information (for which, as noted above, Council's review is incomplete), developers do not have certainty that charges proposed are fair and proportionate. Mr Akehurst also notes that he is unable to properly interpret the modelling information relied on by the Council due to the spreadsheets being 'locked'.

CONCLUSION

79 For the reasons outlined above, the RVA submits that Council's proposal is unfair, inequitable, disproportionate and should be abandoned for the IPAs (and proposals for adding other areas in Auckland).

80 The RVA appreciates the opportunity to submit on DC Policy 2025. The RVA looks forward to engaging with the Council in relation to DC Policy 2025 and the Council's future review of the demand factors to ensure it is fair, equitable and proportionate and fit for purpose for all retirement village types.

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[redacted]

[47] Market Economics Auckland 2025 DC Policy Consultation: Economic Assessment (dated 14 November 2024), page 11.

APPENDIX A – ECONOMIC EVIDENCE

Auckland 2025 DC Policy Consultation

Economic Assessment

14 November 2024

m.e consulting

Auckland 2025 DC Policy Consultation

Economic Assessment

Prepared for

The Retirement Villages Association of New Zealand Incorporated

Document reference: RVA 001.24

Date of this version: 14 November 2024

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Executive Summary

This report evaluates the proposed updates to Auckland Council's Development Contributions policy, which seeks to extend the approach used in Drury in 2022 to four additional Investment Priority Areas. The consultation suggests charging for capital expenditure planned over a 30-year horizon, a significant extension from the 10-year timeframe aligned with the Long-term Plan and provisions under the Local Government Act 2002.

The rationale behind DCs is to equitably distribute the costs of new infrastructure required to support growth among developers and taxpayers. Including projects that are anticipated in the distant future and using a methodology that lacks robustness raises several concerns about the fairness of the policy and possible unintended consequences. The most notable outcome is the potential impact of increased DCs on housing affordability and development viability, exacerbating existing shortages across sectors. While Council asserts that higher DCs will not directly elevate house prices or rents, our analysis suggests that this conclusion is overly simplistic and relies on several optimistic assumptions. In practice, increased DCs can influence housing costs indirectly through reduced land values and potentially discouraging development, especially in areas where the proposed DC increases are substantial.

Council's justification for DCs having a neutral impact on housing affordability relies on the assumption that developers are unable to influence market prices significantly. However, their activities undoubtedly affect the supply of property – including its timing and location – which can alter market dynamics. The proposed policy risks reducing the feasibility of development by imposing higher upfront costs, which could restrict housing supply and elevate prices.

Additionally, we raise significant concerns regarding the proposed 30-year planning horizon for DCs. The extended timeframe introduces considerable uncertainty and risks misalignment with actual growth and infrastructure needs. Assumptions feeding into the calculations of project costs use cost increase factors that massively overinflate the future price of land. The Auckland Council modelling suggests that house prices will increase sevenfold in the coming 30 years, meaning house prices would be 23 times larger than average incomes in 2054, an outcome which would constitute abject policy failure if it eventuated. Historical evidence suggests that shorter planning horizons, aligned with more predictable economic patterns, are more effective and pragmatic.

The draft policy's emphasis on sending "true economic signals" to developers through DCs is critiqued for potentially misunderstanding the complex factors that influence land values. Infrastructure improvements can indeed increase land values, but this uplift is not solely attributable to local investments. It is often the synergistic effect of various developments, including residential and commercial growth, that enhances land values. Furthermore, the attribution of the benefits from the policy to those paying the costs lacks evidence, which raises equity issues.

In conclusion, while the intent behind the updated DC policy is to support sustainable urban growth and ensure that developers contribute their fair share to infrastructure costs, the approach contains several issues. Council should consider a more cautious, flexible approach to DCs that acknowledges the inherent uncertainties of long-term economic forecasting and allows for regular adjustments based on evolving market conditions and community needs.

1 Introduction

Auckland Council is consulting on updates to its existing Development Contributions (DCs) policy in selected Investment Priority Areas (IPAs). Under the proposal, Council seeks to extend the approach applied to Drury in 2022 to four additional areas. Aside from Drury, development contributions in Auckland currently cover infrastructure investment over the 10 years to 2031. This aligns with the Long-term Plan and the provisions under the Local Government Act 2002. The new policy would charge for capital expenditure planned over a 30-year horizon, using updated forecasts for growth, interest rates and costs of projects to value the charges.

The rationale for charging development contributions is to distribute the cost of new infrastructure required to support growth between developers, whose activities create the demands for infrastructure, and all other taxpayers. This practice is common in North America, Australia and Europe, though the form and implementation details vary. How the policy is implemented can have profound impacts on the outcomes it produces.

This report evaluates Council's proposed development contributions policy through an economic lens and outlines a number of key issues with the approach.

1.1 Background

Market Economics were commissioned by the Retirement Villages Association of New Zealand Incorporated to provide an assessment of the proposals being consulted on, the cost methodology and approach.

We have reviewed the consultation documents and given particular focus to the economic report provided to council in 2022 to support the Drury DC policy: *Cameron, M. K., Dr, & Helm, T., Dr (2022). Economic incidence of developer contributions. Sharing the Cost of Drury Infrastructure.* That report forms the basis of several key economic assumptions throughout the policy. We have also scrutinised the cost methodology and other technical aspects of the draft policy in detail.

1.2 Recommendations

DC policy should align with and promote the broader urban planning goals of Council, such as balanced regional growth, reducing urban sprawl, enhancing public transport connectivity and fostering affordability in housing markets. To achieve this, the DC policy should be brought back in line with the rest of the city.

We make four main recommendations:

1. Reduce the time horizon for projects included in the DC policy from 30 years to 10 years.
2. Amend the project cost calculation methodology to avoid overestimating costs. This is needed immediately if the Council adopt a 30-year time horizon.
3. Provide methodologies for calculating Household Unit Equivalents (HUEs) for different development typologies.
4. Increase transparency in the process by unlocking Capex spreadsheets, and work with experts to engender trust in the approach.

2 Impacts on housing affordability

Auckland Council must have due regard for the financial implications of policy actions, both for existing residents and prospective ones. As discussed later in this report, a core policy objective is to ensure housing affordability across the region. Because development contributions could have adverse effects on housing affordability, we evaluate the mechanisms through which these increases might occur.

The consultation asserts that higher DCs will not increase either house prices or rents:

"*higher DCs will not be passed forward to rents or house prices, but will be passed back to land in the form of pre-development land values (on the basis that they will have to carry the DC costs).*"[1]

However, this conclusion requires several overreaching assumptions and simplifications of reality. The economic report which forms the foundations of these assertions does indeed acknowledge circumstances under which DCs could increase house prices, but these are not sensibly applied to the Auckland market through this policy.

2.1 The role of DCs within the value chain

For the purpose of this analysis, we present a simplified three-stage process for housing development, whereby three parties each have a distinct role. In reality, land development and building development might be undertaken by separate entities, and land or property might be exchanged multiple times, but we do not account for these because their inclusion does not affect the processes as summarised. Figure 2-1 shows the three stages.

Figure 2-1: Housing Development Process

[1] Consultation document, p.21

A qualifying assumption of the DC policy economic rationale is that developers cannot affect market prices through a listing pricing strategy – they charge the maximum price that will clear and cannot charge more. This assumption is a reasonable generalisation. However, developer actions can certainly affect market prices through the quantity, location and timing of property supply.

The report states, "Whoever owns the land loses asset value in their role as landowner".[2] Therefore, depending on who owns the land and what their intentions are for its use, the outcome for development and future property prices could change as a result of a higher DC. The argument that higher DCs will not affect house prices rests on two key assumptions:

- that the price for land will remain above its value from alternative uses, inducing landowners to sell to developers; and
- development on land already owned by developers is still feasible.

The increases in DC fees are large enough to affect development viability because development profit margins cannot absorb these increases. In areas such as Tamaki, the proposal would raise total fees per HUE to $119k. Developers take on risk when undertaking a project. This risk profile means that while expected profit with a higher new DC charge might still be positive for some developers, there is an unacceptable risk that profit would be unfeasibly low, non-existent or negative. Various factors could cause this outcome, such as a property price slump or higher costs during construction and development. Either way, it will constrain and deter supply.

Given the policy is not universally applied, this will also lead to locational decisions to develop in areas still subject to feasible DC levels, rather than on the basis of the area's characteristics and household needs. Preferred locations are likely to be those still using the 10-year horizon, whereas locations in the IPAs will experience restricted growth.

A simple matrix demonstrates an array of intuitive potential outcomes based on who owns the land, and consequently loses asset value at the time of DC increase.

Table 1: Landowner outcome matrix

Group	Price	Outcome
Landowner	Will receive a lower price for land than they otherwise would	Landowner less incentivised to sell for development. Housing supply restricted unless prices still exceed landowner's value (subject to alternative uses).
Developer who purchased land at price based on old DC charges	Price paid to a landowner factored in the old charges, so is now too high given changes.	Development might no longer be feasible, restricting housing supply.

[2] Economic incidence of developer contributions – final 10 June 2022, p.14

		Alternatively, development might proceed regardless, leading to lower profits from construction.
Developer who purchased land at price based on new DC charges	Price should reflect the value of the land.	Development should occur as intended.

Table 1 demonstrates that a substantial DC, which affects the value from development, net of existing use value, can affect the feasibility of development and housing affordability. This finding is consistent with other international studies assessing the impact of development contributions (charges) on house prices in countries such as Canada and Australia.[3][4] In Brisbane, Australia, every $1 in developer contributions was found to increase all house prices in the city by $3.95, and new houses in the city by $4.69.

2.2 Signalling DC changes

The consultation proposes that there have been adequate signals of DC charge increases, implying that developers purchasing land could and should have incorporated the increases into their purchasing decisions. Therefore, it claims that development will proceed on land as it was intended. The approach of recovering 30 years' of costs in the IPAs via DCs was first signalled in December 2021 through an in-principle decision, giving developers several years' notice of the proposed change.[5] There are two issues with this,

1. 3 years is not an adequate time horizon; and
2. the scale of the increases were not known at that time.

The economic report acknowledges that only a small share (1 in 50) of sites which have the correct zoning are actually developed each year. Development is determined by market conditions, with developers pausing on developing sites until market prices will enable acceptable profit levels. Therefore, many sites will have been purchased before the 2021 signal could have been incorporated into the pricing. The higher DC has the effect of raising the level that market prices must reach before construction becomes feasible. This acts to restrict supply, which can itself raise prices.

Furthermore, the scale of increases across the IPAs were not known back in 2021 (and to some extent, up to the point at which Council's consultation document and proposed DC Policy was publicly notified). Many of the DCs are increasing by a large factor, beyond that which would be expected. Increasing the Drury DCs again by up to 77% exemplifies this.[6] Prospective development in Southern Growth Area 3 will have expected $33.1k (based on the 2022 DC policy), but are now to absorb $58.6k, a significant increase from

[3] Housing affordability in Australia: an empirical study of the impact of infrastructure charges, Lyndall Bryant, 2016.

[4] Through the Roof: The High Cost of Barriers to Building New Housing in Canadian Municipalities, Benjamin Dachis and Vincent Thivierge, 2018

[5] Consultation document, p.21.

[6] Analysis of Table in Consultation Document, p.24 (Southern Growth Area 3)

$33.1k. For a developer to effectively price in these changes would require perfect anticipation of council forecasts and of the proposed infrastructure pipeline.

Instead, developers are likely to observe the notified DC charges and then estimate probabilistic increases to this charge before the end of the infrastructure planning horizon. We acknowledge that even using a 10-year DC policy period, Council should update DC charges to reflect new infrastructure needs when these become apparent. A Bayesian approach enables iterative changes. However, using the 30-year period substantially increases the risk that the infrastructure costs will change significantly due to revised forecasting, severely hampering developers' ability to plan. This significantly increases the chances of big changes to DCs in the future, creating additional risks.[7] When faced with such unquantifiable risks and entropy, developers will refrain from purchasing land and from developing it.

2.3 Growth resequencing

The economic report acknowledges that higher DCs could resequence the timing of growth between locations. As described above, some developers might delay construction until market prices rise to a level which delivers acceptable profits. Logically, if a slower pace of development occurs across the IPAs the restriction of supply could put upward pressure on city-wide prices, incentivising increased levels of development where DCs are lower. A construction sector operating at capacity might still be expected to deliver roughly the same quantity of total homes. However, the location and timing of growth will be augmented.

By changing the location and timing of development, the required level and timing of infrastructure in that place will be affected. Given the DC charges are themselves based on assumptions about the scale and timing of growth, the charges are likely to be misaligned. By using a 30-year horizon, the behavioural responses to the policy are difficult to quantify. Locking in assumed responses over such a horizon introduces uncertainty which will undermine the policy's efficacy.

[7] Because of the time it takes to initiate and complete development processes, it is unlikely that developers would bring a planned project forward to avoid potential future charges.

3 The role of policy

As discussed in the previous section, the DC policy is circular in nature. It will have impacts on the factors it uses for inputs into its modelling. Failure to account for or consider these is a failure of the modelling approach.

The DC policy has the objective of allocating the costs of infrastructure required to support growth more equitably than would be achieved under a blunter tax instrument. It is one lever in the toolbox of Council, through which it aims to cultivate thriving living environments and communities. Auckland's Future Development Strategy (FDS) cites housing affordability as a concern and emphasises the role of Council for providing capacity through flexible policies around land supply.[8] IPAs exist because of Council's vision for growth in Auckland. Excessive DC chargers endanger a growth outlook which reflects this vision.

The DC policy as proposed uses extremely high rates for the growth of costs, especially land prices. Construction costs and labour costs are less directly influenced by planning policy, so we do not focus on them here. Land costs, however, should be guided by policies such as DCs. Table 2 shows the DC policy's base cost increase factors.[9] The land acquisition factor is based on the compounding average growth rate for the median house price between 1992 and 2022. Extrapolating these factors out for 30 years implies that Council expects nominal house prices to be 7.4 times higher in 2054 than they are today.[10]

Table 2: DC Base Cost Increase Factors

Measure	2024/25	2025/26	2026/27	2027/28 and beyond
Construction cost	2.76%	2.87%	2.98%	3.10%
Land price	4.17%	5.08%	6.37%	7.10%
Labour cost	3.50%	3.30%	3.20%	2.20%

The median value of houses in Auckland in the month to November 2024 was $1.06m[11]. Meanwhile, the median household income in Auckland in 2024 was $136,300[12]. Average house prices are approximately 7.8 times larger than average income today.

Using the latest Treasury forecasts for nominal wage growth and assuming this continues at 3% beyond 2029, wages in 2054 will be 2.5 times higher than they are today.[13] This would mean that average house prices in Auckland are 23 times higher than average incomes. Such a level would render houses unaffordable to first-time buyers and individuals without significant assets.

[8] Auckland Future Development Strategy, p35

[9] Cost allocation methodology, p.17

[10] $1.0417*1.0508*1.0637*(1+0.071)^{27}$

[11] Corelogic, value for November 2023

[12] Regional Economic Activity Dashboard

[13] Budget Economic and Fiscal Update, 30 May 2024, p10.

The assumed land prices in the DC policy greatly exceed the Treasury forecasts for house prices, though it should be noted that the Treasury forecasts – both for house prices and hourly wages – are national, whereas the DC ones are specific for Auckland. There are likely to be some differences between the two series. However, these are only likely to be marginal. Using the Treasury forecasts, assuming that house prices in Auckland increase by 3.7% beyond 2028 would see house prices be 2.8 times greater in 2054 than 2024, compared with the 7.8 factor difference in the DC policy.

Table 3: Selected Treasury Economic Forecasts[14]

Measure	2024	2025	2026	2027	2028
House prices	2.5%	1.6%	2.1%	3.0%	3.7%
Hourly wages	5.9%	3.8%	3.1%	3.0%	2.9%

This estimation approach demonstrates the extreme results of compounding. Over a 30-year horizon, the impact of these factors being incorrect get progressively larger. In 2034, 10 years into the future, the DC policy forecast is for house (land) prices to be 1.9 times larger than they are today. The Treasury forecast would estimate 1.36 times. Despite some divergence still present after 10 years, these numbers are only out by 40%. By 30 years it is 180%.

Importantly, the excessive rate means that projects planned to commence the furthest in the future cost the most through DCs, regardless of when that property is built. Standard practice in economics is to discount future costs and benefits because of the time value of money. This effectively does the opposite. Consequently, the DC charges today will be calculated based on excessive future land (house) prices, which will place an unfair burden on those charged in the short-medium term.

If house prices are to rise by 780%, as suggested by the DC modelling, this would represent a catastrophic failure of public policy. To incorporate this outcome into DC policy planning is an implicit acceptance of housing policy's deficiency. A potential action in response is enabling supply through lower DCs across Auckland, not discouraging it.

[14] Budget Economic and Fiscal Update, 30 May 2024, p10.

4 HUE units

Through the DC approach, the infrastructure costs are split between the expected household growth numbers in the area. However, the DC charges also recognise diversity between development types. Various forms of development have distinct infrastructure needs, depending on whether and how they interact with the built environment.

The focus of this section is on retirement units and aged care rooms as these relate to matters of particular interest for the Retirement Villages Association of New Zealand. However, the principle of the arguments applies to all development types.

The consultation and policy documents provide no methodology for calculating the proportion of a unit of demand for each development typology. For retirement units and aged care rooms, the proposed HUEs from the DC policy are shown in Table 4.

Table 4 - Demand per HUE for selected development types

Development type	Activities	Units of demand
Retirement unit	Stormwater	1 HUE per 292 m²
	Transport	0.3 HUE per unit
	All others	0.1 HUE per unit
Aged care room	Stormwater	1 HUE per 292 m²
	Transport	0.2 HUE per room
	Community infrastructure	0.1 HUE per room
	All others	0.0 HUEs

We agree that it is logical to split the stormwater charges equally between units based on an evidential scalar, which here is 292 m². However, the transport and other infrastructure charges appear to be arbitrarily applied and excessive.

There are 1.3 people per retirement unit[15] on average, compared with 3.0 people per household in Auckland.[16] Aged care rooms tend to have a single person. Analysing Transport NZ data on journey time by age group, over 75s travel 3.99km per day, compared with 6.81km for under 75s.[17] Scaling this for household journeys suggests that people in a standard household (1 HUE) travel 20.4km, compared with 5.2 for retirement units and 4.0 for aged care homes. The difference between these distances would suggest a factor of 0.25 HUEs for retirement units and 0.2 HUEs for aged care homes when calculating transport use. These numbers are broadly in line with the cost methodology. However, they ignore pertinent differences within the over 75s group, particularly that people in these modes of living are less mobile, and therefore travel significantly less. An analysis of retirement villages in North America found

[15] RVA RMA submission, 2022

[16] 2023 Census

[17] Transport NZ – distance travelled per day by age group

that 20.6% of residents were still able to drive.[18] For aged care rooms, the figure will be close to 0%. **Scaling just the travel from driving by these ratios yields 0.15 of a HUE's travel for a retirement unit and 0.1 for aged care rooms**.

These HUEs are probably overestimates because they still allocate hours for cycling and public transport use, which, especially for aged care home use, will be close to zero. While these estimates are not perfect, they offer a starting point for assessing equitable shares.[19]

For community infrastructure, it is unlikely that the residents of retirement units will use these facilities whatsoever. This is acknowledged for aged care rooms.

The consultation should provide a methodology for allocating HUEs between typologies. In our view, this should reduce the HUE of a retirement unit and aged care room based on the infrastructure needs and uses of residents in these settings. The adverse impact of HUEs that overestimate usage of council infrastructure, coupled with the substantial increases in charges in the proposal, will be significant.

[18] Examination of Factors Related to Driving, Travel Patterns and Falls in Retirement Living Seniors – Spencer Edward Gooderham

[19] The transport distances are national, rather than Auckland-specific. The car use is also just a reference point.

5 Equity Issues

The Local Government Act 2002 states that:

"The purpose of the development contributions provisions in the [Local Government] 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." (s197AA).

Therefore, DC prices must be "fair, equitable and proportionate". The development contributions principles listed in Section 197AB of the Act state that "*cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole), as well as those who create the need for those assets"* (s197AB (1)(c)).

This principle explicitly requires a link between the benefits and cost allocation, meaning Council must show the link between growth and the assets required to meet the needs of that growth. Historically in New Zealand, DCs are set using a 10-year planning horizon because this enables a reasonably confident assessment of the assets which will be built over the period. This is also similar to the average length of home ownership in New Zealand, 7 years, though Auckland has tended to have shorter 'hold periods' than the rest of New Zealand.[20]

A 30-year time horizon provides a much less robust outcome than a 10-year horizon – especially given Council are able to re-evaluate their policy every 3 years and adjust it to incorporate new projects. This iteration gives flexibility around the projects actually required and increases the likelihood that their cost estimates will be accurate.

There is continual reference to developers receiving the correct "economic signals" in the draft DC policy. The draft DC policy states that,

"Funding the infrastructure entirely from general rates does not send the true economic signals to land developers. Charging development contributions to developers makes the cost of growth transparent and sends clear signals to developers and the growth community about the true cost of growth to the council. These costs will be reflected over time in the value of land."[21]

This suggests that land value increases are in line with the value of infrastructure in their vicinity. Many confounding factors can exist, and a link between the cost of the infrastructure and that investment being reflected through land value is specious. Land value is a function of the uses that it can be put to, based on its zoning and numerous characteristics such as location, aspect, relationship with other land and

[20] Corelogic research, 2019

[21] Draft DC policy, p.27 – 28

infrastructure. The improvement of infrastructure following rezoning or future infrastructure investment announcements can increase the value of land because it now offers a greater array of uses, and people derive more benefits from owning that land. In this way, there is a tangible link between infrastructure investment and land value uplift.

However, the scale of the value uplift cannot solely be attributed to local infrastructure investment. While it can act as a catalyst for market activity and higher prices, it is not the sole cause. For example, a new train station can make an area more attractive for residential development, creating a ripple effect where retailers and service providers also seek to establish themselves near both the station and new housing to capitalise on the increased activity. Consequently, the value of residential and retail or commercial land in the vicinity appreciates. This increase in land value is instigated by the presence of the train station, though the station alone is not the sole driver of the development. It is the synergy between the train station and the subsequent residential development that encourages retailers and commercial activities to invest in the area, benefiting from the density of development that the combined amenities support. Therefore, while the infrastructure investment in the train station is crucial, it is not solely sufficient for the emergence of a retail centre; it is the interaction with residential development that fully unlocks the area's commercial potential.

It follows then that land value uplift is the result of a number of inter-connected forces, triggered by infrastructure investment – but not solely because of it. Nor is there sufficient evidence that land prices will increase at least proportionally with the area’s investment in infrastructure, enabling the owners to reap the benefits of their DC outlay.

Council must ensure that the link between development contributions and tangible benefits is clear and justifiable. If loading the costs of infrastructure onto the growth community, it must be shown that those paying for the assets will benefit from them. The primary benefit stated appears to be increased house prices in the long run, but this will be offset by the increased cost of initial purchase. Significant pieces of infrastructure benefit communities beyond the boundaries of DC catchments, too. The policy must accurately reflect the real economic impact of growth on infrastructure demands, ensuring that contributions are truly proportionate to the benefits received, thus maintaining fairness.

6 Other comments

6.1 Transparency of the process

As part of the consultation process, Council released documentation in the form of a variety of pdfs and three spreadsheets on Capex spending projects. Each of the spreadsheets, while able to be opened and viewed, are locked and password protected, reducing transparency and the ability to scrutinise the modelling. Council is maintaining two contradictory positions by:

a. suggesting that developers will be able to incorporate current and anticipated DC charges into their investment and purchasing decisions, thus ensuring DC changes have no impact on future house prices because of complete information signalling by Council; and
b. expecting all concerned parties to work with spreadsheets that, if wanting to be properly scrutinised, manipulated and understood, would need to be manually copied out of the files that council has provided.

It becomes impossible to assess accurately and advise parties with an interest in the outcomes of this process unless the models are available in a working format for assessment.

6.2 Benefits of long-term thinking

Long-term forecasting and planning are valuable exercises in policy making. Infrastructure projects require substantial financial commitments and have long-lasting impacts on communities and economies. Effective long-term planning enables policy makers to anticipate future needs and challenges ensuring that investments deliver maximum benefits over time. Failure to anticipate the requirements for growth can have negative consequences, such as insufficient infrastructure or delays to its delivery. However, being cognisant of long-term risks and acting proactively to mitigate them is very different to making investment decisions 30 years in advance. Much less, charging developers for those decisions so long before they are to be realised.

Planning over extended time horizons also introduces significant challenges. Forecasts for distant futures are inherently uncertain, with a higher likelihood of error due to the accumulation of unforeseen economic, technological and social changes. This is evident in the selection of cost increase rates. Such uncertainty can lead to misguided investments that fail to meet their intended goals. A Bayesian approach, whereby forecasts are regularly updated based on new data and outcomes, can overcome these challenges. This iterative process helps in refining predictions and adjusting strategies in response to emerging information and trends. For policymakers, adopting a flexible, data-driven approach to long-term infrastructure planning—while acknowledging the inherent uncertainties—ensures that investments are adaptable and responsive to actual future conditions, thereby maximising their efficacy and public benefit.

7 Conclusion

The proposed updates to Auckland Council's Development Contributions policy, aimed at extending the charging framework over a 30-year horizon, raise significant concerns about the equitable distribution of infrastructure costs, housing affordability, and the overall sustainability of urban development. The policy's intent to distribute infrastructure costs fairly among developers and taxpayers is reasonable, yet the execution, as proposed, risks unintended economic consequences, particularly in exacerbating housing shortages and escalating prices.

Our analysis raises questions about Council's assumption that higher DCs will not impact housing prices or rents, suggesting instead that these increases could depress land values, deter development, and indirectly inflate housing costs, particularly in areas facing substantial DC increases. The assumption that developers cannot significantly influence market prices overlooks the practical impact their investment decisions have on housing supply and market dynamics. More so, the extended 30-year planning horizon introduces considerable risk and uncertainty, potentially leading to misalignments between policy intentions and actual infrastructure needs. The forecasts used in calculating DCs, especially regarding land cost increases, project an unsustainable escalation in property prices relative to average incomes. These costs are passed on to landowners and developers despite the flaws in their calculation.

Furthermore, the methodology employed to send "true economic signals" through DCs does not fully capture the complex interplay of factors that drive land values. While infrastructure improvements undoubtedly enhance land values, attributing these increases solely to local investments fails to consider the broader combined effects from residential and commercial developments.

In light of these issues, it is imperative for the Council to adopt a more cautious and flexible approach to DCs, one that acknowledges the inherent uncertainties of long-term forecasting and remains adaptable to evolving market conditions and community needs. Our recommendations urge a re-alignment of the DC policy with Auckland’s broader urban planning objectives.

To this end, we strongly recommend:

1. A reduction in the planning horizon for DC projects from 30 years back to 10 years, aligning it with more predictable economic cycles and reducing the impact of forecasting errors.
2. An amendment to the project cost calculation methodology to avoid the current overestimation of future costs, which skews the economic burden unfairly onto current developers and residents.
3. The development of clear methodologies for calculating Household Unit Equivalents for various development typologies, ensuring fairness and transparency in how DCs are levied.
4. An increase in process transparency, particularly by making Capex spreadsheets fully accessible, to build trust and enable thorough scrutiny and understanding of the DC policy framework.

These measures will be crucial in ensuring that the DC policy not only achieves its intended goals but also supports sustainable urban development without placing undue strain on Auckland's housing market and economic vitality.

APPENDIX B – TYPES OF RETIREMENT VILLAGES AND THEIR RESIDENTS

1 'Retirement village' is defined in section 6 of the Retirement Villages Act 2003 (*RV Act*) as:

> … the part of any property, building, or other premises that contains 2 or more residential units that provide, or are intended to provide, residential accommodation together with services or facilities, or both, predominantly for persons in their retirement, or persons in their retirement and their spouses or partners, or both, and for which the residents pay, or agree to pay, a capital sum as consideration and regardless of [various factors relating to the type of right of occupation, consideration, etc]…

2 'Retirement village' is an umbrella term given to all types of retirement living. There are two main types of retirement villages, having different offerings in the market based on how much aged residential care they provide:

2.1 Retirement villages providing a range of living and care options to residents from independent living, through to serviced care, rest home, hospital and in some cases dementia level care (*Category 1 village*).

2.2 Villages focussing mostly on independent living units, sometimes with a small amount of serviced care on a largely temporary basis. If a resident in such a village is assessed as needing residential care, s/he will have to move to a specialist care provider (*Category 2 village)*.

3 The number of required aged care beds is increasing each year. There are 40,349 aged care beds across 672 locations in New Zealand, demonstrating an increase from the 40,081 aged care beds across 689 locations in 2022.[48]

4 Residents choose to live in Category 1 retirement villages if they do not require care immediately but expect that they will need some degree of care soon. As a result, residents in these villages are older (early to mid-80s) than residents in a Category 2 villages (mid to late 70s) – and they are generally more frail and vulnerable and far less independent.

5 However, because of the general demographic characteristics, residents in all retirement villages use Council facilities infrequently. There is good evidence of declining activity levels as people age, particularly after the age of 75. This data indicates that retirement villages place a considerably lower demand on Council facilities than the general population.

On-site amenities

6 Retirement villages generally offer extensive on-site amenities, such as pools, gyms, theatres, libraries, bars and restaurants, communal sitting areas, activity rooms, bowling greens, and landscaped grounds. These amenities are provided to meet the specific needs of retirement village residents, and are generally preferred to Council facilities designed for younger people.

[48] Jones Lang LaSalle, NZ Retirement Villages Whitepaper, August 2024, page 40.

APPENDIX C – SUMMARY OF RELEVANT LGA PROVISIONS

Purpose and principles

1 The purpose of the LGA's DC scheme is:[49]

> 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.

2 The LGA sets out seven DC principles to support the purpose.[50] They are:

(a) development contributions should only be required if the effects or cumulative effects of developments will create or have created a requirement for the territorial authority to provide or to have provided new or additional assets or assets of increased capacity:

(b) development contributions should be determined in a manner that is generally consistent with the capacity life of the assets for which they are intended to be used and in a way that avoids over-recovery of costs allocated to development contribution funding:

(c) cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets:

(d) development contributions must be used—

(i) for or towards the purpose of the activity or the group of activities for which the contributions were required; and

(ii) for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required:

(e) territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why they are being used:

(f) development contributions should be predictable and be consistent with the methodology and schedules of the territorial authority's development contributions policy under sections 106, 201, and 202:

(g) when calculating and requiring development contributions, territorial authorities may group together certain developments by geographic area or categories of land use, provided that—

(i) the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and

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[49] LGA, s197AA.

[50] LGA, s197AB.

(ii) grouping by geographic area avoids grouping across an entire district wherever practical.

3 These principles reflect and expand on the LGA purpose. Key themes emanating from these principles include:

3.1 Fairness, equity and proportionality are key considerations when setting DCs;

3.2 DCs should only be required where there is a causal connection between the development demand (including cumulative effects) and the need for new assets or assets of increased capacity which Council will need to fund;

3.3 A DC regime is to recover the costs of specific growth projects. It is not to be used for making profit or as a general pool of public money;

3.4 DCs levied should reflect the need generated and the benefit received by the user; and

3.5 The policy regime, Council charging and expenditure should be clear, transparent and predictable.

4 The DC purpose and principles are relevant to the interpretation of all of the LGA provisions relating to DCs.[51]

When DCs can be required

5 A territorial authority can only require a DC if:[52]

> the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, the territorial authority incurs capital expenditure to provide appropriately for - (a) reserves, (b) network infrastructure, (c) community infrastructure.

6 This provision essentially imposes a threshold test. If there is no new demand for infrastructure from a development, there can be no DC charge. The provision also makes clear that it is not enough to simply say that a development creates 'some' demand. The demand (including its cumulative effect) must be linked to the need for new or additional assets or assets of increased capacity which a council will need to fund. This threshold test reinforces several themes in the DC principles noted above.

7 This threshold test concept is reinforced by *Beaumont Trading Company Ltd v Auckland Council*[53] where the Court of Appeal recorded that:[54]

> The Council's power to require a development contribution is relevantly triggered when a resource consent is granted "for a development". As we have noted, "development" means a subdivision "that generates a demand for reserves". We agree with the appellant that this means the unit title subdivision must generate a demand for reserves. That is the plain meaning of development as defined in the Act. In this case, it is accepted that the

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51 Interpretation Act 1999, s5. *Commerce Commission v Fonterra Co-operative Group Ltd* [2007] 3 NZLR 767 (SC), at [22].

52 LGA, s199.

53 [2016] NZCA 223.

54 Ibid, at [24].

subdivision itself did not generate an additional demand for reserves. On this approach, the appeal must be allowed.

8 Further, a territorial authority cannot require a DC if:[55]

(a) it has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose; or

(b) the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure; or

(ba) the territorial authority has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance; or

(c) a third party has funded or provided, or undertaken to fund or provide, the same reserve, network infrastructure, or community infrastructure.

9 This provision addresses the issue of 'double dipping'. In essence, it is not "*fair, equitable and proportionate*" to require a developer to pay twice for the demand generated by its development. This provision again picks up on the themes noted above.

10 Lastly, the LGA provides that a territorial authority may only require a DC "*as provided for in a policy adopted under section 102(1) that is consistent with section 201*".[56] The DC Policy is required to include a schedule that lists each new asset, additional asset, asset of increased capacity, or programme of works for which the DC requirements are intended to be used or have already been used.[57] DCs can only be used for the assets listed in that schedule, unless other assets are for the same general function and purpose or the schedule has been or will be updated.[58]

11 The schedule requirement in the LGA is an important safeguard to prevent councils from:

11.1 collecting DCs without having specific projects to allocate the funds towards (ie 'pooling' or 'taxing'); and

11.2 avoiding over-recovery of actual costs.

12 The need for a schedule also reflects the important theme of transparency in the LGA's DC principles. Further, the schedule ultimately enables the DC payer to understand the benefit they will receive from the new assets and the developer's role in generating the need.

Process for developing DC Policy 2025

13 The process for developing DC Policy 2025 is governed by the LGA. The legislative requirements are comprehensive and cannot be circumvented. In summary:

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55 LGA, s200.

56 LGA, s198(2).

57 LGA, s201A(1).

58 LGA, s201A(7).

13.1 The Council must seek to identify all reasonably practicable options to achieve its objective and assess the options in terms of their advantages and disadvantages (LGA, s 77);

13.2 The Council must consider the views and preferences of those likely to be affected by, or to have an interest in, the matter (LGA, s 78). It must also consult on a DC Policy before adopting it (LGA, s 102(4)). The consultation process must give effect to the LGA principles of consultation (LGA, s 82), including providing "*reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of those persons*" (LGA, s 82(1)(a));

13.3 The Council must consider a range of matters when making a decision on a DC Policy including "*the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals*" and "*the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity*" (LGA, ss 103(3) and 101(3));

13.4 A DC Policy must state the total cost of capital expenditure the Council expects to incur to meet the increased demand for community facilities resulting from growth, state the proportion of that total cost of capital expenditure that will be funded by, inter alia, DCs, explain why DCs are required to meet the total cost of capital expenditure, with reference to the s 101(3) factors;

13.5 The Council must include in a DC Policy an explanation of, and justification for, the way each DC is calculated, the significant assumptions underlying the calculation of the schedule of DCs, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects, and the conditions and criteria (if any) that will apply in relation to the remission, postponement, or refund of DCs, or the return of land (LGA, s 201);

13.6 DCs must not exceed a maximum amount determined using the methodology in Schedule 13 of the LGA. In particular, "*a territorial authority must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis*" (LGA, s 203(2) and Sch 13, cl 1); and

13.7 The Council should "*conduct its business in an open, transparent, and democratically accountable manner*" (LGA, s 14(1)(a)).

13.8 DCs must not exceed a maximum amount determined using the methodology in Schedule 13 of the LGA. In particular, "*a territorial authority must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis*" (LGA, Schedule 13, clause 2).

14 In summary, the LGA requires a robust and evidence-based approach to be adopted when compulsorily exacting money for public purposes.

Development Contributions Policy Review

#117

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Fisher & Paykel Healthcare

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Fisher & Paykel Healthcare Properties Limited
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15 November 2024

Contributions Policy Team
Financial Policy
Auckland Council

By email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

Submission by Fisher & Paykel Healthcare Properties Limited on Auckland Council's Draft Development Contributions Policy (2025)

1. Thank you for the opportunity to provide feedback on Auckland Council's Draft Development Contributions Policy 2025 (**Draft Policy**). We appreciate the Council's efforts in developing this document. We acknowledge the challenging task of determining and allocating funding for infrastructure to support the future of Auckland.

2. Fisher & Paykel Healthcare (**FPH**) agrees we must contribute our share towards the infrastructure costs required for growth on a fair, equitable, and proportionate basis. We support the development of a robust policy that provides predictability and certainty to allow the industry to make informed long-term investment decisions. This in turn benefits the community through the creation of jobs and shared infrastructure.

3. We have the following concerns with the Draft Policy:

    a. **Insufficient information regarding how the quantum of Development Contributions (DCs) has been established:** It is not possible to determine whether there is a reasonable relationship between developments subject to current levies and future shared infrastructure. There is also a lack of clarity about how the policy will safeguard against over-recovery of costs.

    b. **The 30-year funding period raises undue complexity and does not give effect to the statutory purpose of DCs:** in particular, to enable recovery of a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.[1]

    c. **The substantial increases are unaffordable: they may disincentivise development and make R&D and manufacturing in the area less attractive:** The Draft Policy proposes an increase of almost 30% per Household Unit Equivalent (**HUE**) in Drury West 2 (MSM Zone 560) from the current policy. The proposed rate is $77,059.60 per HUE, an increase from the rate of $59,603.10 under the current policy.[2] We are concerned this may disincentivise development in the area. In particular, it may make

[1] Local Government Act 2001, s 197AA.
[2] We refer to the email exchange between Auckland Council Financial Policy team and Barker & Associates dated 1 November 2024 where Council provided this estimate for properties within the MSM Zone 560.

R&D and manufacturing in the area less attractive, and compromise the creation of much needed jobs. We urge the Council to reconsider its costings and to have regard to the wider economic impact of prohibitive fee increases.

d. **Timing and staging of certain infrastructure require reconsideration:** Certain infrastructure upgrades have been delayed too long after they are needed. We urge the Council to further consider the timeframes for delivery of infrastructure and ensure they are fit for purpose.

4. FPH could not gain an advantage in trade competition through this submission.

5. In addition to our general comments, at [25] below we outline a number of amendments to the Draft Policy that we urge the Council to consider and adopt.

Context for our submission: proposed development in Drury

6. FPH is a leading designer, manufacturer and marketer of healthcare products and systems for use in acute and chronic respiratory care, surgery and the treatment of obstructive sleep apnea. We design and manufacture medical devices and technologies which help clinicians deliver the best possible patient care. FPH's medical products enable patients to transition into less-acute care settings, recover more quickly, and avoid more serious conditions.

7. We operate a research & development and manufacturing campus, employing approximately 3,700 employees at our East Tāmaki campus.

8. We propose to develop a second New Zealand R&D and manufacturing campus (Campus Two) at 300, 328, 350, 370 and 458 Karaka Road, Drury over the next 30-40 years.[3] We recently filed a Private Plan Change application with Auckland Council to rezone approximately 86.5ha of FPH's landholding from Future Urban Zone to Business - Light Industry Zone with bespoke Precinct provisions to apply to this part of the site.

9. We anticipate our second campus will have significant national and regional economic benefits. It will make a substantial contribution to the developing Drury community, including by generating a significant number of manufacturing and R&D jobs located within a walkable distance of the approved Ngākōroa Railway Station.[4] The Draft Policy review and the outcomes are therefore of particular interest to FPH.

Our concerns regarding the Draft Policy

A Insufficient information regarding how quantum of DCs has been established

10. The Draft Policy does not provide sufficient information regarding how the proposed quantum of DCs has been established. In particular, it is not clear from the capital cost estimates in Schedule 8 of the Draft Policy or the cost allocation methodology whether:

    (i) any funding from third parties such as grants, financial contributions, targeted rates or developer-funded works has in fact been excluded from the calculation; and

[3] The site is approximately 105 hectares of land south of Karaka Road and north of the North Island Main Trunk Railway Line. It is primarily located within the Drury-Opāheke Future Urban zoned area.
[4] Due to be completed in 2025.

(ii) assets that developers construct and vest in the council (e.g. arterial roading, major intersection upgrades) are fully accounted for in the calculations.

11. As we understand it, if the Draft Policy were given effect, there is a reasonable risk of costs being over-recovered in conflict with the requirements of the Local Government Act 2002 (**LGA**).[5] That is, where DCs are charged for infrastructure that will have already been provided and funded by developers and vested in the Council at no cost. In particular, the Draft Policy appears to prevent remissions from being provided for developers who deliver infrastructure included in the Policy ahead of time.[6] Without clear exclusion of this infrastructure in the Draft Policy, we are concerned costs could be over-recovered from developers.

12. It is also unclear whether remission will be provided where a Developer delivers infrastructure for which costs are allocated under the Policy ahead of time. We are therefore seeking clarity on whether the Draft Policy will be amended to specifically state that the cost of the infrastructure is the *cost to deliver it*, as opposed to the escalated future cost as indicated in the Policy.

13. We urge the Council to amend the Draft Policy to provide explicit direction on these matters to provide greater certainty and predictabilty.

B The 30-year funding period raises undue complexity and does not give effect to the statutory purpose of DCs

14. We recommend the Council abandon the 30-year funding and financing plan decision in the IPAs due to the uncertainty and unpredictability it creates. In our view, a 30-year view of infrastructure requirements in the Investment Priority Areas (**IPAs**) does not give effect to the purpose of development contributions under s 197AA of the LGA: to recover a fair, equitable and proportionate proportion of the total cost of capex necessary to service growth over the long term.

15. Instead, we urge the Council to adopt a 30-year strategic vision that is financed and forecasted in 10-year increments. This would better ensure that project costs are greater aligned to upcoming projects and lowers the risk of cost over-run from overcharging through DCs.

16. The 30-year timeframe to fund and finance infrastructure under the Policy is a significant departure from the current 10-year timeframes within Long Term Plans. We submit there is insufficient evidence to support this lengthy timeframe, and that it raises the following complexities:

    a. the challenges of accurately predicting future infrastructure (given that each development will necessarily generate varying levels of demand on infrastructure);

    b. the challenges of accurately predicting the cost, and therefore the capital expenditure allocations for delivering this infrastructure 30 years in advance;

    c. the impact of inflation on delivery of projects over time;

    d. the benefits of paying for infrastructure upfront vs. delivery risks;

[5] In relation to developer-funded works, we note that s 200(1)(b) of the Local Government Act 2001 prohibits requiring a DC for a reserve, network infrastructure, or community infrastructure if the developer will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure.
[6] Draft Policy, paragraphs 67 and 69.

e. actions the Council will have to take to ensure money collected today will in fact be spent on delivery of the projects over a 30-year period;

f. the impacts on development in the short term;

g. the time value of money, and how the real value of contributions collected today will not erode through inflation, specifically in relation to the increasing costs of the anticipated future infrastructure against which it is allocated.

h. The concern highlighted at [11] above that there could be over-recovery of costs through DCs, contrary to the LGA.

14. Furthermore, moving to a 10-year funding period would also allow the Council to use alternative funding and financing mechanisms such as Crown Infrastructure Partners' balance sheet through the Infrastructure Funding and Financing Act 2020. This will help ensure fairer allocation, better transparency and intergenerational equity.

C Substantial increases in DCs are unaffordable: they may disincentivise development and make R&D and manufacturing in the area less attractive

15. FPH opposes the proposal to increase the average development contribution fee in Drury West by almost 30% from the existing policy resulting in a cost of $77,059 per HUE. Increases of this magnitude (in addition to those already applied through the 2022 Variation to the Policy for Drury) will impact the feasibility of development and may lead to a number of other negative consequences.

16. As outlined at [9] above, FPH's planned development will have significant national and regional economic benefits, including job creation in the manufacturing industry (which has historically experienced decline), export growth, and providing international profile to Auckland as a business hub.

17. Such substantial increases in DCs may be prohibitive to development. They are likely to compromise the creation of jobs as part of development of the Karaka Campus and as a result, limit the wider economic growth of the area.

18. FPH is concerned that these substantial increases may effectively disincentivise development from occurring in the Drury-Opāheke future growth area. This would make it less viable for developers to deliver job-generating businesses in the area: a location which is highly accessible and where significant housing growth is anticipated.

19. A negative impact on the number of jobs that will be provided in the area would be a significant issue given the considerable level of residential development that has either already been produced, consented, or is in the pipeline with rezoned land for residential purposes, and the number of people who will be living within this area in the short to medium-term. This is likely to increase pressures on Auckland's infrastructure as more people are required to travel greater distances to access jobs.

20. FPH is also concerned that if the Council's proposed Policy changes are given effect, this could undermine Central Government's commitment to funding and delivering transport infrastructure in Drury-Opāheke to support the future growth of the area as a priority development area.

D Timing and Staging of Infrastructure Delivery requires further consideration

21. Under the Draft Policy, some infrastructure upgrades have been delayed to decades after they are needed. For example, under the Draft Policy, the Drury Stormwater Project is not scheduled to be completed until 2043, whereas it will be needed by 2028.[7] Bringing the project forward to when it will be needed will also save many millions of dollars by avoiding 15 years of inflation and escalation costs as well as enabling development to occur, which will allow more DCs to be collected earlier.

Summary of requested changes to the Draft Policy

17. FPH requests that as part of its consultation on the Draft Policy, the Council gives deeper consideration to the matters outlined above. In terms of specific amendments to the Draft Policy, we submit the following are necessary:

    a. The proposed 30-year infrastructure funding period is replaced with financing and forecasting in 10-year increments;

    b. The Stormwater Project for Drury is brought forward to be completed by 2028, to ensure it is in place at the time it is needed to support development in Drury.

    c. The policy explicitly clarifies that:

        i. if a developer delivers infrastructure listed in the Draft Policy, the limitation under s 200(1)(b) of the LGA will apply and the developer will not be additionally charged a DC for that infrastructure.

        ii. where an infrastructure project is delivered ahead of time, the DC is re-priced at the cost of infrastructure delivered (to ensure that the Council is only recovering the actual costs associated with the delivery of infrastructure and not an escalated price).

18. FPH wishes to be heard in support of this submission and welcomes the opportunity to discuss our concerns.

19. We would consider presenting a joint case if others make similar submissions.

Yours sincerely

[redacted]

Matt Comery
Infrastructure Development Manager

Copied to:
Fisher & Paykel Healthcare
c/- James Hui
[redacted]

[7] Our timeframe assessment is based on developers who have approved consents with enabling works underway in Drury who are due to commence construction that will require the Drury Stormwater Infrastructure.

Development Contributions Policy Review

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Organisation (if applicable): Hugh Green Limited

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What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Submission on the Auckland Council Development Contributions Policy 2025

To: Auckland Council (Contributions Policy Team)

Name of Submitter: Hugh Green Limited

Address for Service: C/- CivilPlan Consultants Limited
PO Box 97796
Manukau City
Auckland 2241

[redacted]

Telephone: [redacted]

Email: [redacted]

This is a submission on Auckland Council's Draft Development Contributions Policy 2025, henceforth referred to as 'the 2025 DC Policy'.

1. The Submitter (Background)

Hugh Green Limited ('HGL') is a long-established management company of the Hugh Green Group, which holds a substantial portfolio of land for farming and development purposes, as well as a number of commercial and industrial property assets within the Auckland and Waikato Regions. Combined, the companies which fall under the Hugh Green Group umbrella conduct a range of businesses on their landholdings, including developing residential property for sale, developing and managing commercial / industrial buildings for lease. The portfolio includes sizeable landholdings strategically located to meet the needs of Auckland's population growth.

HGL is actively working on enabling growth around Auckland, through residential subdivision within various landholdings at Rua Hills (Redhills, Massey), Park Green (Hingaia), Donegal Glen (Flat Bush) and Weiti Green (Weiti/Redvale).

2. General Submissions

HGL shares concerns with others in the development community regarding the approach taken in the 2025 DC policy in relation to investment for the next 30 years in Investment Priority Areas. This includes:

- The assumptions methodology used to estimate the required development contribution levied.
- The impact of Development Contributions on housing affordability and financial feasibility of construction, potentially disincentivising development in growth areas.

- The risk that money collected for infrastructure projects required in 30 years' time may be used for other projects, especially if to cover unexpected costs for other projects required sooner.

- The extent to which alternative funding sources have been considered by Council.

HGL does not intend to cover these concerns in this submission, instead deferring to submissions by other developments and groups representing developer interests (including those that HGL is a member of).

However, HGL does acknowledge that the 2025 DC policy provides some level of confidence that the identified projects required to support growth will be delivered by Council – subject to Council adhering to the stated budgets and delivery timeframes.

3. Submissions Related to Hingaia

HGL has been delivering its Park Green development in Hingaia for over five years, with a further five years of development anticipated.

3.1 Transport Investment

3.1.1 Issue

HGL has made multiple submissions on past DC Policies, Regional Land Transport Plans and Long Term Plans in relation to the following transport infrastructure requirements Hingaia growth area:

- The signalisation of the intersection of Park Estate Road with Great South Road, funding of which has been removed after previously being identified under the 2018 RLTP and the 2019 DC Policy.

- The provision of the collector roads shown on the Hingaia 1 Precinct Plan between Wawatai Drive and Park Estate Road.

The specific issues raised in previous submissions by HGL, most recently the submission on the 2024 RLTP, are unchanged. Further development of the Hingaia 1 Precinct (by multiple developers) is currently stalled due to the need for the Great South Road intersection to be signalised and no progress has been made on finding a feasible and equitable solution to fund and construct this necessary transport infrastructure upgrade.

The 2025 DC policy has removed all references to Hingaia transport projects, after all were included in the 2019 DC policy and some were included in the 2022 DC policy. In the series of documents attached to the 26 September 2024 Governing Body agenda, three Hingaia transport projects were listed (those included in the 2022 DC policy), with it being specified that there was no development revenue still to be recovered for those projects – it is expected for that reason that they are no longer listed in the 2025 DC policy. HGL subsequently questions where funds for the Hingaia transport projects being levied by developments applied for prior to 1 March 2025 (and therefore still subject to 2019 or 2022 DC policy) will now be directed, given the strict requirements under the Local Government Act 2002. HGL expects that all levies raised under the historic DC policies for the Hingaia transport projects can be directed towards funding of the Park Estate Road and Great South Road intersection signalisation.

3.1.2 Relief

HGL continues to consider that the signalisation of the intersection Great South Road and Park Estate Road should be re-inserted into Schedule 8 of the Development Contributions Policy. This would rectify the lack of funding for this project that resulted from decisions in 2021 to not provide funding for the project in the 2021 LTP and 2021 RLTP. HGL accepts that the project is not included in the 2024 LTP and 2024 RLTP.

HGL also requests that the 2025 DC policy identify where levies still to be raised for Hingaia transport projects under the 2019 and 2022 DC policy will be spent, with the expectation that these contribute towards the signalisation of the intersection Great South Road and Park Estate Road.

3.2 Reserve Acquisition

3.2.1 Issue

In previous DC policies, development in Hingaia contributed towards a reserve acquisition fund applicable to the "Southern Greenfield" sub-regional funding area, which included Flat Bush, Takanini, Papakura, Hingaia, Pukekohe, Paerata, Buckland, Patumāhoe, Waiuku, Glenbrook, Clarks Beach, Ihumātao and Maraetai. Of these areas, only Pukekohe and Paerata were subject to a (small) local levy.

The 2025 DC policy proposes to remove sub-regional funding in favour of local funding for Hingaia, Paerata / Pukekohe, South (West) (which includes Papakura and Ihumātao), Rural South East (which includes Patumāhoe, Waiuku, Glenbrook and Clarks Beach) and Rural South West (which includes Maraetai) – there now being no levies for Flat Bush and Takanini.

Schedule 8 of the 2025 DC policy identifies that:

- Over $18 million of development contribution revenue has been received for the Paerata / Pukekohe local area, requiring less than $10 million of revenue to be recovered to meet the planned expenditure of almost $28 million.
- No development contribution revenue has been received for the Hingaia, Rural South East and Rural South West local areas, requiring all of the planned expenditure of $15.2 million, $175 million and $2.8 million (respectively) to be recovered.

The 2019 and 2022 DC policies specified levies of $9 and $4 (respectively) per HUE for the Paerata / Pukekohe local funding area. It is considered highly unlikely that $10 million of revenue has been raised just from those levies, as that would suggest that over a million household equivalents have been established in the Paerata / Pukekohe area – which is highly unlikely.

HGL is therefore of the view, that all of the revenue raised by the "Southern Greenfield" sub-regional funding area has been unfairly allocated in full to the Paerata / Pukekohe local funding area, despite the sub-regional area covering a much wider geography, including Hingaia. The 2025 DC policy therefore is using historic funds from the wider southern area to subside reserves in Paerata / Pukekohe and requiring other greenfield areas, such as Hingaia, to pay more than their fair share for reserves in those local areas.

3.2.2 Relief

HGL requests that Schedule 8 of the 2025 DC policy be updated to proportionately distribute the $18 million of development contribution revenue across all of the local funding areas that formed part of the Southern Greenfield sub-regional area. This would result in the levies for the Paerata / Pukekohe local funding area increasing and those for the Hingaia, Rural South East and Rural South West local funding areas decreasing, with no change to planned expenditure.

3.3 Reserve Development

3.3.1 Issue

Schedule 8 of the 2025 DC policy identifies capital expenditure of over $27 million (across two line items) for the development of neighbourhood parks within the Hingaia local funding area. This is in additional to the nearly $3 million of capital expenditure identified for the development of a suburb park.

HGL is aware of the following current and planned neighbourhood parks within the Hingaia local funding area:

- Within the Karaka Harbourside Drive development, recreation reserves at 12R Milano Boulevard, 265R Harbourside Drive 325R Harbourside Drive and 7R Fiorano Place (four total). A playground has been constructed at 12R Milano Boulevard.
- Within the Karaka Lakes development, recreation reserves at 1R Hinau Road, 19R and 20R Anchorage Drive, 2R Thornton Green and 16 Kuhanui Drive (four total). An entrance feature has been constructed at 1R Hinau Road and a playground has been constructed at 2R Thornton Green.
- Within the Hingaia 1 Precinct area (five total):
    - Land acquired as parks at 179 Park Estate Road and 34 Catalina Avenue. A playground is currently being developed at 34 Catalina Avenue.
    - Land approved for acquisition as park at 7 Onepango Esplanade.
    - Expectations for two additional neighbourhood parks at 144 Park Estate Road.
- Within the Hingaia 2 Precinct area, expectations (based off the AUP precinct plan) for two neighbourhood parks at 36 Oakland Road and 21 Hayfield Way.
- Within the Hingaia 3 Precinct area (five total):
    - Land acquired as park at 16A Derbyshire Lane.
    - Expectations (based off the AUP precinct plan) for four additional neighbourhood parks at 254 Hingaia Road, 103 Hingaia Road, 25 Island View Road and 101 Normandy Road.

Therefore, there are expected to be a total of approximately 20 neighbourhood parks within the Hingaia local funding area, four of which have already been developed or are in the process of being developed.

If the $27 million of capital funding identified in the 2025 DC policy was evenly distributed across the remaining 16 undeveloped neighbourhood parks, this would equate to over $1.7 million being spent on each park. If this $27 million was evenly distributed across only across the 12 neighbourhood parks within the Hingaia 1, 2 and 3 Precincts (being the current growth areas), this would equate to almost $2.3 million being spent on each park.

HGL considers this level of funding to be excessive given that:

- From discussions with Auckland Council during the development proposals for the park at 34 Catalina Avenue, the budget for development of a playground at a neighbourhood park is in the order of $500,000, about four times less than the 2025 DC policy appears to be assuming.
- Not all neighbourhood parks will require a significant development investment. HGL is currently in positive discussions with Auckland Council to establish a neighbourhood park around existing topographical features, providing for "nature play" and minimising the need for structures. Therefore, capital funding does not need to assume full development of every neighbourhood park.
- The development of neighbourhood parks can also be funded through developer agreements, that are not reliant on development contributions.

In addition, the 2025 DC policy does not appear to acknowledge the potential for developers to fund development of a neighbourhood park (where agreement with Council has been made), which would result in a reduction in the capital expenditure planned by Council (including inflation-related costs). In such instances, a reduction or waiver of development contributions should be provided for.

3.3.2 Relief

HGL requests that the $27 million capital expenditure for reserves development in the Hingaia local funding area be reassessed to ensure that the level of expenditure specified appropriately reflects that actual expected to occur for the relatively small number of neighbourhood parks requiring to be developed.

HGL requests that the 2025 DC policy provide for a reduction in the reserves development levy in instances where a developer funds development of a neighbourhood park.

4. Submissions Related to Redhills

HGL has been progressing development of its landholdings within Redhills Precinct for over five years and will continue to do so over the next 15-20 years.

HGL notes that the increase in development contributions proposed for the Redhills Area (including the additional contributions for the 30 year planning horizon) is significant – some $72k per HUE. However, HGL also recognises that there is a large amount of investment in infrastructure required to service growth within the Redhills Precinct, and that it is imperative that funding for this infrastructure is in place to align with the rate of development within the precinct.

HGL seeks that the following matters are considered with respect to the development contributions for the Redhills Precinct area.

4.1 Transport Investment

4.1.1 Issue

There are numerous transport projects required to support development within the Redhills Precinct, many of which are specifically identified as works required at certain trigger points in the Redhills Precinct provisions.

HGL has reviewed the list of projects proposed to be funded (to some extent) by development contributions. The list of projects appears comprehensive and inclusive of the transport works required to be delivered to support growth in accordance with the Redhills Precinct, which is supported.

The project list also includes indicative timeframes for the delivery of identified projects. HGL has reviewed this with respect to the Precinct Trigger Tables, particularly with respect to those works required to be delivered when a certain number of dwellings is reached within the Precinct. In this respect, the timing for works identified to be required prior to development exceeding 3,600 dwellings and then 5,400 dwellings are critical to align with the reasonably expected rate of roll out of dwellings within the precinct. It is imperative that, as development in the precinct progresses, the transport infrastructure required at the dwelling trigger points is planned, funded and delivered to align with the rate of dwelling construction.

With respect to the above, HGL has identified that the timeframe for the Fred Taylor Drive / Don Buck Road intersection signalisation/upgrading is currently shown in the table to be completed by 2037. However, the Redhills Precinct includes a requirement for these works to be completed by the 3,600 dwelling trigger point. Based on recent consenting figures provided by Council we understand that there are currently approximately 2,300 dwellings constructed or consented for construction within the Redhills Precinct. HGL is also aware of a further 1,000 dwellings for which resource consent applications are currently being prepared, which will bring the total number of consented dwellings close to the 3,600 dwelling threshold. Whilst it is expected that it will take a few years for construction of all of these dwellings to be completed, it is can reasonably be expected that this would occur before 2037.

4.1.2 Relief

HGL requests that the timeframe for delivery of the Fred Taylor Drive / Don Buck Road intersection signalisation is reviewed, which may affect the corresponding makeup of the development contributions for these works.

In addition, whilst not specifically related to the development contribution policy, HGL would like to reiterate the importance of Council and Auckland Transport continuing to work closely with developers within Redhills Precinct to ensure that the timeframes for the delivery of key transport infrastructure are aligned with the timeframes for the delivery of housing.

4.2 Reserve Acquisition

4.2.1 Issue

HGL notes that there are line items in Schedule 8 identified for the acquisition of planned parks within Redhills Precinct, including neighbourhood parks, suburb parks, a sports park and a civic square. Identification of these parks for funding is supported.

4.2.2 Relief

HGL requests that the line items in Schedule 8 for the acquisition of neighbourhood parks, suburb parks and sports parks within Redhills/Westgate is retained with sufficient budget for acquisition of at least the 14 neighbourhood parks, 2 suburb parks identified on the Redhills Precinct Plan and the sports park Council Parks has since identified as required in the precinct.

4.3 Reserve Development

4.3.1 Issue

HGL supports the inclusion of line items in Schedule 8 for the development of reserves in the Redhills Precinct. HGL recognises that for the initial parks to be developed, including one neighbourhood park that HGL is currently developing plans for in discussion with Council's Parks department (Korimako Park), the development costs may exceed current contributions collected.

It is noted that the line item for General Park Development (Redhills) for pre-2034 identifies almost $4mill of planned expenditure on reserve development. However, the 'development contribution revenue received to 30 June 2024' is -$269,933. It is unclear how this number is negative, when contributions for reserve development at Redhills/Westgate is a Schedule 8 line item in the current DC policy.

HGL understands that funding for the development of parks ahead of Council's planned expenditure for the respective park, would need to be funded via an Infrastructure Funding Agreement with the developer. As identified above, HGL seeks that where a developer funds park development that funds are being collected for via the DC policy, a reduction or waiver of development contributions should be provided for in the policy.

4.3.2 Relief

HGL requests that the 2025 DC policy provide for a reduction in the reserves development levy in instances where a developer funds development of a neighbourhood park.

4.4 Funding Areas

4.4.1 Issue

HGL is concerned to ensure that the funding areas in the Development Contributions policy relate as closely as possible to works required to support development within the respective funding areas. In particular, it is noted that the funding area for community facilities includes Redhills and Whenuapai together. Whilst these areas are both in the north west, there are community facilities of significant cost (eg Whenuapai Library/Community Centre) proposed to be funded in part by contributions from Redhills Precinct, where there is an existing library (Te Manawa) within Westgate Metropolitan Centre, in close proximity to Redhills Precinct. It appears that the Whenuapai Library would be more appropriately funded by contributions from Whenuapai Precincts (existing and future).

This illustrates a wider issue of the importance of ring-fencing contributions to the areas benefitting from the infrastructure, particularly for more local infrastructure.

4.4.2 Relief

HGL requests that the funding areas for calculating Development Contributions, and particularly for community facilities, are reviewed to ensure that the works to be funded will directly benefit the HUEs within the respective funding areas identified to pay development contributions for them.

5. Conclusion

Upon review of the Auckland Council Draft Development Contributions Policy 2025, HGL has a number of concerns that it seeks be addressed by the following relief (or similar):

a) That signalisation of the intersection of Great South Road and Park Estate Road is re-inserted into Schedule 8.

b) That the 2025 DC policy identify where levies still to be raised for Hingaia transport projects under the 2019 and 2022 DC policy will be spent. Specifically it is requested that these are spent on the signalisation of the Great South Road / Park Estate Road intersection.

c) That Schedule 8 of the 2025 DC policy be updated to proportionately distribute the $18 mill of development contribution revenue across all of the local funding areas that formed part of the Southern Greenfield sub-regional area.

d) That the $27 mill capital expenditure for reserves development in the Hingaia local funding area be reassessed to ensure that the level of expenditure specified appropriately reflects that actually expected to occur for the number of neighbourhood parks requiring to be developed.

e) That the 2025 DC policy provides for a reduction in the reserves development levy in instances where a developer funds development of a neighbourhood park.

f) That the timeframe for delivery of the Fred Taylor Drive / Don Buck Road intersection signalisation is reviewed, which may affect the corresponding makeup of the development contributions for these works.

g) That Council and Auckland Transport continue to work closely with developers within Redhills Precinct to ensure that the timeframes for the delivery of key transport infrastructure are aligned with the timeframes for the delivery of housing.

h) That the line items in Schedule 8 for the acquisition of neighbourhood parks, suburb parks and sports parks within Redhills/Westgate is retained with sufficient budget for acquisition of at least the 14 neighbourhood parks and 2 suburb parks identified on the Redhills Precinct Plan and the sports park Council Parks has since identified as required in the precinct.

The above relief sought is additional to the general concerns raised by other submitters in relation to the assumptions and methodologies utilised to inform the contributions levied for a 30 year horizon in growth areas, and the extent to which alternative funding sources have been considered by Council, noting that significant increases in DCs per HUE will directly impact the cost and affordability of housing.

Signature: .....

CivilPlan Consultants Ltd
on behalf of Hugh Green Limited

Date: 15 November 2024

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CIVILPLAN
CONSULTANTS

4 December 2024

[redacted]

Dear Mr Duncan

Subject: Development Contribution Policy 2025
CivilPlan Project No: HPCL1547

1. We write on behalf of a number of our clients who are actively engaged in the promulgation of Auckland Council's new Development Contributions Policy 2025 (DCP25). Some clients have made submissions in their own right, while others have relied on their respective industry organisations to make submissions.

2. The Council's recent release of its DC financial models in response to submissions is welcomed, noting that the provision of this information accords with the principles of consultation set out in s82 of Local Government Act 2002 (LGA). S82(1)(a) states that consultees:

> *"...should be provided by the local authority with reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of those persons."*

3. Unfortunately, initial feedback from some of our clients and members of our own team is that the costing assumptions methodology and inputs are unclear and not readily decipherable. Could we therefore ask you please to reflect on how the Council can best satisfy the above "principle of consultation"?

4. The second principle, which we were going to ask you to consider is found in s82(1)(d) LGA. This requires consultees to be given "a reasonable opportunity" to present their views to the Council. Putting the abovementioned "format" issues to one side, there was concern that the Council's current programme would not provide a reasonable timeframe within which consultees could investigate the DC financial models and provide meaningful submissions on same.

5. Your most recent announcement (3 December) that the decision making timeframe will now take place in April 2025, should help to alleviate timing concerns, provided the financial models are made available in a decipherable form as soon as possible. Otherwise, further revision of the timeframe would be advisable.

6. It also remains important that the Council receive consultees' views with an open mind, and gives them "due consideration" within a reasonable timeframe.

We will await your further clarification of the DC financial models and advice on any further adjustment to the decision-making timeframe.

Yours sincerely,

[redacted]

Director

12 December 2024

Civil Plan Consultants Ltd
P O Box 97796
MANUKAU 2241

For: [redacted]

Auckland Council Development Contributions Policy 2025

Thank you for your letter of 4 December 2024 on behalf of clients engaged in the promulgation of Auckland Council's Development Contributions Policy 2025 (**DCP**).

In paragraph 3 of your letter, you refer to feedback from some of your clients and team members that "the costing assumptions methodology and inputs" to the DCP are "unclear and not readily decipherable". In light of this, you have asked me to reflect on how the Council can best satisfy the principle of consultation in section 82(1)(a) of the Local Government Act 2002 (**LGA**).

I am satisfied that the financial models the Council has provided, alongside the other documents which are publicly available on the Council's website in connection with the 2025 DCP (consultation document, draft DCP, updated Drury investment programme, project list for the investment priority areas, draft cost allocation methodology, funding area maps and schedule of assets (Schedule 8 to the DCP)) meet the principle in section 82(1)(a) to which you refer. I note you have not suggested in your letter any other manner or format in which you would prefer this information to be made available. However, should you wish to speak to the financial modeller used by Auckland Council, I am happy to provide their contact details so that you or your clients' representatives can discuss any questions they may have with them.

The second LGA principle of consultation you refer to in your letter is that set out in section 82(1)(d). This principle refers to persons who wish to have their views considered by a local authority being provided "a reasonable opportunity to present those views to the local authority in the manner and format it is appropriate to the preferences and needs of those persons". In relation to this principle, your concern seems to be with the timeframe allowed for submissions on the draft DCP.

The Council has previously advised (on 22 November 2024) that it is willing to accept submissions on the draft DCP until 20 December 2024. This extension was due to the delay in making the financial models available. While I consider the additional time provided for submissions to be reasonable and sufficient to allow consideration of the models, the Council has a discretion to accept feedback provided after the close of submissions date.

Yours faithfully
AUCKLAND COUNCIL

[redacted]
Manager Financial Policy

Development Contributions Policy Review

#119

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Ryman Healthcare

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

SUBMISSION ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

Introduction

1 This is a submission on Auckland Council's (*Council*) Draft Development Contributions (*DC*) Policy 2025 (*DC Policy*) on behalf of Ryman Healthcare Limited (*Ryman*).

2 Ryman lodged a written submission on the Council's draft DC Policy 2021 (*DC Policy 2021*) on 17 October 2021 and on Variation A to the DC Policy 2022 (*Variation A*) on 8 November 2022.

3 This submission builds on Ryman's previous submissions on DC Policy 2021 and Variation A. Ryman supports in full the submission of the Retirement Villages Association of New Zealand Incorporated (*RVA*) on the DC Policy, which is supported by economic analysis undertaken by Market Economics. We are very concerned about the proposed charging period of 30 years rather than the standard 10, give the huge cost increases this creates.

4 Ryman is very happy to pay its fair share towards necessary Council services to support the City's growth needs. However, we closely engage with councils during their DC policy processes to ensure DC policies and charges fairly reflect the significantly reduced demand retirement villages have on council services, and that any charges are robustly supported by evidence. As well as successful engagement through DC Policy processes, Ryman has successfully objected to a development contributions assessment for a village site in Auckland via the Local Government Act objection process in 2018-2019 (*Ryman v Auckland Council*[1]). That objection process established that Ryman retirement villages have a very small demand on council reserves and community facilities compared with the general population.

5 This submission covers:

5.1 Ryman's approach and its villages;

5.2 Ryman's scale in Auckland's retirement market;

5.3 Ryman's position on the DC Policy; and

[1] Ryman Healthcare Limited v Auckland Council, Decision on Objection, 10 August 2018.

5.4 Ryman's position on Council's current review process.

Ryman's approach

6 Ryman is considered to be a pioneer in many aspects of the healthcare industry – including retirement village design, standards of care, and staff education. It believes that a quality site, living environment, amenities and the best care maximises the quality of life for its residents. Ryman is passionately committed to providing the best environment and care for our residents. Ryman is not a developer. It is a resident-focused operator of retirement villages. Ryman has a long term interest in its villages and its residents.

The ageing demographic

7 Ryman's own research supports the RVA's submissions on New Zealand's ageing population crisis. That research confirms that good quality housing and sophisticated care for the older population is significantly undersupplied in many parts of the country. This means older residents are not able to "age in place" as their health and lifestyle requirements change over time. This is because appropriate sites in good locations are incredibly scarce.

Ryman's residents and its villages

8 Our residents' health and wellbeing is our highest priority. All of Ryman's residents are much less active and mobile than the 65+ population generally, as well as the wider population. Ryman's retirement unit residents are early 80s on move-in and its aged care residents are mid-late 80s on move-in. Across all of Ryman's villages, the average age of retirement unit residents is 82.7 years and the average age of aged care residents is 86.4 years.

9 To provide for the specific needs of residents, Ryman provides a range of care options from independent units through to serviced suites and more intensive assistance such as rest home and dementia care. We also provide extensive on-site community amenities, including entertainment activities, recreational facilities, small shops, bar and restaurant facilities, communal sitting areas, and large, attractively landscaped areas. Our village approach provides considerable benefits to our residents and their families.

Ryman's scale in Auckland's retirement market

10 Ryman constructs a significant number of new dwellings in Auckland each year. It has 12 retirement villages currently operating or at some stage of design or construction in Auckland – located in Orewa, Saint Heliers, Remuera, Howick, Birkenhead, Greenlane, Pukekohe, Takapuna, Henderson, Hillsborough, Hobsonville and Narrowneck.

11 Ryman is also in the process of developing a further village at 250 Hingaia Road, Karaka. While development is currently paused, the proposed village will offer living options to suit everyone - from independent townhouses or apartments to assisted-living suites. This village will also offer a full range of care options, including rest home, hospital and specialist dementia care.

Ryman's position on the DC Policy

12 Ryman adopts the RVA's submission on the DC Policy. In addition, Ryman wishes to note that the DC Policy will have a significant impact on Ryman and its plans to continue developing new villages in Auckland into the future to meet increasing demand.

Potential implications of new charges

13 Ryman purchases land to develop and operate its villages taking into account the DC fees that apply at the time. However, due to the slow processes to obtain consent under the Resource Management Act 1991, it takes a number of years to be able to commence construction at the site. During that time, there is always a risk that DC fees may increase. To mitigate the risk Ryman generally purchases sites that already provide the necessary capacity to develop the proposed village, or which allow Ryman to provide on-site solutions. However, the substantial increases that the Council is proposing in the DC Policy and its wider plans to adopt the same approach across Auckland, are not able to be mitigated and will ultimately affect feasibility of our projects. Material changes to feasibility will require us to relook at our plans and potentially stall development.

Potential implications of adopting the '30 year approach' across Auckland

14 The Council's proposal will be a substantial disincentive to continue increasing our proportion of Auckland's new build retirement villages. Given that Ryman builds a substantial portion of all new retirement village units in Auckland, 30 year charges will have a significant impact on the provision of housing and care for Auckland's growing ageing population. There is a real risk that the proposed changes will delay necessary retirement and aged care accommodation in the region, and reduce housing affordability for a particularly vulnerable sector of Auckland's population. In the current climate, delaying and/or inhibiting the release of housing and affordable housing is, in Ryman's view, not a positive direction to take. This approach goes against the central and local governments' direction to deliver more housing and more affordable homes.

15 Further, and as the Council is aware, we operate in a very competitive housing market, and it would be very difficult for current landowners, such as Ryman, to pass on substantial new charges to future residents. As outlined in the RVA's submission, the proposal imposes a significant burden on current landowners.

Ryman's position on Council's review process

16 For the reasons outlined in the RVA's submission, Ryman is also disappointed with the process undertaken by the Council to extend the 30 year approach to the Investment Priority Areas. In particular, Ryman considers that alternatives to DC Policy 2025 have not been adequately considered, and the review is premature given Council's incomplete demand factor review and assessment of charge types for some of the investment priority areas.

Relief sought

17 Ryman seeks the relief sought by the RVA in its submission on the DC Policy.

18 Ryman is committed to continue collaborating and engaging with councils, including Auckland Council. The Council's DC Policy will have a significant impact on the provision of housing and care for Auckland's growing ageing population.

[redacted]

Development Contributions Policy Review

#120

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Neil Construction

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

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We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

15 November 2024

Contributions Policy Team
Auckland Council
Via email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

Neil Construction Limited ('**NCL**') welcomes the opportunity to submit feedback on Auckland Council's Draft Development Contributions Policy 2025 ('**DC Policy**').

NCL is a significant landowner in Whenuapai and while supportive of the concept of Auckland Council introducing a funding mechanism to enable development in this priority area, we do not believe that the policy as drafted will promote development. It appears instead to have been "reverse engineered" to ensure revenue collection can occur where landowners are able to gain consents for development, without actually providing infrastructure to support that development. We have serious concerns about the information supplied to support the draft DC Policy, as follows:

1. **The information provided at consultation is insufficient to accurately assess the methodology used to calculate the proposed Development Contributions for each funding area. Notably:**

    a. **Percentage allocated to growth**. The Transport Capex model provided does not contain the information required to reconcile the growth share of 84.09% for RWW (Redhills/Westgate/Whenuapai). The *RWW_Transport_Capex_Redacted_Model_Consultation* Microsoft Excel file does not include the *DC_growth_AGS* tab that calculates the growth share for each transport project. The *DC_growth_AGS tab i*s provided in both the Drury and AHP Models but appears to have been removed from the RWW model. Only a PDF version *14_Growth_Northwest_for_publication* is provided which includes the raw growth model data, but not the percentage calculation of the growth share. Manually calculating these growth numbers does not appear to reconcile to the *DC growth percentage* values used to apportion the share of costs attributed to DCs.

    b. **Reserves**. The capital expenditure for reserves (both acquisition and development) in the Inner Northwest totals $919,131,958[1], or 20% of the total expenditure for the IPA (investment priority area). This is sizeable capital expenditure, but none of these costs are substantiated with project breakdowns and financial modelling showing project costs, timing, escalation etc as they were for Transport capital expenditure. To allow for meaningful consultation, this must be provided.

[1] Attachment B: List of projects for other investment priority areas Summary table

c. **DC Calculations**. No information is provided showing how the DC for each location is calculated. The Contributions Policy Team stated, "*We expect the "DC project and price calculation" models (one model for the Long-term Plan period 2024 to 2034, and one model for the Beyond 2034 period) are expected to be available on the council's consultation website this week."*

The above items were requested from the Contributions Policy Team on numerous occasions throughout the consultation period but have not yet been provided. Accordingly, NCL requests the information above be released in full, and the consultation period be extended so that the draft policy can be understood in full.

2. **Project delivery timing errors artificially inflate the DC per HUE. The revised DC Policy fails to have regard to key Auckland Council policy, specifically the Future Development Strategy 2023-2053 (FDS).**

a. Given both the FDS and DC Policy operate over a 30-year horizon, the revised DC Policy should have regard to the FDS (specifically the timing of infrastructure prerequisites).

b. It is noted the *01_Red Hills, Westgate, and Whenuapai DC Policy – Transport Assessment* prepared by Beca is adapted from the 2022 *North West Infrastructure Funding and Financing Study (NWIFF).*

c. The NWIFF "*transport assessment seeks to identify a potential Staging Schedule of transport infrastructure upgrades to support the growth proposed in Whenuapai, Redhills and Westgate, as identified in the* ***Future Urban Land Supply Strategy (FULSS)****"*. This document is no longer relevant and has been superseded by the FDS.

d. It is acknowledged Beca have adapted the NWIFF infrastructure timings to reflect extended FDS population forecasts (Auckland Growth Scenario Full Build Out, AGS-FBO), however no regard is given to the Transport Infrastructure Prerequisites contained in the FDS. The inclusion of Transport Infrastructure Prerequisites (triggers) is a key differentiation between the FULSS and FDS. Resultantly, there is a disconnect between the timings of transport capital expenditure in the Draft DC Policy 2025, and the Transport Infrastructure Prerequisites in the operative FDS which we summarise below:

The FDS breaks Whenuapai into 6 Stages, with corresponding development timings and Transport Infrastructure Prerequisites:

Staging Breakdown	**Timing**	**Transport Infrastructure Prerequisites[2]**
Whenuapai Business	Not before 2025+	Spedding Road/ Northside Drive connection over SH16 SH16 to SH18 Connections Spedding Road Upgrade and Extension Mamari Road Upgrade and Extension Trig Road Upgrade North Western Bus Improvements (not rapid transit) Northwest Rapid Transit

[2] Full build out

Staging Breakdown	Timing	Transport Infrastructure Prerequisites[2]
Whenuapai South	Not before 2035+	Trig Road upgrade SH16 to SH18 Connections Hobsonville Road Upgrade Northwest Rapid Transit
Whenuapai East	Not before 2035+	Brigham Creek Road upgrade SH16 to SH18 Connections Hobsonville Road Upgrade Upper Harbour (SH18) Rapid Transit
Whenuapai North (Stage 1)	Not before 2035+	SH16 to SH18 Connections Brigham Creek Road upgrade Northwest Rapid Transit Upper Harbour (SH18) Rapid Transit
Whenuapai South (Stage 2)	Not before 2050+	SH16 to SH18 Connections Brigham Creek Road upgrade Northwest Rapid Transit Upper Harbour (SH18) Rapid Transit
Whenuapai West	Not before 2035+	Brigham Creek Road upgrade SH16 to SH18 Connections Spedding Road Upgrade and Extension Northwest Rapid Transit

NCL has assessed each Transport Infrastructure Prerequisite within the FDS against the corresponding construction year of the same infrastructure under the Draft DC Policy 2025. Note, these timing are taken from the latest Construction Year for each project (or component of each project) in the consultation spreadsheet. [3]

Transport Trigger in FDS	Timing in FDS	Timing of Infrastructure in Draft DC Policy 2025	Years after (+) FDS Timing
Spedding Road/ Northside Drive connection over SH16	2025+	2040	**+15 Years**
SH16 to SH18 Connections	2025+	2034	**+9 Years**
Spedding Road Upgrade and Extension	2025+	2040	**+15 Years**
Mamari Road Upgrade and Extension	2025+	2042	**+17 Years**
Trig Road Upgrade	2025+	2031	**+6 Years**
North Western Bus Improvements (not rapid transit)	2025+	n/a	**n/a**
Northwest Rapid Transit	2025+	2037	**+12 Years**
Hobsonville Road Upgrade	2035+	2047	**+12 Years**
Brigham Creek Road upgrade	2035+	2054	**+19 Years**
Upper Harbour (SH18) Rapid Transit	2035+	2040	**+ 5 Years**

[3] *RWW_Transport_Capex_Redacted_Model_Consultation*

In some cases**,** the projected capital expenditure under the DC Policy lags the timing in the FDS by a considerable period and in one example by 19 years. This inflates the DC's via the escalation built into the model, which will stifle development, and severely limit the collection of DC revenue as there is no alignment between the DC Policy and the FDS Transport Infrastructure Prerequisites.

NCL therefore requests that the transport capital expenditure timing is altered to align with the timing in the FDS. This will result in lower DC's as expenditure will be budgeted earlier in the 30-year period and consequently not inflated out to 2054 as is currently the case.

Namely, that the following projects are included within the first 10 years of capital expenditure:

- Spedding Road/ Northside Drive connection over SH16
- SH16 to SH18 Connections
- Spedding Road Upgrade and Extension
- Mamari Road Upgrade and Extension
- Trig Road Upgrade

3. **Project costs are not distributed realistically across the 30-year period and are heavily skewed towards the far end of the 30 years which has the effect of inflating the DCs. This has resulted in an artificially high DC for Whenuapai, notwithstanding the fact that projects required in Whenuapai can be delivered for less cost if commenced earlier.**

    a. **Transport Projects:** Auckland Council commissioned *Beca* [4] to assess what transport projects would be needed in the RWW area, and at what time. Although NCL believes this assessment may not coincide with the FDS triggers discussed above, we accept that this was the available professional advice provided to Auckland Transport (AT).

    However, it appears that AT has taken the Beca findings (which draws conclusions on when each infrastructure item is required, based on forecast population growth), and significantly alter these which has led to significant DC increases due to inflation. The *P1 Date Adjustment* tab of the spreadsheet [5] notes "Construction Date: Finance Adjusted Modelled Construction year".

    This spreadsheet model column is a mechanism to arbitrarily defer several projects by up to **16 years**. For example, *RWW 26a Brigham Creek Road - Tamatea Ave to Kauri Road* is assessed by Beca in their transport assessment as needed in 2027. However, AT have shifted this expenditure out to 2039. A further 33 transport projects with a total value of $420,250,000 after mitigation are delayed by an average of 8.65 years.

    We do not believe funding constraints should take precedence over when infrastructure is needed and believe this will be detrimental to the development of the Whenuapai area. Furthermore, delaying projects adds significant cost, and therefore increases the development contributions.

[4] Refer *01_Red Hills, Westgate, and Whenuapai DC Policy – Transport Assessment*
[5] *RWW_Transport_Capex_Redacted_Model_Consultation*

b. **All Projects**. Expenditure in the Inner Northwest across the 30-year period (derived from Attachment B: List of projects for other investment priority areas, Summary table) was analysed. The data shows the following:
    a. 3% of the total spend is within the LTP period (2024-2034)
    b. 64% of the total spend in the 10 years between 2035-2045
    c. 32% of the total spend is in the 10 years between 2046 and 2056, of which **28% is scheduled for the last 3 years.**

The expenditure in the Inner Northwest is depicted below:

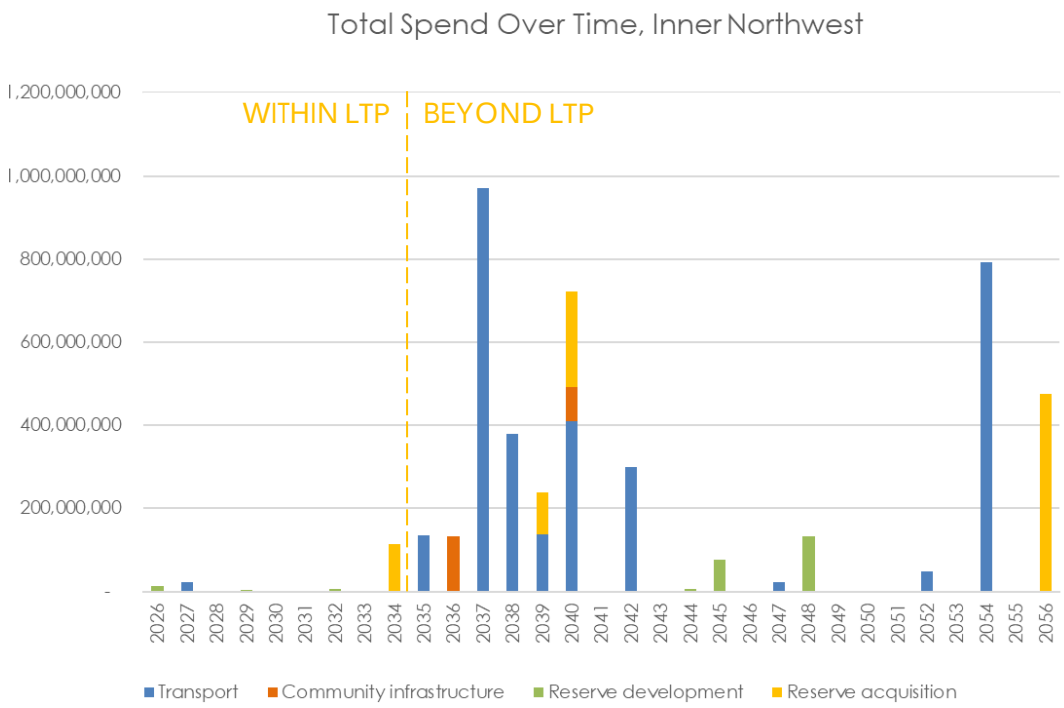

Figure 1 – Expenditure, Inner Northwest IPA, 2026 - 2056

Example of the "Deferral Effect"

Deferring one third of the total capital expenditure for the Inner Northwest into the last 3 years of the 30-year budget period significantly inflates the project costs.

To demonstrate the impact, we analysed one case, project 26b: Brigham Creek Road - Tamatea Ave to Kauri Road[6]. Capital expenditure is currently scheduled in 2054 at the far end of the DC Policy 30-year horizon:

Element	Cost		Share of Total Cost
Beca Estimate 2024	$	30,264,480	12%
Plus allowances	$	25,855,521	10%
Plus Client Costs	$	11,224,000	4%
Plus Contingency	$	33,672,000	13%
Plus Escalation	$	149,065,828	60%
Total Project Cost	$	250,081,829	

Figure 2 – Summary table of Project Costs: Brigham Creek Road – Tamatea Ave to Kauri Road.

[6] Based on the data contained within the *RWW_Transport_Capex_Redacted_Model_Consultation* Microsoft Excel file

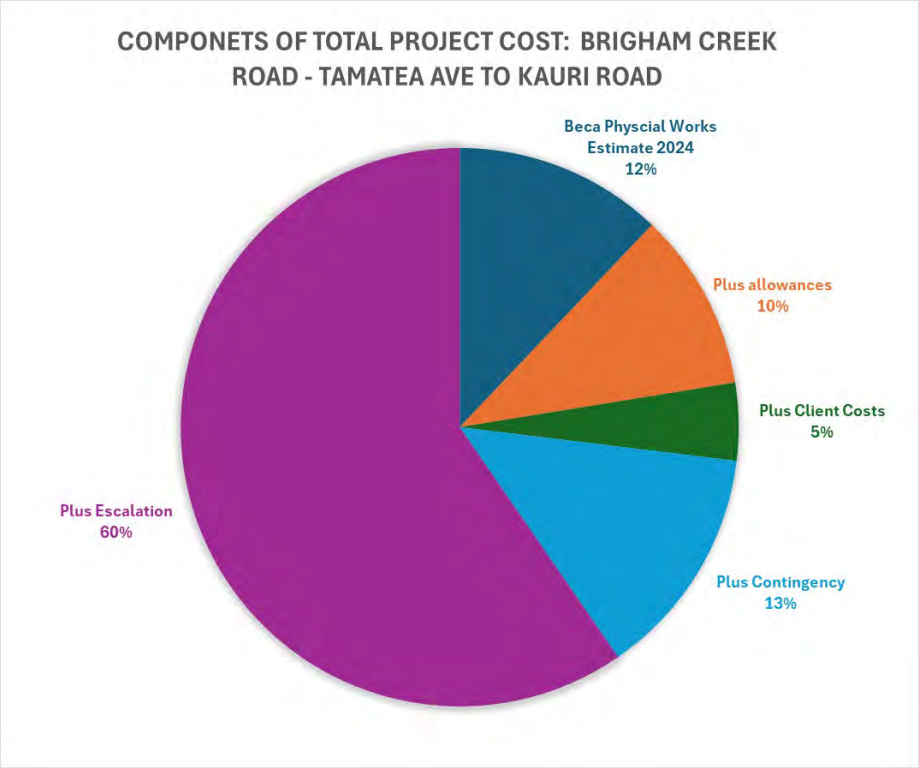

Figure 3 – Summary graph of Project Costs: Brigham Creek Road – Tamatea Ave to Kauri Road.

It is notable that even with a 50% contingency allowance, a full 60% of the estimated project cost is the sizeable escalation component largely caused by allocating the costs to the end of the 30-year period. The cost calculation is compounded further by the addition of inflation upon a contingency.

Not only does the deferral of projects into the back end of the 30-year period add significant escalation cost it also brings into question whether those projects will be delivered within the 30-year period.

According to s196AA of the LGA, the purpose of development contributions is to enable the Auckland Council to recover a *"**fair, equitable, and proportionate portion** of the total cost of capital expenditure necessary to service growth over the long term"* from developers.

NCL believes the draft policy fails to meet the statutory purpose of development contributions and if not amended will result in an unfair and disproportionate apportionment of the costs of growth because capital expenditure has not been distributed fairly across the 30-year period. Early developers will be paying more than a ***fair, equitable, and proportionate portion*** *of the total cost of capital expenditure,* and in fact will receive almost no benefits for the first 12 years based on the programme of spending.

4. Parks acquisition and development costs are non-specific and irreconcilable with the DCs payable. These costs are also skewed towards the far end of the

30 years which has the effect of inflating the DCs payable while the open spaces are not provided in time to serve the communities paying for them.

The reserves budget appears to include all open space required for full build out in 2080 whereas these parks will not all be required during the term of the DC Policy (to 2054). This position is inequitable as some of these parks will not likely be acquired until well after the 2054 period and their cost is inflated under the model.

5. **The Growth model.** The model appears to show that the number of household units and employment will reach its capacity by 2080 and yet the infrastructure spend for that future growth appears to have been allocated within the 30-year period of the infrastructure policy.

6. **Allocation to Growth.** There is an arbitrary allocation of projects to growth as opposed to existing ratepayers in so far as a number of the infrastructure projects are already needed irrespective of whether future growth occurs or not.

Relief Sought

NCL requests the following amendments to the Draft Development Contributions Policy 2025:

1. Extend the consultation period and provide information in full to allow for more meaningful consultation, and most importantly so that the proposed DC charges can be reconciled to the supplied data.

This includes:

1. The RWW Growth model, showing the percentage growth share calculated.
2. Detailed breakdown of the $919,131,958 reserves expenditure in the Inner Northwest showing detailed project breakdowns and financial modelling showing project costs, timing, escalation etc.
3. Release of the "*DC project and price calculation*" model promised by Council
4. The consultation period be extended to 6 working weeks after release of the above information.

2. Revise the *RWW_Transport_Capex_Redacted_Model_Consultation* so that infrastructure expenditure timing is consistent with Council's Future Development Strategy 2023.

Specifically, that the following projects are included within the first 10 years of the DC expenditure budgets:

- Spedding Road/ Northside Drive connection over SH16
- SH16 to SH18 Connections
- Spedding Road Upgrade and Extension
- Mamari Road Upgrade and Extension
- Trig Road Upgrade

3. **Redistribute capital expenditure in the inner northwest (notably transport and reserve acquisitions) so that it is distributed evenly and fairly across the 30-year period to ensure the DC Policy meets the criteria in s196AA of the LGA. That is, enable Auckland Council to recover a *"fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term"* from developers.**

NCL wishes to be heard in support of this submission.

Development Manger
Neil Construction Limited

THE NEIL GROUP

LAND AND PROPERTY DEVELOPER

18th December 2024

Contributions Policy Team
Auckland Council
Via email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

Neil Construction Limited ('**NCL**'), who also represents Maraetai Land Development Limited, welcomes the opportunity to submit feedback on Auckland Council's Draft Development Contributions Policy 2025 ('**DC Policy**').

NCL is a significant landowner in Whenuapai and while supportive of the concept of Auckland Council introducing a funding mechanism to enable development in this priority area, we do not believe that the policy as drafted is a genuine attempt to promote the infrastructure required to align with Auckland's likely growth. It appears instead to have been "reverse engineered" to ensure revenue collection can occur where landowners are able to gain consents for development, without Council actually providing infrastructure to support that development. We have serious concerns about the validity of the information supplied to support the draft DC Policy and believe there are significant errors in the modelling undertaken by Auckland Council.

Executive Summary

1. **Incorrect Modelling of Household Unit Equivalent (HUEs)**
   The HUE model is key to allocating the cost of growth across new homes in Auckland and for projecting when Council's will receive DC revenue. The model has been manipulated as shown in this submission and does not align with the Auckland Growth Model. The manipulated HUE model:
   a. Directly impacts the price of DCs as the number of HUEs is a key input used for the DC calculation model.
   b. Inflates Council's revenue projections by modelling the collection of DCs from HUEs, in a manner inconsistent with the growth model. The projected revenue will NOT be collected within the 30 year period of the policy because growth will not have occurred. Concentrating the collection of $1.23 billion from 510,238 HUEs across 2 calendar years (2051/2052) is, to put it mildly, unrealistic.

2. **The validity of the calculations within the DC Policy**, namely the allocation of an NZTA Waka Kotahi 51% contribution to arterial roads in Whenuapai.
   a. The omission of this sizeable contribution after 2048 in Redhills/Westgate/Whenuapai **(RWW)** is incorrect and inconsistent with how it is applied elsewhere. This inflates expenditure in the later years of the policy by 100%, adding $180 million dollars of capital expenditure in RWW, funded by development contributions.

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3. **The draft Policy fails to have regard to key Council Policy**, specifically the Future Development Strategy 2023-2054 **(FDS)**
    a. The draft policy fails to have regard to the transport development triggers in Appendix 6 of the FDS which are prerequisites for development to occur.
    b. The timing of the completion of traffic infrastructure within RWW under the draft policy, in some cases lags the FDS Transport Triggers by 19 years.
    c. This discrepancy effectively means Council's revenue collection will be stunted, as limited development can occur in greenfield areas until land is live zoned and infrastructure is in place, yet re-zoning will likely be prohibited on the grounds of lack of key infrastructure.

4. **The Draft DC Policy Breaches the Local Government Act 2002 (LGA).** NCL believes the draft policy fails to meet the statutory purpose of development contributions and if not amended will result in an unfair and disproportionate apportionment of the costs of growth. Early developers will be paying more than a *fair, equitable, and proportionate portion* of the total cost of capital expenditure. Specifically:
    a. The distribution of capital expenditure across the 30-year policy period is unjust and inflates the DCs in Whenuapai. Of the total $110,795 development contribution paid per HUE in Whenuapai from 2025, only 9.7% contributes to *local* projects in the Whenuapai Area across the 10-year period of the LTP. Lumping 35% of local expenditure in Whenuapai into the very last years of the policy inflates capital expenditure beyond what is reasonable or required, and brings into question whether those projects will in fact be delivered within a 30-year period. Levying property owners for inflated costs for projects that "might" be delivered in 30 years' time is neither fair nor equitable.
    b. The contingency and escalation applied to projects is unreasonable. The cost added by contingency and escalation for Transport projects in RWW scheduled for construction in 2054 equates to 82% of the total cost. This inflates capital expenditure funded by DCs by $1.1 billion.
    c. Given the impact of escalation allowances across a 30-year period, the policy should be shortened to a 10-year funding period, or an alternative DC calculation methodology should be adopted for costs beyond a 10-year horizon.
    d. Traffic projects are arbitrarily delayed, against council's own traffic advice, which unfairly increases DCs as any delay dramatically increases the escalation element of the total cost.
    e. Under the draft policy, developers who pay today are funding projects which accommodate for growth beyond the DC Policy period, and in some cases until 2080.

5. **Insufficient detail is provided for reserves capital expenditure in Whenuapai**, especially considering the scale of the investment which is to be funded by DCs.
    a. $575 million of capital expenditure for reserve acquisition and development is funded by DCs, yet the information at consultation fails to provide any detail on how these costs are calculated. Providing three line items for this quantum of expenditure in unacceptable.

6. **The high number of reserves in Whenuapai is not supported by evidence** and is contrary to operative Auckland Council plans and policies.

7. **The DC payable in Whenuapai is inflated by $7998 per HUE** by one small line item which appears to be an error. This is $1,371,112 of historic capital expenditure which NCL believes has been wrongly calculated and incorrectly allocated to Whenuapai.

8. **The DC policy makes no allowance for developments ahead of sequence and the extent to which infrastructure is funded by private developers,** in many cases this will result in infrastructure which has been budgeted for not being developed and paid for by Council.

Each of NCLs claims is substantiated as follows:

1. Incorrect Modelling of Household Units Equivalent (HUEs)

A key mechanism of the DC policy is sharing the total capital expenditure attributed to growth between the projected number of new households in each funding area. The unit of charge adopted is a Household Unit Equivalent (**HUE**) which is representative of the growth charge paid to Council based on a typical residential home.

NCL has serious concerns that the number of Household Unit Equivalents modelled to be paid to Council across the 30-year Development Contribution period is not consistent with the Auckland Growth Model 2023 Version 1.1 (**Auckland Growth Model**) and therefore misrepresents Council's financial position.

Auckland Council's DC Policy Microsoft Excel Workbooks includes a *"HUEs_by_funding_area"* tab which states *"HUEs per activity and funding area. This information is from the growth model***".**

Comparing the HUEs per funding area to the data contained within the Auckland Growth Model appears to show the HUE projections are manipulated, and radically different to the growth model.

For example, the forecast household growth for Redhills/Westgate/Whenuapai (RWW) in the Auckland Growth Model shows close to linear growth between 2025 and 2080 (refer figure 1). Growth in this manner reflects a relatively constant number of new household units per year.

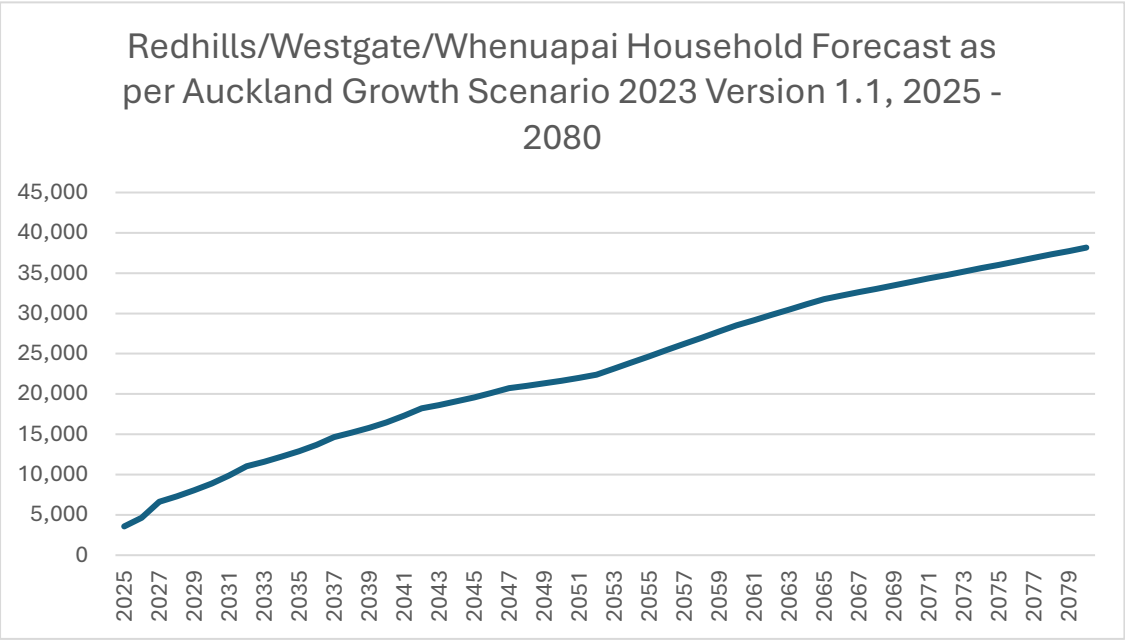

Figure 1: RWW Growth Model Forecast

Comparing the Auckland Growth Model to the HUEs contained within the DC model for the same Redhills Westgate Whenuapai funding area, shows the number of HUEs per year is inconsistent with linear growth. Figure 2 below shows the number of HUE payments expected to be received by Council each year from new households in the Redhills Westgate Whenuapai area between 2025 and 2080.

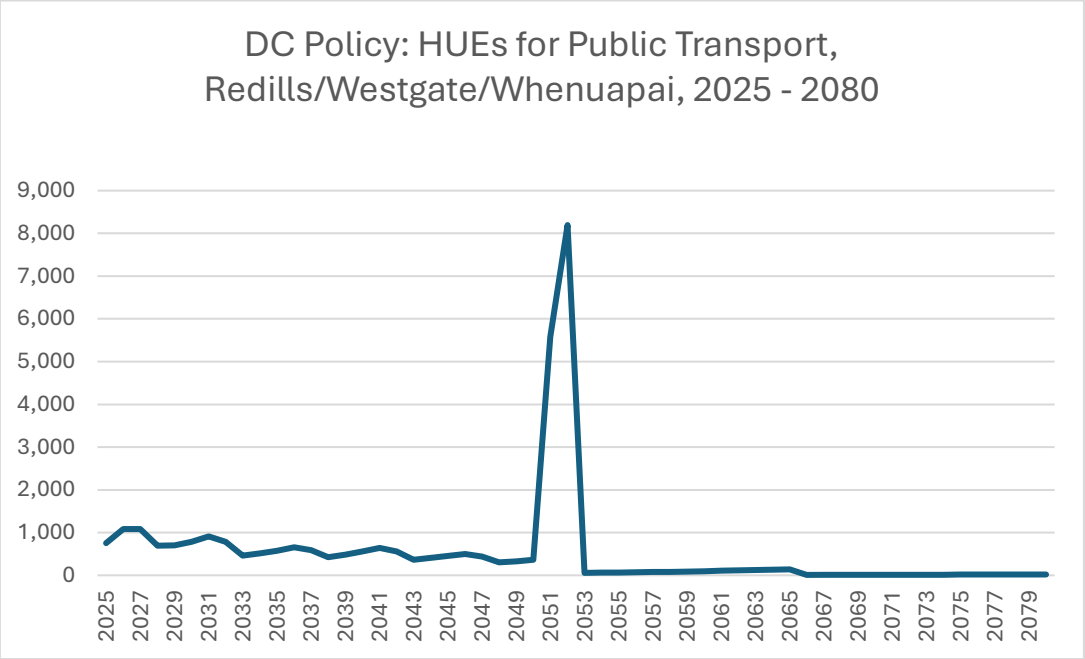

Figure 2: RWW HUE Forecast

The data shows that between 2025 and 2050, on average 592 additional HUEs are expected to be created and funds received by Council each year, which is representative of linear growth.

However, 13,773 HUEs are projected to be built within a 2-year period that conveniently occurs near the end of the 30-year DC projection. 5,579 and 8,194 HUEs are projected for years 2051and 2052 respectively. 2052 represents a 1384% increase on the average for the prior 25-year period (2025 to 2050).

The prospect of almost 14,000 new HUEs (homes or their equivalent) being delivered *only* in Redhills, Westgate and Whenuapai across a 24-month period is absurd. For context, in the year ending September 2024, across the *entire* Auckland area 18,410 dwellings had a CCC issued, which is a fair measure of the rate of new housing stock creation. [1]

It is therefore evident that the HUE modelling is not a realistic reflection of likely real world population growth in Redhills Westgate Whenuapai.

The table provided in Appendix A demonstrates that HUE projections across numerous funding areas (including the Auckland Wide area) likewise show projected spikes in HUEs in years 2051/2052, which are very unlikely to occur in practice.

This distribution of HUEs creates significant risk to Auckland Council's financial position. By forecasting HUEs to spike in 2051 and 2052, Auckland Council is budgeting to receive a very significant proportion of Development Contributions revenue very late within the DC Policy

[1] Auckland monthly housing update, November 2024, Auckland Council Land Use Research and Evaluation Team

period. Figure 3 demonstrates how this results in **Auckland Council's DC revenue forecast spiking to collect $1.23 billion across years 2051/2052**. In reality, this amount of revenue will not be collected as household growth has never been seen to spike in such a way before and equally importantly, is not anticipated to occur this way in the Auckland Growth Model.

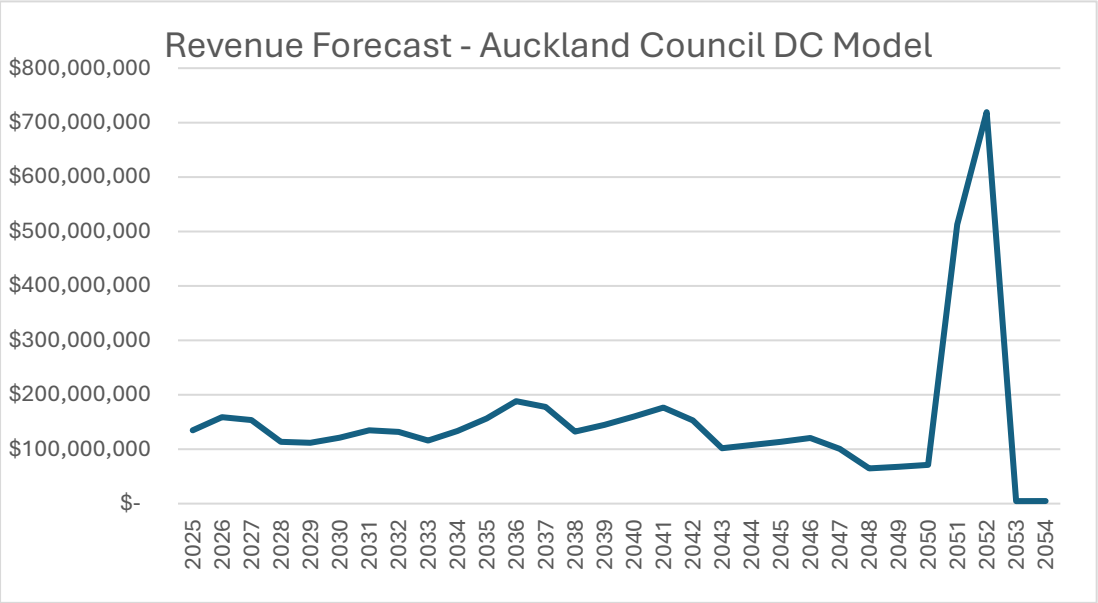

Figure 3: Council's Revenue Model, based on incorrect HUE projections

In the case of *Redhills/Westgate/Whenuapai - Transport*, 96% of the HUEs (and therefore DC revenue) is modelled to be collected within the last two years of the 30-year period of the DC Policy. However, as is depicted in figure 4 below, the Auckland Growth Model for Redhills Westgate Whenuapai anticipates full build out of Redhills Westgate Whenuapai deferred to 2080, with only 63% of the total projected households built by 2054.

Council cannot expect to collect DC revenue from 96% of HUEs in this area by 2054 when the Auckland Growth Model allows 55 years to reach full build out in 2080.

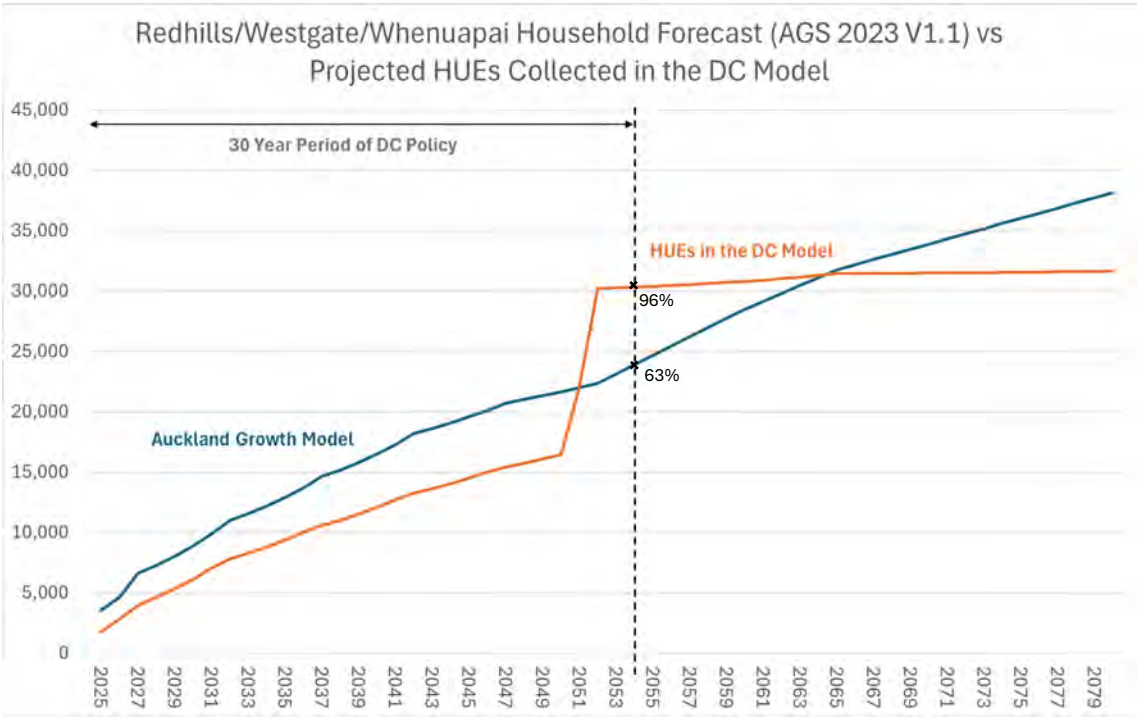

Figure 4: AGS Growth Model Data vs. HUEs in DC Model

Based on the household projections in the Auckland Growth Model, it will take 25 years longer to collect the projected revenue. Council's financial modelling in the draft DC policy is distorted by this and places Council either in a position where the projects listed will not be delivered or will be delivered in reliance on external funding sources not mentioned or specified in the draft policy documents.

This issue was raised with the Contribution Policy Team who acknowledged the discrepancy with the HUE distribution but noted *"The spike in growth has no significant impact on the DC prices."* NCL strongly disagrees with this statement – the number of HUEs is a key input to the *DC_price_calc* sheet within the Excel model and is directly related to the calculation of the development contribution for each project.

2. The validity of the calculations within the DC Policy, namely the allocation of an NZTA Waka Kotahi 51% contribution to arterial roads in Whenuapai.

The documentation provided during consultation[2] clearly states that funding for arterial roads is provided by NZ Transport Agency Waka Kotahi's (**NZTA**) Funding Assistance Rate (**FAR**) which equates to a 51% contribution toward Council's capital expenditure. This advice is replicated below for clarity:

> 4.3.4 Third Party Funding
>
> 152. Any external funding Auckland Council receives for infrastructure projects, such as grants from the National Land Transport Fund administered by Waka Kotahi, must be deducted from the costs to be funded by contributions. This requires us to make assumptions on how much funding will be received in the outer years of our investment programme. Our assumptions are that:
>
> - arterial roads will receive Waka Kotahi Funding Assistance Rate (FAR) of 51 per cent. This means that developer contributions are assumed to only fund 49 per cent of the growth share of arterial road costs
> - collector roads will receive 0 per cent FAR as these are not normally funded by Waka Kotahi.

The DC financial model shows NZTA funding has not been applied to qualifying Transport projects in Redhills/Westgate/Whenuapai in accordance with Council's methodology. The table contained in appendix B highlights missing contributions for sizeable projects in RWW. This table is taken directly from the "Project_and_capex_costs" tab of Council's DC Model. It is evident that the line items highlighted in green contain 51% cost contributions from NZTA in years 2035-2047, but that any funding from NZTA is omitted after 2048.

This is also depicted in Figure 5 which shows the 51% FAR (blue line) from NZTA is omitted after 2048. **In the last 3 years of transport capital expenditure in Redhills Westgate Whenuapai, $358,231,667 of works to arterial roads which qualify for the FAR are not credited with a 51% contribution from NZTA which they are entitled to.**

[2] *How We Set Development Contributions, Auckland Council's cost allocation methodology*, page 31

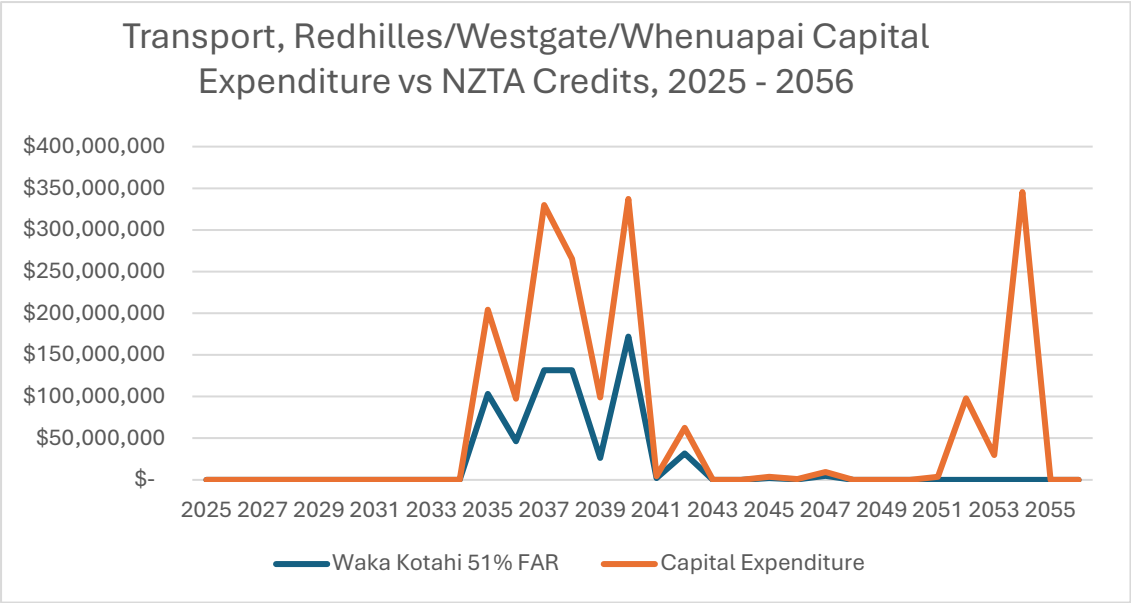

Figure 5: Graph showing omission of Waka Kotahi contribution after 2048

This inflates the capital expenditure by 100% in the later years of the DC Policy, and given the compounding effect of land and construction price escalation for projects late in the 30-year period, this omission has a sizeable impact on the Transport DC paid in Redhills Westgate Whenuapai.

3. The draft DC Policy fails to give regard to key Council policy, specifically the Future Development Strategy (FDS) 2023-2054

Given both the FDS and DC Policy operate over a 30-year horizon, the revised DC Policy should have regard to the FDS (specifically the timing of infrastructure prerequisites).

It is noted the *01_Red Hills, Westgate, and Whenuapai DC Policy – Transport Assessment* prepared by Beca is adapted from the 2022 *North West Infrastructure Funding and Financing Study (**NWIFF**).*

The NWIFF "*transport assessment seeks to identify a potential Staging Schedule of transport infrastructure upgrades to support the growth proposed in Whenuapai, Redhills and Westgate, as identified in the Future Urban Land Supply Strategy (**FULSS**)"*. The FULSS document is no longer relevant and has been superseded by the FDS.

It is acknowledged Beca have adapted the NWIFF infrastructure timings to reflect extended FDS population forecasts (Auckland Growth Scenario Full Build Out, AGS-FBO), however no regard is given to the Transport Infrastructure Prerequisites contained in the FDS. The inclusion of Transport Infrastructure Prerequisites (triggers) is a key differentiation between the FULSS and FDS. Resultantly, there is a disconnect between the timings of transport capital expenditure in the Draft DC Policy 2025, and the Transport Infrastructure Prerequisites in the operative FDS which we summarise below.

The FDS breaks Whenuapai into 6 Stages, with corresponding development timings and Transport Infrastructure Prerequisites:

Staging Breakdown	Timing	Transport Infrastructure Prerequisites[3]
Whenuapai Business	Not before 2025+	Spedding Road/ Northside Drive connection over SH16 SH16 to SH18 Connections Spedding Road Upgrade and Extension Mamari Road Upgrade and Extension Trig Road Upgrade North Western Bus Improvements (not rapid transit) Northwest Rapid Transit
Whenuapai South	Not before 2035+	Trig Road upgrade SH16 to SH18 Connections Hobsonville Road Upgrade Northwest Rapid Transit
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Whenuapai North (Stage 1)	Not before 2035+	SH16 to SH18 Connections Brigham Creek Road upgrade Northwest Rapid Transit Upper Harbour (SH18) Rapid Transit
Whenuapai North (Stage 2)	Not before 2050+	SH16 to SH18 Connections Brigham Creek Road upgrade Northwest Rapid Transit Upper Harbour (SH18) Rapid Transit
Whenuapai West	Not before 2035+	Brigham Creek Road upgrade SH16 to SH18 Connections Spedding Road Upgrade and Extension Northwest Rapid Transit

NCL has assessed each Transport Infrastructure Prerequisite within the FDS against the corresponding completion year of the same infrastructure under the Draft DC Policy 2025. Note, the "Timing of Infrastructure in Draft DC Policy" completion date is based on the final year of capital expenditure for each project to represent the operative year. [4]

Transport Trigger in FDS	Timing in FDS	Timing of Infrastructure in Draft DC Policy 2025	Years after (+) FDS Timing
Spedding Road/ Northside Drive connection over SH16	2025+	2040	+15 Years
SH16 to SH18 Connections	2025+	2038	+13 Years
Spedding Road Upgrade and Extension	2025+	2040	+15 Years
Mamari Road Upgrade and Extension	2025+	2042	+17 Years

[3] Full build out

[4] *RWW_Transport_Capex_Redacted_Model_Consultation*

Trig Road Upgrade	2025+	2038	+13 Years
North Western Bus Improvements (not rapid transit)	2025+	n/a	n/a
Northwest Rapid Transit	2025+	n/a	n/a
Hobsonville Road Upgrade	2035+	2047	+12 Years
Brigham Creek Road upgrade	2035+	2054	+19 Years
Upper Harbour (SH18) Rapid Transit	2035+	n/a	n/a

In all cases, except Whenuapai North Stage 2, the projected capital expenditure under the DC Policy lags the timing in the FDS by a considerable period and in one example by 19 years. This inflates the DCs via the escalation built into the model, which will stifle development, and severely limit the collection of DC revenue as there is no alignment between the DC Policy and the FDS Transport Infrastructure Prerequisites.

Because the FDS includes these triggers, land will not likely be rezoned in any significant quantity until infrastructure in in place. However, DC funding will not be available as HUEs will not be created, creating an unresolved circular dependency.

4. The Draft DC Policy Breaches the Local Government Act 2002

NCL has significant concern that as drafted, the DC Policy is in breach of the Local Government Act 2002. NCL believes the draft policy fails to meet the statutory purpose of development contributions and if not amended will result in an unfair and disproportionate apportionment of the costs of growth. Early developers will be paying more than a ***fair, equitable, and proportionate portion*** *of the total cost of capital expenditure.* Our concerns are as follows:

4.1 Project costs are not distributed realistically across the 30-year period and are heavily skewed towards the far end of the 30 years which has the effect of inflating the DCs. This has resulted in an artificially high DC for Whenuapai, notwithstanding the fact that projects required in Whenuapai can be delivered for less cost if commenced earlier.

Although labelled an "Investment Priority Area" (**IPA**), there is little evidence that any financial priority is given to the Whenuapai funding area given there is little investment within the 10-year Long Term Plan (**LTP**) period, and post-LTP expenditure biases the far end of the 30-year funding horizon.

Of the total $110,795 development contribution paid per HUE in Whenuapai from 2025, only 9.7% contributes to *local* projects in the Whenuapai Area across the 10-year period of the LTP. Much of the DC paid in Whenuapai funds Auckland Wide projects within the LTP period. For example, 36% of DC paid in Whenuapai within the LTP period contributes to Auckland wide Transport and Public Transport, of which almost $6000 per HUE funds Auckland Council's share of the City Rail Link.

Capital expenditure for projects in Whenuapai *beyond* the LTP (2035-2056) biases the far end of the 30-year policy horizon. Figure 6 shows the annual capital expenditure for local projects funded by DCs in Whenuapai.

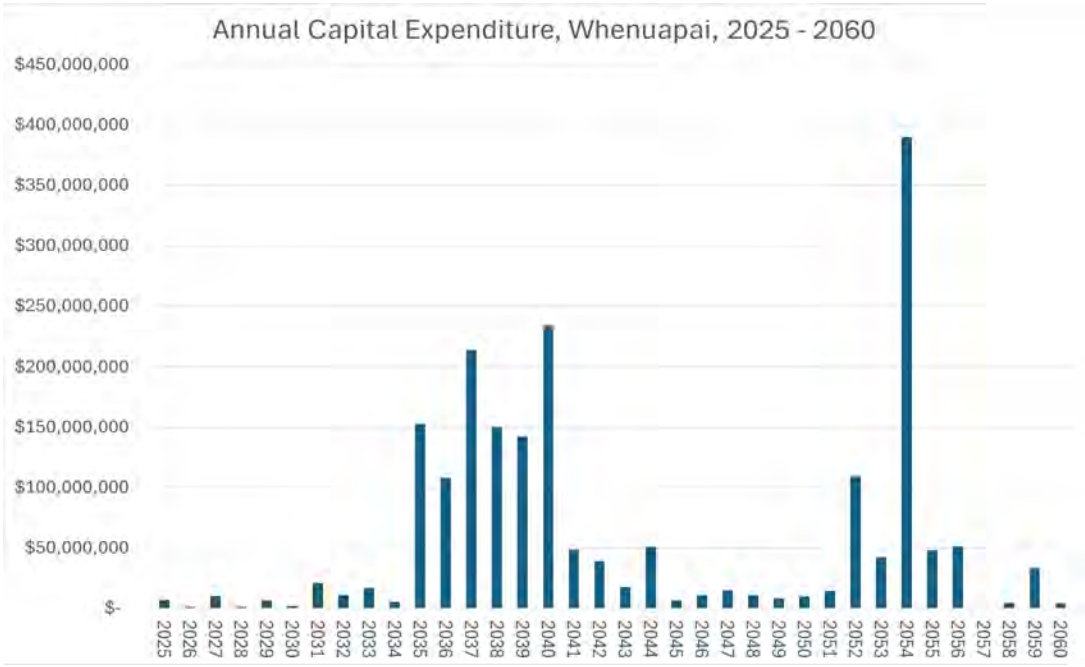


Figure 6: Annual Capital Expenditure, Whenuapai, Local

Figure 6 demonstrates that:

- **Only 4% of the total spend is within the LTP Period (2024 – 2034)**
- 58% of the total spend is modelled between 2035 and 2045
- 38% of the total capital expenditure is modelled in the final 10 years of the policy between 2046 and 2054, of which almost **35% of the total capex is spent in the last 3 years of the DC Policy, 2052-2054.**

4.2 The contingency and escalation applied to projects is unreasonable – case study

Deferring 35% of the total capital expenditure in Whenuapai until the last 3 years of the 30-year funding period significantly inflates the project costs, and thus the DC payable.

To demonstrate the impact, we analysed one case, project 26b: Brigham Creek Road - Tamatea Ave to Kauri Road[5]. Capital expenditure is currently scheduled in 2054 at the far end of the DC Policy 30-year horizon:

Element	Cost	Share of Total Cost
Beca Estimate 2024	$ 30,264,480	12%
Plus allowances	$ 25,855,521	10%
Plus Client Costs	$ 11,224,000	4%
Plus Contingency	$ 33,672,000	13%
Plus Escalation	$ 149,065,828	60%
Total Project Cost	$ 250,081,829	

Figure 7: Summary table of Project Costs: Brigham Creek Road – Tamatea Ave to Kauri Road

[5] Based on the data contained within the *RWW_Transport_Capex_Redacted_Model_Consultation* Microsoft Excel file

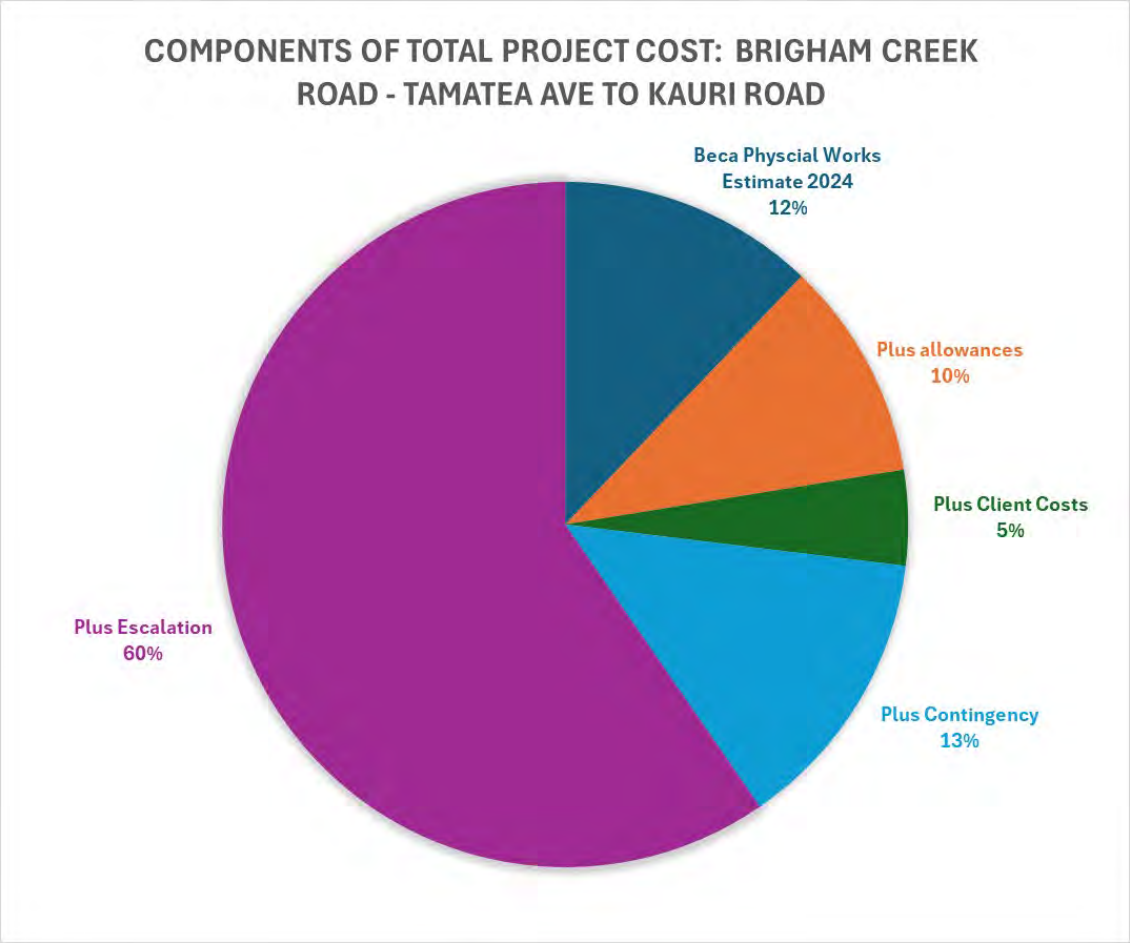


Figure 8

It is notable that even with a 50% contingency allowance, a full 60% of the estimated project cost is the sizeable escalation component largely caused by allocating the costs to the end of the 30-year period. The cost calculation is compounded further by the addition of inflation upon a contingency.

Table 1 breaks down the transport project costs in RWW across the DC Policy period. It is evident that:

(a) Projects at the start of the Policy period with very little escalation, still have an additional 36% added to the base costs via contingency and allowances.
(b) The proportion of costs arising from Contingency + Escalation increases in a roughly linear manner throughout the 30 year period, which demonstrates the sizeable impact deferral has on project costs.
(c) The total cost of projects in the 30th year of the Policy (2054) consists of 82% contingency and escalation. This adds an additional 1.1 billion dollars of cost.
(d) The 1.1 billion dollars of contingency and escalation in year 2054 could fund almost all transport projects between 2024 and 2038 (at base cost).

Year	Base cost (land and physical works) as at 2025	Base Cost + Contingency + Esclation	Contingency + Escalation Total	Contingency + Escalation as % of total cost
2024	$ 93,779,557	$ 147,217,612	$ 53,438,055	36%
2029	$ 95,635,598	$ 172,806,465	$ 77,170,867	45%
2033	$ 39,653,810	$ 131,321,484	$ 91,667,674	70%
2034	$ 7,345,227	$ 24,647,422	$ 17,302,195	70%
2035	$ 81,240,825	$ 163,263,017	$ 82,022,192	50%
2036	$ 5,212,465	$ 11,079,858	$ 5,867,393	53%
2037	$ 579,584,555	$ 1,795,169,906	$ 1,215,585,351	68%
2038	$ 305,065,205	$ 836,238,810	$ 531,173,605	64%
2039	$ 66,984,647	$ 155,187,120	$ 88,202,473	57%
2040	$ 109,133,638	$ 365,413,479	$ 256,279,841	70%
2042	$ 85,573,600	$ 491,774,197	$ 406,200,597	83%
2047	$ 11,832,014	$ 41,101,181	$ 29,269,167	71%
2052	$ 149,389,764	$ 735,023,836	$ 585,634,072	80%
2054	$ 247,397,785	$ 1,353,507,635	$ 1,106,109,850	82%

Table 1: RWW Transport Costs Demonstrating Contingency and Escalation added over the 30-year funding period. Note, these projects exclude allocation of project costs to different growth areas, developer mitigation, and any contribution from NZTA.

It is clear because of the 30-year funding period, excessive escalation and contingency is applied, meaning that early developers will be paying more than a *fair, equitable, and proportionate portion of the total cost of capital expenditure. The Policy as drafted therefore does not* meet the statutory purpose of development contributions under the LGA.

Not only does the deferral of projects into the back end of the 30-year period add significant escalation cost it also brings into question whether those projects will be delivered within the 30-year period

4.3 Arbitrary Delay to Redhills Westgate Whenuapai Transport Projects

Auckland Council commissioned *Beca* [6] to assess what transport projects would be needed in the RWW area, and at what time. Although NCL believes this assessment may not coincide with the FDS triggers discussed above, we accept that this was the best available professional advice provided to Auckland Transport (AT).

However, it appears that AT has taken the Beca findings (which draws conclusions on when each infrastructure item is required, based on forecast population growth), and significantly altered these which has led to sizeable DC increases due to escalation. The *P1 Date Adjustment* tab of the spreadsheet [7] notes "Construction Date: Finance Adjusted Modelled Construction year".

This spreadsheet model column is a mechanism to arbitrarily defer several projects by up to **16 years**. For example, *RWW 26a Brigham Creek Road - Tamatea Ave to Kauri Road* is assessed by Beca in their transport assessment as needed in 2027. However, AT have shifted this expenditure out to 2039. A further 33 transport projects with a total value of $420,250,000 after mitigation are delayed by an average of 8.65 years. As outlined above, any deferral inflates projects costs by adding significant extra escalation costs.

[6] Refer *01_Red Hills, Westgate, and Whenuapai DC Policy – Transport Assessment*
[7] *RWW_Transport_Capex_Redacted_Model_Consultation*

We do not believe funding constraints should take precedence over when infrastructure is needed and believe this will be detrimental to the development of the Whenuapai area. Furthermore, delaying projects adds significant cost, and therefore increases the development contributions beyond what is consider a *fair, equitable, and proportionate portion of the total cost of capital expenditure.*

4.4 The projects funded by DCs revenue collected from 2025 in many cases funds projects that are required for growth *beyond the 30-year period of the policy*, and in many cases cater for growth until 2080.

The Draft DC Policy includes charges for the acquisition and development of all 21 reserves in Whenuapai within the 30-year funding period. Irrespective of the number of reserves required, what is clear is that the need for these reserves is only required for the full build out of Whenuapai, which is projected for 2080. This is reflected by the *Capacity Year* in the DC model being set to 2080.

How then, is it that 100% of the costs to acquire and develop reserves in Whenuapai can be spent within the 30-year DC period, when the need for these reserves is directly correlated to household growth in Whenuapai, which is not expected to reach capacity until 2080? As drafted, the proposed policy collects an inflated DC for reserves that won't be required within the period of the DC, and for reserves that are *servicing growth 25 years beyond the DC policy period.*

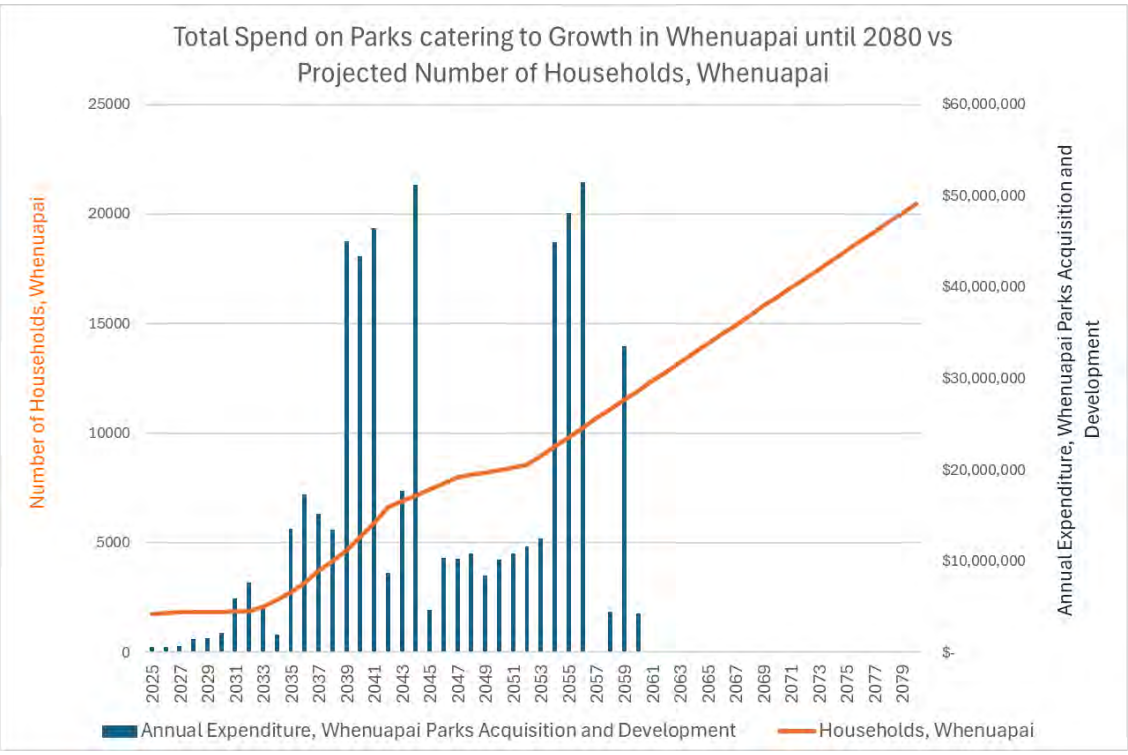


Figure 9: Graph depicting 100% of Reserves Spend, before Whenuapai reaches full build out

Figure 9 demonstrates that 100% of the Reserves Acquisition and Development) capital expenditure (providing 21 reserves to service growth until 2080) is spent in Whenuapai by 2060 (5 years after the period covered by the DC Policy), yet only 58% of total households in the area are expected to be established at this date. There is no need for these reserves, yet current developers are funding for growth well beyond the DC Policy horizon.

The same pattern is evident for Transport in Redhills Westgate Whenuapai (refer figure 10) with the transport projects funded having capacity to cater to growth until of 2080, but the cost is attributed to growth across the next 30 years.

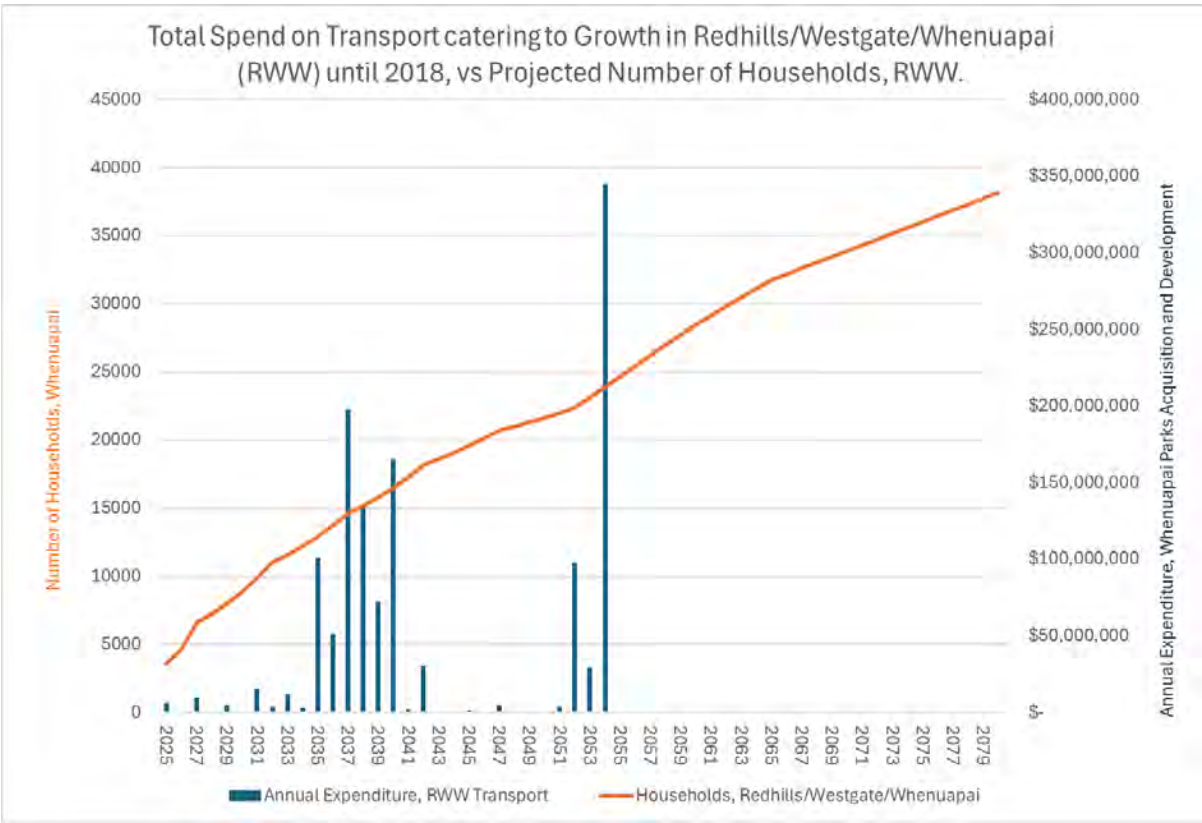


Figure 10: Graph depicting 100% of Transport Spend, before WWW reaches full build out (2080)

The prospect of delivering 100% of the reserve and traffic infrastructure required to cater to growth until 2080, but funding this this from DCs only collected across the next 30 years is unjust. This does not constitute a ***fair, equitable, and proportionate portion*** *of the total cost of capital expenditure and is therefore in beach of the LGA.*

5. Insufficient detail provided for reserve capital expenditure in Whenuapai

The information provided at consultation regarding Reserve Development (OLD A36) and Reserve Acquisition (OSL A36) in Whenuapai is insufficient. The investment in reserves is significant in Whenuapai, with $575 million dollars of capital expenditure being funding by DCs. 37% of the total DC collected per HUE in Whenuapai is allocated to reserves ($40,786 of $110,795).

Considering the scale of investment, we believe it is insufficient that only three-line items detailing the capital expenditure are provided; one for Reserve Acquisition, one for Reserve Development, and one within the LTP period called “Reserves one two and three PC14 (Hobsonville Corridor).

For context, other funding area (such as Auckland wide and Tamaki, which similarly to Whenuapai is an Investment Priority Area) have several line items for individual projects. This provides more transparency on what the components of the costs are.

A detailed breakdown was requested from the Development Contributions Team on several occasions, and it is acknowledged that they provided a rudimentary breakdown on 13/12/24. However, this didn't break down the total cost by projects, and the formula were removed from the Excel spreadsheet which made it impossible to analyse in a meaningful way.

6. The number of reserves in Whenuapai is not supported by evidence and is contrary to operative Auckland Council plans and policies.

According to the document provided at consultation[8], 21 reserves are to be acquired within the Whenuapai funding area in the next 30 years. NCL believe that this is not justified, and this number of reserves is inconsistent with operative Council plans and policy, as follows:

Whenuapai Structure Plan 2016

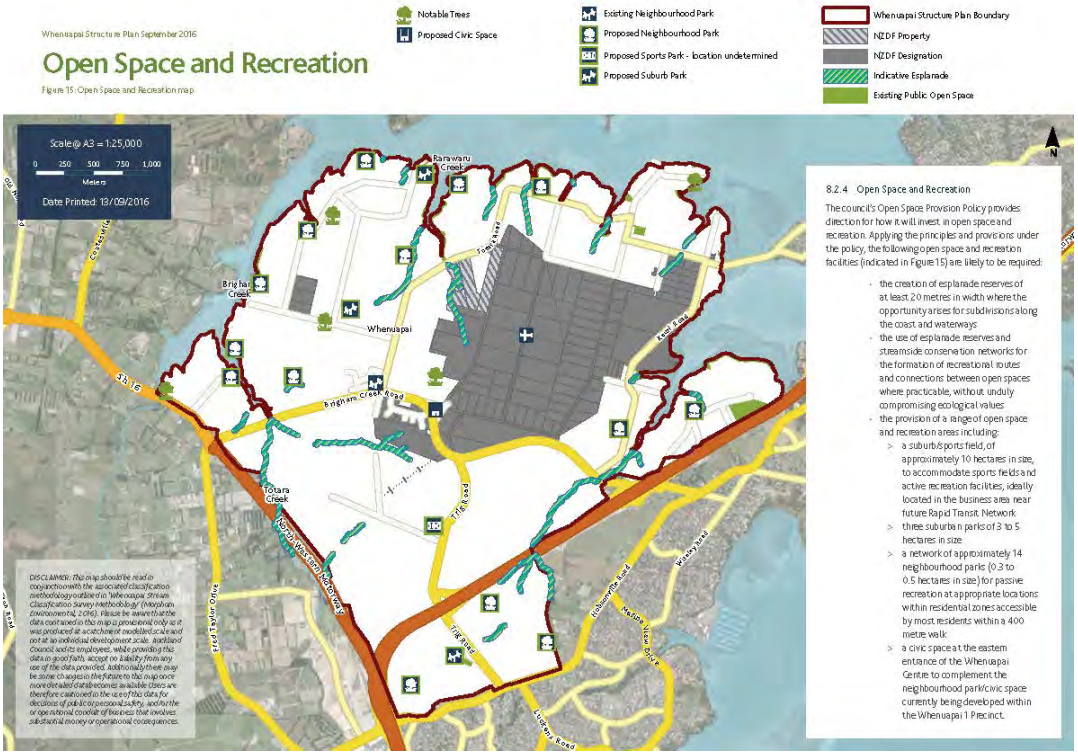


Figure 11: Whenuapai Structure Plan 2016

The Whenuapai Structure Plan indicates the need for 19 Council Reserves, detailed in figure 11 as follows (reproduced at a larger scale in appendix C):

- 14 proposed Neighbourhood Parks
- 1 existing Neighbourhood Park
- 1 Proposed Sports Park
- 3 proposed Parks

Since the Structure Plan was completed, Auckland Council has acquired the following reserves:

- A 10.63ha sports park on the corner of Trig and Spedding Road
- A 16.35ha recreation reserve on Brigham Creek Road adjacent to SH18.

[8] "*Investing in Open Spaces and Community Spaces*", Auckland Council

Accounting for the existing operative parks, and the parks that Council has acquired to date, based on the Whenuapai Structure plan 16 parks should be required for the full build out of Whenuapai. This is five fewer parks than is proposed under the draft DC Policy. Given significant land price escalation is applied to future park acquisitions (many of which are scheduled for the final years of the 30 year policy), increasing the projected total number of parks by 33% add significant costs to the DCs due in Whenuapai.

Open Space Provision Policy 2016

The conclusion that too many reserves are included in the draft DC Policy is reinforced by Council's operative Open Space Provision Policy. This policy informs how Council invests in land for parks and open space. It sets clear guidelines for the requirements and specifications of park assets, including the number of parks required to service an area based on the density of housing.

For each park type, this policy sets provision targets which are measured in radial distance in greenfield areas such as Whenuapai. Neighbourhood parks are specified to be within a 400m walk in high and medium density residential areas, and within a 600m from all other residential areas.

Figure 12 transposes 400m and 600m radii onto the Whenuapai Reserve funding area map (refer to full size version in appendix D) to service land in accordance with the specified walking distances**. This demonstrates that the whole funding area can be serviced with 13 neighbourhood parks.** This gives regard to the underlying operative or proposed zoning, including excluding the need for reserves within the proposed and operative Light Industrial Zone.

Figure 12: Placement of Parks in Whenuapai in accordance with the Open Space Provision Policy 2016

Based on the limited information provided, it appears the inclusion of 21 reserves is contrary to the Whenuapai Structure Plan 2016, and the Open Space Provision Policy 2016.

7. The DC payable in Whenuapai is inflated by $8,000 per HUE by one small line item which appears to be an error.

NCL questions the allocation of historic costs for **"Reserves one two and three PC14 (Hobsonville Corridor)"** to the reserve development expenditure in Whenuapai. This line item constitutes 98% of the $8131 reserve development per HUE in Whenuapai within the LTP period**.** No actual capital expenditure for this project is included in the DC Model and it appears Council are recovering historic costs in this area. NCL questions the validity of this charge based on the information provided.

It is assumed "Hobsonville PC14" is referring to the Precinct between Hobsonville Road and SH18 shown in figure 13. The zoning that applies to the precinct is shown in figure 14. Larger copies of both figures are replicated in Appendix E.

Figure 13: Hobsonville Corridor Precinct Plan

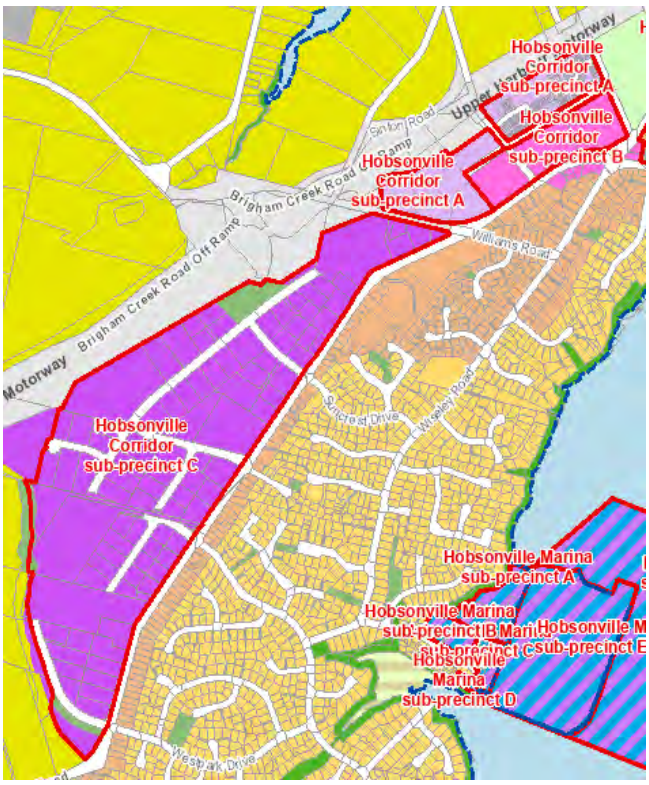


Figure 14: Hobsonville Corridor Zoning Plan

After reviewing both Council plans it is evident:

1. The Precinct plan for the Hobsonville Corridor does not indicate the inclusion of any parks.
2. The zoning of The Hobsonville Corridor precinct includes predominantly Light Industry Zone, with a small proportion of Mixed Use and Local Centre zone to the north.
3. Other than the drainage reserve shown in green in figure 14, and areas of esplanade reserve around streams within the catchment, **no land has been acquired by Council in this precinct for reserve purposes.**

NCL does not believe historic costs related to the development of "Reserves one two and three PC14 (Hobsonville Corridor)" is justified given:

- No recreation reserves have even been *acquired* within Hobsonville Corridor, so there are no parks to be developed in this area.
- Auckland Parks are not responsible for the acquisition or development of drainage reserves, so costs cannot be recovered for the construction of any historic stormwater reserves in this area.
- The zoning, being predominantly Light Industrial Zone, does not justify the need for 3 reserves as the *Open Space Provision Policy 2016* is in respect of residential land only.

Further, this cost is **unfairly distributed** by the model which artificially inflates the DC by adopting a capacity year which is inconsistent with all other reserve projects in Whenuapai. The cost per HUE has been inflated by setting the capacity year for this project to 2032, when all other reserve development and acquisition projects have a capacity year of 2080. 2080 is reflective of the full build out of Whenuapai. This miscalculation result in each HUE in Whenuapai paying $7998 towards a share of the modest $1,371,112 historic cost. If the capacity year adopted was consistent with the balance of park expenditure (2080) the DC price would reduce to $252 per HUE.

The cost per HUE is further inflated because the HUE model is only sharing the $1,371,112 historic cost between 209 HUE predicted in the funding area between 2025- 2032. The allocation to 209 HUEs across 7 years seems unrealistic given there have been numerous Private Plan Changes approved within the funding area recently.

Under the draft policy, Council will continue to collect $7998 from each HUE in Whenuapai throughout the 30-year term of the policy, despite the project costs being recovered from early developers before 2032. For the balance of the policy period, $7998 will be collected from 18,112 HUEs, totalling **$144,859,776 of overpayment** in Whenuapai between 2033 and 2054. This sizeable payment will be collected by Council, but no benefit will be provided to the developers who paid it.

8. The DC policy makes no allowance for developments ahead of sequence and the extent to which infrastructure is funded by private developers, in many cases this will result in infrastructure which has been budgeted for not being developed and paid for by Council.

Conclusion

Overall, it is clear that the Draft Development Contribution Policy is flawed and is not fit to be adopted as operative Auckland Council policy. To summarise, NCL's extensive analysis demonstrates that:

1) The DC Model contains inaccurate HUE modelling which does not reflect the Auckland Growth Model and poses significant financial risk to Council due to the resultant inaccurate revenue projections.
2) The DC model inflates capital expenditure used to calculate DCs by failing to apply the 51% FAR contribution from NZTA. This omission adds an estimated $180 million dollars to transport capital expenditure in Redhills/Westgate/Whenuapai.
3) The DC Policy fails to give regard to operative Council Policy, namely the FDS.
4) The DC Policy breaches s196AA of the LGA as a "*fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term."* NCL believes the draft policy fails to meet the statutory purpose of development contributions*, given:*

a. Distribution of capital expenditure through the 30-year period is not realistic
b. The application of excessive contingencies, and escalation for a 30-year period inflates base costs to an unfair level.
c. Transport projects are arbitrarily delayed (against traffic advice) which adds significant additional escalation costs.
d. Many projects funded by DC Revenue cater to growth *beyond* the 30-year period of the policy, including, in some cases, until 2080.

5) The information provided regarding Reserve Acquisition and Development is insufficient for the scale of expenditure and does not contain a justification for the number of reserves which is over and above of that stipulated in Council plans and polices.
6) The inclusion of costs for "Reserves one two and three PC14 (Hobsonville Corridor)", is unjust, and not supported by sufficient evidence.

Accordingly, NCL believe the Draft Development Contribution Policy 2025 should not be adopted due to the magnitude of the issues identified with the draft policy.

Relief Sought

Relief sought in relation to each point raised this submission is as follows:

General

(a) Withdraw the draft policy immediately due to the magnitude of issues identified.
(b) Have all DC Models which calculate development contributions independently audited to ensure that the assumption and calculations are accurate and compliant with the LGA and Council policy.
(c) Once audited, undertake consultation on the revised DC Policy and all associated financial models for a 6-week period.

1. Incorrect Modelling of Household Units Equivalent (HUEs)

(a) Provide a detailed methodology and justification for varying the HUEs per funding area from the growth model data and why the peak very late in the 30-year period occurs.
(b) Provide a clear statement that Council is fully aware of the fiscal and legal implications of rear-loading the projected revenue stream.
(c) Clarify the statistical relationship between the Auckland Growth Scenario 2023 Version 1.1 data and the projected HUEs contained in the Draft DC Policy 2025
(d) Clarify how and why it is reasonable for almost 14,000 households to be built in Redhills/Westgate/Whenuapai in a 24-month period, as per the HUE projections.
(e) Reassess the policy based on accurate HUE projections.

2. NZ Transport Agency Waka Kotahi's 51% contribution is not correctly applied to Transport in Redhills/Westgate/Whenuapai

(a) For the Auckland Transport RWW Transport model to be independently audited
(b) For project costs to be recalculated following an independent audit.

3. **The draft DC Policy fails to give regard to key Council policy, specifically the Future Development Strategy (FDS) 2023-2054**

(a) NCL requests that the transport capital expenditure timing is altered to align with the timing in the FDS. Namely, that the following projects are included within the first 10 years of capital expenditure:

- Spedding Road/ Northside Drive connection over SH16
- SH16 to SH18 Connections
- Spedding Road Upgrade and Extension
- Mamari Road Upgrade and Extension
- Trig Road Upgrade
- Brigham Creek Road

4. **The Draft DC Policy Breaches the Local Government Act 2002**

To ensure the DC Policy meets the criteria in s196AA of the LGA.

(a) Reduce the funding period from 30 years to 10 years to eliminate unreasonable escalation costs that inflate the projects costs, and result in early developers paying an unfairly inflated DC.
(b) Failing this, redistribute capital expenditure in the inner northwest (notably transport and reserve acquisitions) so that it is distributed evenly and fairly across the 30-year period.
(c) Return projects that have been arbitrarily delayed by Auckland Transport to the date specified in the Traffic advice provided by Beca.
(d) Remove capital expenditure from the DC model that provides infrastructure that services households beyond the 30-year DC policy horizon. Specifically, the sizeable capex allocated to transport and reserve acquisition/development catering for growth until 2080.

5. **Insufficient detail provided for reserve capital expenditure in Whenuapai**

(a) To release the detailing modelling that informs the reserve acquisition and reserve development costs attributable to DCs in Whenuapai.

6. **Unsupported assessment of number of Reserves in Whenuapai.**

(a) For Auckland Council to provide detail as to how the requirement for 21 parks in the Whenuapai catchment was calculated
(b) Failing this, for Council to reduce the number of parks to reflect operative Auckland Council Plans and Policy.

7. **Incorrect attribution of Reserve Costs to Whenuapai**

(a) That Council justify the costs associated with "Reserves one two and three PC14 (Hobsonville Corridor)" which we believe are calculated unfairly.
(b) That the DC for Reserve Development in Whenuapai be amended by:

i. Removing the costs Reserves one two and three PC14 (Hobsonville Corridor)"
ii. Failing this, extending the capacity year of "Reserves one two and three PC14 (Hobsonville Corridor)" from 2032 to 2080 to reflect the full build out in Whenuapai, which will reduce the cost per HUE within the LTP from $7998 to $252 per HUE.

NCL wishes to be heard in support of this submission.

Development Manager
Neil Construction Limited
[redacted]
0273 708 309

Appendix A

	HUEs per year for a selection of Funding Areas across Auckland which shows HUE distribution inconsitent with the Auckland Growth Model																												
FUNDING AREA	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**	**2053**	**2054**
Public Transport - Auckland wide	8289	8620	8211	6820	6449	6680	6952	6772	6043	6511	7058	7787	7410	6203	6550	6931	7358	7061	6293	6517	6772	7081	6425	5206	5372	5549	16100	19928	180	196
Transport - Auckland Wide	8289	8620	8211	6820	6449	6680	6952	6772	6043	6511	7058	7787	7410	6203	6550	6931	7358	7061	6293	6517	6772	7081	6425	5206	5372	5549	16100	19928	180	196
Reserve Development - Auckland wide	7877	8250	7866	6540	6185	6400	6666	6435	5847	6256	6771	7465	7097	5933	6257	6616	7009	6714	5960	6159	6389	6663	6015	4826	4955	5087	15219	18172	0	0
Reserve Acquisition - Auckland wide	7877	8250	7866	6540	6185	6400	6666	6435	5847	6256	6771	7465	7097	5933	6257	6616	7009	6714	5960	6159	6389	6663	6015	4826	4955	5087	15219	18172	0	0
Community Infrastructure - Auckland Wide	7542	8124	7737	6408	6050	6261	6517	6283	5710	6109	6621	7310	6937	5768	6086	6438	6827	6524	5762	5954	6175	6440	5782	4583	4699	4819	14870	17898	0	0
Public Transport - West	1486	1696	1656	1200	1165	1253	1379	1256	876	951	1037	1148	1061	841	920	1007	1110	1038	840	886	940	1003	915	735	765	801	9227	13341	71	76
Transport - West	1486	1696	1656	1200	1165	1253	1379	1256	876	951	1037	1148	1061	841	920	1007	1110	1038	840	886	940	1003	915	735	765	801	9227	13341	71	76
Community infrastructure - Northwest	818	1165	1158	769	768	849	963	834	547	608	681	782	706	521	588	669	761	659	427	462	505	553	474	313	331	347	8410	12295	21	22
Stormwater - Urban Auckland	7525	5854	5635	5071	4767	4848	4944	4916	4445	4619	4797	4998	4823	4408	4547	4692	4845	4876	4820	4950	5098	5278	4958	4335	4437	4548	6038	5791	358	367
Public Transport - Redhills / Westgate / Whenuapai	752	1082	1083	690	702	784	909	782	463	512	576	657	589	426	485	559	641	560	367	407	452	501	441	306	329	361	5579	8194	57	62
Transport - Redhills / Westgate / Whenuapai	752	1082	1083	690	702	784	909	782	463	512	576	657	589	426	485	559	641	560	367	407	452	501	441	306	329	361	5579	8194	57	62
Community infrastructure - Northwest 2025	806	1153	1145	753	757	832	952	820	537	600	676	773	700	518	582	665	758	655	423	457	501	547	468	310	326	343	5574	8044	21	22
Stormwater - Whenuapai / Redhills	691	998	1002	637	642	712	812	712	444	500	572	667	594	420	480	553	638	543	335	370	408	459	397	269	292	314	5265	7758	52	56
Reserve Development - Urban	5503	5571	5202	4395	4096	4163	4189	4001	3612	3712	3817	3924	3709	3312	3392	3473	3558	3636	3708	3775	3847	3921	3623	3124	3174	3231	4812	4284	5	5
Reserve Acquisition - Urban	5503	5571	5202	4395	4096	4163	4189	4001	3612	3712	3817	3924	3709	3312	3392	3473	3558	3636	3708	3775	3847	3921	3623	3124	3174	3231	4812	4284	5	5
Reserve Development - Whenuapai	43	39	27	5	5	5	6	79	206	249	313	400	423	394	452	523	607	507	283	315	349	394	325	191	205	222	4784	6970	0	0
Reserve Acquisition - Whenuapai	43	39	27	5	5	5	6	79	206	249	313	400	423	394	452	523	607	507	283	315	349	394	325	191	205	222	4784	6970	0	0
Public Transport - Central	4620	3918	3662	3070	2919	2986	2998	2933	2597	2670	2745	2824	2690	2441	2494	2550	2614	2628	2611	2665	2711	2761	2571	2250	2286	2328	3394	3335	191	193
Transport - Central	4620	3918	3662	3070	2919	2986	2998	2933	2597	2670	2745	2824	2690	2441	2494	2550	2614	2628	2611	2665	2711	2761	2571	2250	2286	2328	3394	3335	191	193
Public Transport - Kumeu / Huapai / Riverhead	16	13	13	13	13	13	14	16	3	3	3	3	2	1	1	1	1	1	1	1	1	1	1	1	1	1	2961	4439	0	0
Transport - Kumeu / Huapai / Riverhead	16	13	13	13	13	13	14	16	3	3	3	3	2	1	1	1	1	1	1	1	1	1	1	1	1	1	2961	4439	0	0
Community infrastructure - Rural West	32	29	29	33	28	28	28	38	54	54	55	55	60	63	64	66	67	57	39	39	39	40	28	12	13	13	2847	4255	0	0
Reserve Development - Kumeu / Huapai / Riverhead	8	9	10	10	9	9	9	8	3	3	3	3	2	1	1	1	1	1	1	1	1	1	1	1	1	1	2833	4248	0	0
Reserve Acquisition - Kumeu / Huapai / Riverhead	8	9	10	10	9	9	9	8	3	3	3	3	2	1	1	1	1	1	1	1	1	1	1	1	1	1	2833	4248	0	0
Stormwater - Kumeu / Huapai / Riverhead	12	10	10	10	10	10	10	14	3	3	3	3	2	0	0	0	0	0	0	0	0	0	0	0	0	0	2684	4028	0	0

Appendix B

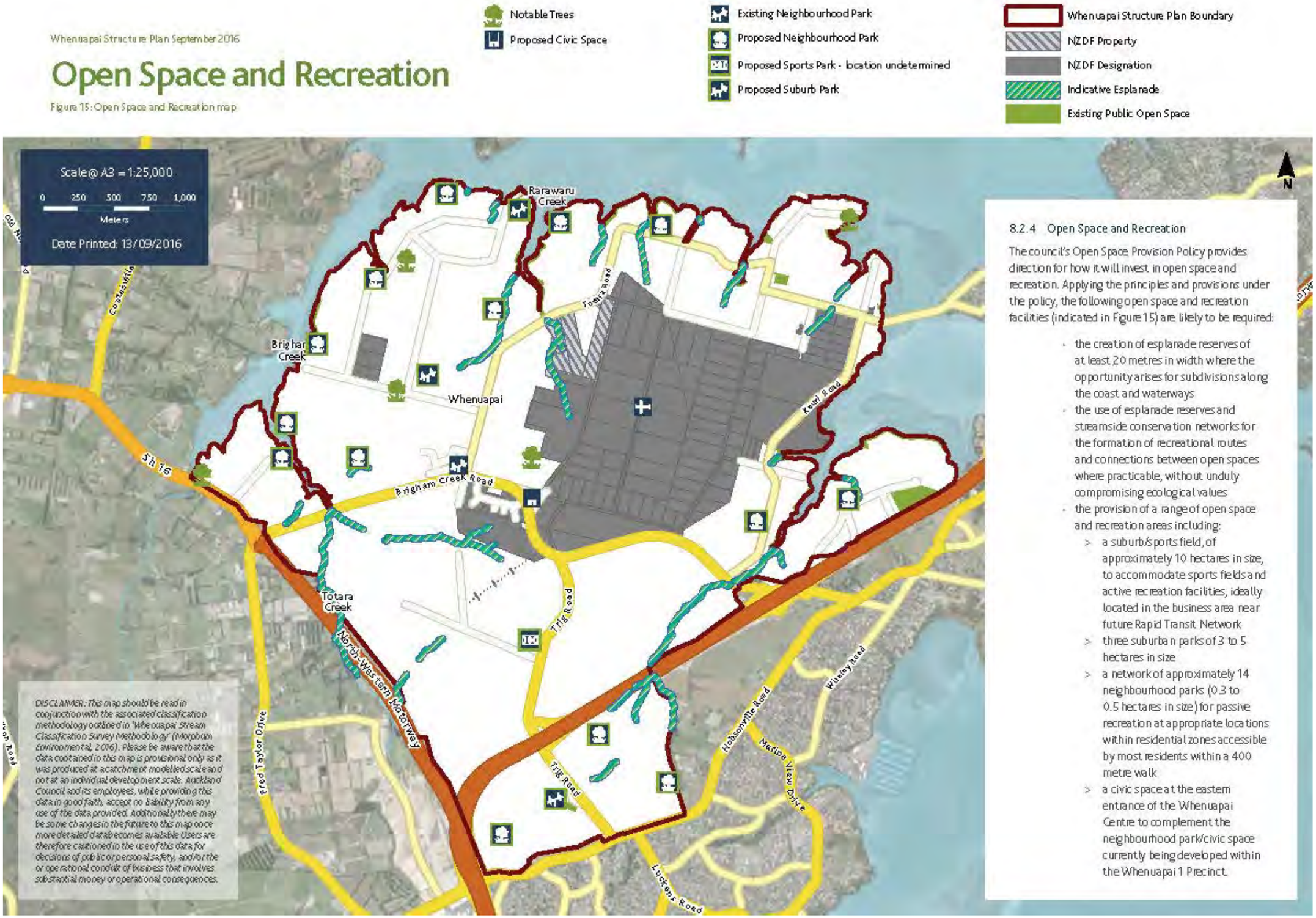
WBS code	Sentient ID / unique identifier	Project / programme name	Project/Programme description	Inflated cost 2034/35	Inflated cost 2035/36	Inflated cost 2036/37	Inflated cost 2037/38	Inflated cost 2038/39	Inflated cost 2039/40	Inflated cost 2040/41	Inflated cost 2041/42	Inflated cost 2042/43	Inflated cost 2043/44	Inflated cost 2044/45	Inflated cost 2045/46	Inflated cost 2046/47	Inflated cost 2047/48	Inflated cost 2048/49	Inflated cost 2049/50	Inflated cost 2050/51	Inflated cost 2051/52	Inflated cost 2052/53	Inflated cost 2053/54
71	RWW 71 Transport - Redhills / Westgate / Whenuapai	Northside Drive West from Fred Taylor Dr to Stream	new 2-lane arterial road with dedicated walking and cycling facilities. 24m	79,837	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	308,002	509,133	5,518,235
71	RWW - WK 71 Transport - Redhills / Westgate / Whenuapai	Northside Drive West from Fred Taylor Dr to Stream	new 2-lane arterial road with dedicated walking and cycling facilities. 24m	-40,717	0	0	0	0	0	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
26b	RWW 26b Transport - Redhills / Westgate / Whenuapai	Brigham Creek Road - Tamatea Ave to Kauri Road	4-lane urban- upgrade 2-lane urban with active modes on both sides (SGA design)	0	2,525,217	0	0	0	106,134,431	0	0	0	0	0	0	0	0	0	0	0	52,486,743	13,773,014	168,714,018
26b	RWW - WK 26b Transport - Redhills / Westgate / Whenuapai	Brigham Creek Road - Tamatea Ave to Kauri Road	4-lane urban- upgrade 2-lane urban with active modes on both sides (SGA design)	0	-1,287,861	0	0	0	-54,128,560	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
3b	RWW 3b Transport - Redhills / Westgate / Whenuapai	Brigham Creek Road - Totara Road to Tamatea Ave	4-lane urban- upgrade 2-lane urban with active modes on both sides (SGA design)	0	0	0	0	0	17,410,231	0	0	0	0	0	0	0	0	0	0	0	14,290,470	3,923,914	43,872,967
3b	RWW - WK 3b Transport - Redhills / Westgate / Whenuapai	Brigham Creek Road - Totara Road to Tamatea Ave	4-lane urban- upgrade 2-lane urban with active modes on both sides (SGA design)	0	0	0	0	0	-8,879,218	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
42b	RWW 42b Transport - Redhills / Westgate / Whenuapai	Northside Drive East from Fred Taylor Dr to Stream	new 2-lane arterial road with dedicated walking and cycling facilities. 24m	1,838,460	19,201	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	322,451	7,560,495
42b	RWW - WK 42b Transport - Redhills / Westgate / Whenuapai	Northside Drive East from Fred Taylor Dr to Stream	new 2-lane arterial road with dedicated walking and cycling facilities. 24m	-937,615	-9,792	0	0	0	0	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
52b	RWW 52b Transport - Redhills / Westgate / Whenuapai	Intersection upgrade on Trig Road/ Brigham Creek Rd	Upgrade to Dual lane roundabout	0	10,236,589	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,031,097	1,267,270	18,593,449
52b	RWW - WK 52b Transport - Redhills / Westgate / Whenuapai	Intersection upgrade on Trig Road/ Brigham Creek Rd	Upgrade to Dual lane roundabout	0	-5,220,660	0	0	0	0	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
58b	RWW 58b Transport - Redhills / Westgate / Whenuapai	Intersection upgrade on Brigham Creek Rd/ Kauri Road	Upgrade to Dual lane signalised intersection	0	137,007	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	844,847	12,972,190
58b	RWW - WK 58b Transport - Redhills / Westgate / Whenuapai	Intersection upgrade on Brigham Creek Rd/ Kauri Road	Upgrade to Dual lane signalised intersection	0	-69,874	0	0	0	0	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
61b	RWW 61b Transport - Redhills / Westgate / Whenuapai	Intersection upgrade on Brigham Creek Rd/ Tamatea Ave	Upgrade to Dual lane signalised intersection	0	0	0	0	0	5,311,250	0	0	0	0	0	0	0	0	0	0	0	0	625,812	7,617,562
61b	RWW - WK 61b Transport - Redhills / Westgate / Whenuapai	Intersection upgrade on Brigham Creek Rd/ Tamatea Ave	Upgrade to Dual lane signalised intersection	0	0	0	0	0	-2,708,737	0	0	0	0	0	0	0	MISSING NZTA CREDITS FOR ARTERIAL ROADS (51%)						
				$ 939,965	$ 6,329,827	$ -	$ -	$ -	$ 63,139,396	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 72,116,311	$ 21,266,441	$ 264,848,915

Appendix C

Whenuapai Structure Plan September 2016

Open Space and Recreation

Figure 15: Open Space and Recreation map



8.2.4 Open Space and Recreation

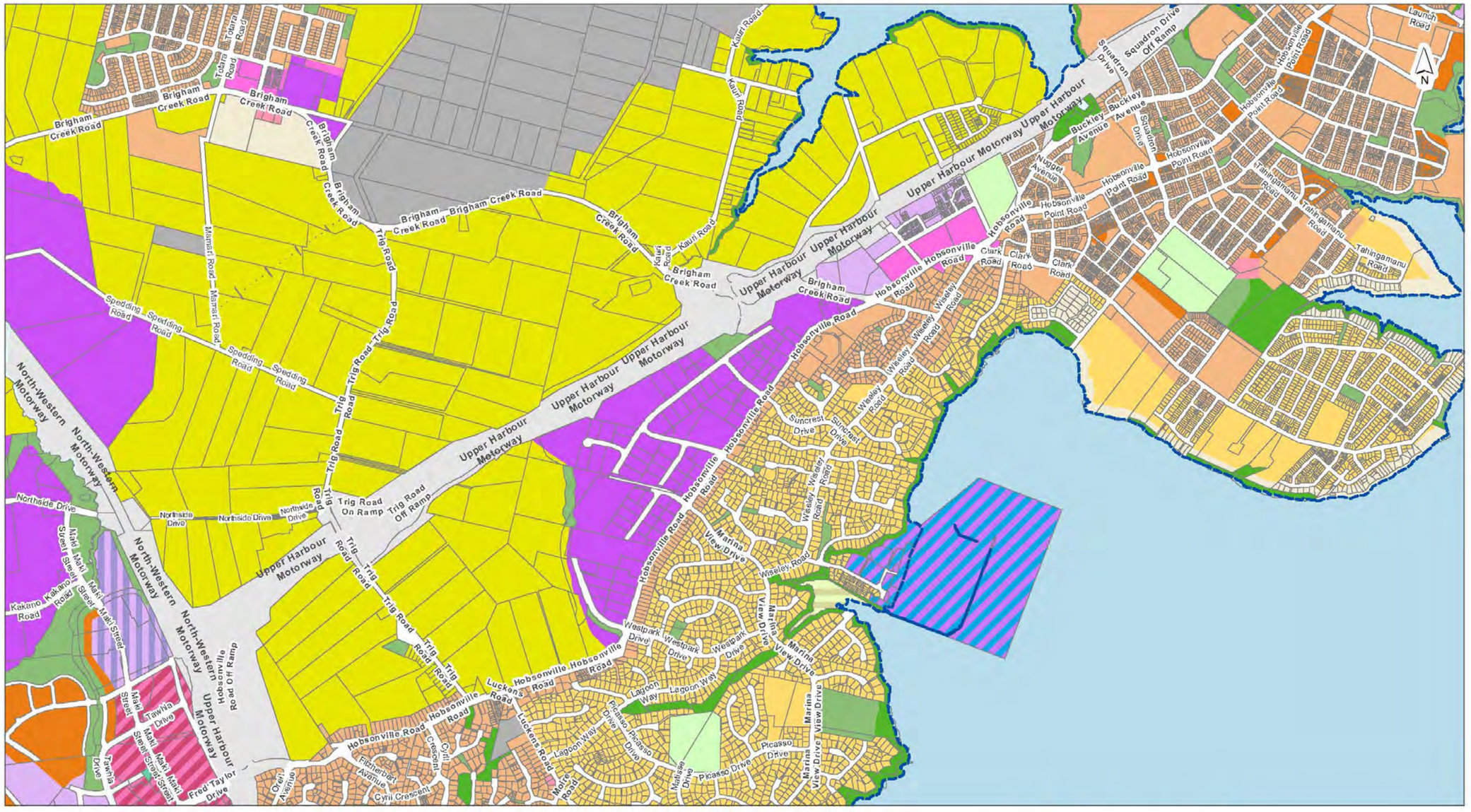
The council's Open Space Provision Policy provides direction for how it will invest in open space and recreation. Applying the principles and provisions under the policy, the following open space and recreation facilities (indicated in Figure 15) are likely to be required:

- the creation of esplanade reserves of at least 20 metres in width where the opportunity arises for subdivisions along the coast and waterways
- the use of esplanade reserves and streamside conservation networks for the formation of recreational routes and connections between open spaces where practicable, without unduly compromising ecological values
- the provision of a range of open space and recreation areas including:
  - a suburb/sports field, of approximately 10 hectares in size, to accommodate sports fields and active recreation facilities, ideally located in the business area near future Rapid Transit Network
  - three suburban parks of 3 to 5 hectares in size
  - a network of approximately 14 neighbourhood parks (0.3 to 0.5 hectares in size) for passive recreation at appropriate locations within residential zones accessible by most residents within a 400 metre walk
  - a civic space at the eastern entrance of the Whenuapai Centre to complement the neighbourhood park/civic space currently being developed within the Whenuapai 1 Precinct.

Appendix D

400m
600m
KEY
Park placement in accordance with the Open Space Provision Policy 2016
Base Auckland
Parks Already Acquired
Future or Operative LIZ Zone
Medium Density Housing
Low Density Housing
High Density Housing
Mixed Use Zone
Loal Centre Zone

Appendix E



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Zones and Rural Urban Boundary
Zoning Plan: Hobsonville Corridor

0 150 300 450
Meters

Scale @ A3
= 1:15,000

Date Printed:
18/12/2024

Auckland Council
Te Kaunihera o Tāmaki Makaurau

Auckland Unitary Plan Operative in part 15th November 2016 - LEGEND

Auckland Council

Date: 16/01/2024

NOTATIONS

Appeals to the Proposed Plan

Appeals seeking changes to zones or management layers

Proposed Modifications to Operative in part Plan

Notice of Requirements

Proposed Plan Changes

Tagging of Provisions:

[i] = Information only

[rp] = Regional Plan

[rcp] = Regional Coastal Plan

[rps] = Regional Policy Statement

[dp] = District Plan (only noted when dual provisions apply)

ZONING

Residential

- Residential - Large Lot Zone
- Residential - Rural and Coastal Settlement Zone
- Residential - Single House Zone
- Residential - Mixed Housing Suburban Zone
- Residential - Mixed Housing Urban Zone
- Residential - Terrace Housing and Apartment Buildings Zone

Business

- Business - City Centre Zone
- Business - Metropolitan Centre Zone
- Business - Town Centre Zone
- Business - Local Centre Zone
- Business - Neighbourhood Centre Zone
- Business - Mixed Use Zone
- Business - General Business Zone
- Business - Business Park Zone
- Business - Heavy Industry Zone
- Business - Light Industry Zone

Open space

- Open Space - Conservation Zone
- Open Space - Informal Recreation Zone
- Open Space - Sport and Active Recreation Zone
- Open Space - Civic Spaces Zone
- Open Space - Community Zone
- Water [i]

Rural

- Rural - Rural Production Zone
- Rural - Mixed Rural Zone
- Rural - Rural Coastal Zone
- Rural - Rural Conservation Zone
- Rural - Countryside Living Zone
- Rural - Waitakere Foothills Zone
- Rural - Waitakere Ranges Zone

Future Urban

- Future Urban Zone
- Green Infrastructure Corridor (Operative in some Special Housing Areas)

Infrastructure

- Special Purpose Zone - Airports & Airfields
  Cemetery
  Quarry
  Healthcare Facility & Hospital
  Tertiary Education
  Māori Purpose
  Major Recreation Facility
  School
- Strategic Transport Corridor Zone

Coastal

- Coastal - General Coastal Marine Zone [rcp]
- Coastal - Marina Zone [rcp/dp]
- Coastal - Mooring Zone [rcp]
- Coastal - Minor Port Zone [rcp/dp]
- Coastal - Ferry Terminal Zone [rcp/dp]
- Coastal - Defence Zone [rcp]
- Coastal - Coastal Transition Zone

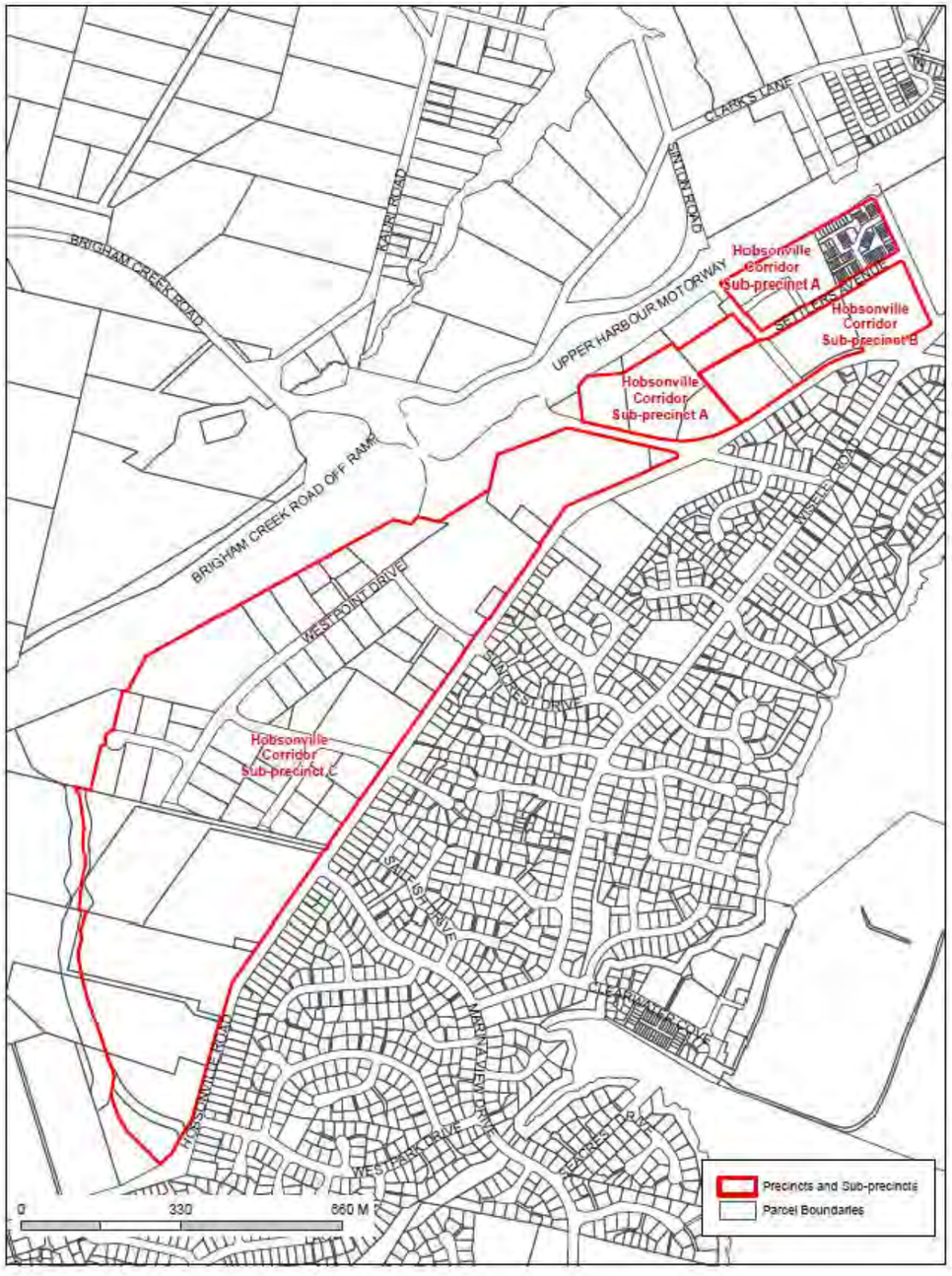
Precincts

Rural Urban Boundary

Indicative Coastline [i]

I603.10. Precinct plans

I603.10.1. Hobsonville Corridor: Precinct plan 1



Development Contributions Policy Review

#121

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Harvey Norman

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

This submission is made to the Auckland Council's Governing Body on its proposal to adopt Development Contributions Policy 2025 ('DCP25').

INTRODUCTION

1. This submission is made by Harvey Norman Properties (NZ) Limited on behalf of itself and Harvey Norman's related New Zealand companies ("Harvey Norman").

2. Harvey Norman has been conducting business in New Zealand for the past 27 years and is a household name and market leader in the retailing of electrical, computer, furniture, entertainment and bedding goods. It owns and operates large format retail centres, smaller outlets and warehouses throughout Australasia and internationally. Domestically, Harvey Norman has a presence in all major urban and provincial centres.

3. In Auckland, Harvey Norman has five major stores located at Wairau Valley, Westgate, Mt Wellington, Manukau and Pukekohe. Smaller stores offering selected product ranges are located in Henderson, Mt Roskill, Glen Innes, Botany and Takanini. Harvey Norman's Head Office is located in Manukau and has a large distribution centre located in Wiri. The company also has on-site and off-site warehouses throughout the Auckland metropolitan area.

4. Harvey Norman proposes to expand its presence across Auckland, but notes that DCP25 will give rise to project feasibility issues and, consequentially, the potential disablement of people and communities who value Harvey Norman's presence in Auckland.

5. Harvey Norman is concerned that DCP25 will give rise to unintended and adverse economic consequences for Auckland's commercial, retail and property sectors, with potential ramifications at a national economy level.

6. Harvey Norman's concern arises from its uniquely broad business perspective and experience as:

   - A retailer (of "home base" merchandise);
   - A property developer;
   - A property investor;
   - A commercial asset manager; and
   - A financial services provider.

SUBMISSION

7. Harvey Norman makes the following submissions in relation to DCP25:

a) That DCP25 should only apply a 10-year planning horizon (rather than 30 years in specific areas).

b) That DCP25 adopt a phase-in or adjustment period for any significant increases to development contributions.

c) That Auckland Council should defer final consideration of DCP25 until such time as the Finance Department's workings and assumptions have been the subject of independent review.

d) That the Transport Units of Demand for retail activities be more directly based on an activity's traffic generation, rather than solely on Gross Development Area.

8. For clarity, Harvey Norman acknowledges the infrastructure projects identified by the Council and the need for these to be delivered in a methodical and timely manner.

10 Years Versus 30 Years

9. Harvey Norman submits that DCP25 should only propose development contributions for infrastructure being delivered within the next 10 years, rather than infrastructure anticipated within the next 30 years.

10. The adoption of a 10-year planning horizon would be consistent with planning timeframes used by Auckland Council for Long-Term Plans under the Local Government Act 2002 and by Auckland Transport for Regional Land Transport Plans under the Land Transport Management Act 2003. There is, therefore, relative certainty as to the extent and type of infrastructure investment that will be undertaken within the next 10 years. The same assurance is not available for projects beyond that timeframe.

11. Harvey Norman considers that a 30-year planning horizon is not appropriate for DCP25 as projections for 30 years, including cost estimations, are unreliable, resulting in potentially significant margins of error. This can already be observed where DCP25 is proposing significant changes of up to $6K per Household Unit Equivalent ('HUE') to the contributions required for projects within a 30-year planning horizon in Drury from those assumed only two years ago under the Development Contributions Policy 2022 Variation A.

12. Harvey Norman is also concerned that Auckland Council is misapplying decisions made for the Drury area (under the Development Contributions Policy 2022 Variation A) by applying a 30-year planning horizon to other parts of Auckland as part of DCP25 despite a series of unique circumstances applying at Drury. Specifically:

a) Multiple major landowning and development companies had private plan changes approved by an Independent Hearings Panel to rezone Future Urban Zoned land to a series of the most high-intensity zones in the Auckland Unitary Plan, being Business – Metropolitan Centre, Business – Mixed Use and Residential – Terrace Housing and Apartment Buildings.

b) Auckland Council voted to take legal action to appeal the plan change decisions on the basis that infrastructure funding issues had not been addressed to its satisfaction.

c) Faced with such opposition, including the prospect of prolonged legal action in the Environment Court and higher courts, the majority landowning and development companies accepted Development Contributions Policy 2022 Variation A, which resulted in increases to development contribution levies of approximately $70,000 excluding GST for each Household Equivalent Unit (from $22.5K to $91.5K in "Drury East"). The Environment Court appeals were subsequently settled by Consent Order.

d) Development Contributions Policy 2022 Variation A was effectively a "quid pro quo" between Auckland Council and the major Drury developers avoiding significant litigation risk and cost through the higher courts. As a result of the plan change approvals, the developers' land achieved substantial value uplift due to the re-zonings (from enabling almost no development under the Future Urban zone provisions to some of the most enabling zones in Auckland), within which the additional development contribution costs could be absorbed.

13. The majority of the areas subject to application of a 30-year planning horizon in DCP25 are already live zoned and are not subject to plan change processes. Therefore, there is no value uplift resulting at the same time to offset the increased development contribution costs. As a result, there will be a direct impact on established urban areas, including areas of interest to Harvey Norman.

Adjustment Period

14. Harvey Norman submits that, if DCP25 continues to propose significant increases to development contributions, that Auckland Council adopts a phase-in or adjustment period in order to mitigate the significant commercial impacts of these large increases. Indexation should also be applied to DC payments made where the planning horizon extends beyond 10 years.

15. Geographic areas of interest to Harvey Norman are all subject to significant increases in development contributions under DCP25. These increases are approximately 150% on average. Excluding Drury, where the 30-year planning horizon has already been adopted, these increases range from approximately 70% to 320%. Even within Drury, increases of between 15% and 205% are proposed. The majority of these increases can be attributed to the 30-year planning/costing horizon for transport projects, which increase the Auckland-wide transport levy alone by $10K per HUE. The resultant additional costs to Harvey Norman for the establishment of new major stores, for example, would significantly impact the feasibility and deliverability of such projects.

16. The DCP25 increases are unprecedented in New Zealand. They are considered to be excessive and inflationary, potentially raising issues of economic concern at a national level, particularly if other Councils were to adopt a similar approach.

17. The economic effects on the development sector are of sufficient magnitude that central government may consider it necessary to intervene and limit the DC-levy-raising powers of Councils to levels that are benchmarked against a suitable construction-related metric.

Independent Review

18. Related to the above concerns, Harvey Norman submits that Auckland Council should defer final consideration of DCP25 until such time as its Finance Department's workings and assumptions have been the subject of independent review by a specialist team comprising analysts with expertise in economics, finance, engineering and quantity surveying.

19. As matters stand, the Governing Body is being asked by its Finance Department to form judgements on the workings of in-house personnel whom, we are informed, have refused to release critical information requested by stakeholders for their own review.

20. Given the significant impact that DCP25 is likely to have on economic growth in Auckland, and the importance of that growth to the national economy, it is considered appropriate for a central government agency to undertake an independent review of the Auckland Council's proposal. If Auckland Council is confident that DCP25 is robust, it should be willing to support an independent review. Harvey Norman considers that such a review team should be appointed by the Ministry of Business, Innovation and Employment ('MBIE') to ensure the necessary level of independence.

21. This independent review should also confirm:

    a) The suitability of the assumptions and costings applied to DCP25, particularly for projects costed beyond the LGA-based 10-year planning horizon.

    b) The likely margins of error for projects beyond a 10-year planning horizon and, if they are significant, the appropriateness of these projects being included in DCP25.

    c) The extent to which construction cost benchmarking should apply, or indexation in the case of any projects costed beyond the LGA-based 10-year planning horizon.

    d) The need for an "expenditure accountability" policy and timeframes, so that the DC-funded projects are the subject of timely delivery by Auckland Council (and its CCO, Auckland Transport).

Transport Units of Demand

22. Harvey Norman submits that the Transport Unit of Demand specified in DCP25 for retail activities, based on gross development area, do not fairly recognise the nature and scale of various retail activities that fall within that category, their different trip generation characteristics and resultant impact on the transport network.

23. DCP25 continues to apply (in line with previous development contribution policies) a Transport Unit of Demand of 1.0 HUE per 215 m^2 gross development area ('GDA') for Retail activities (alongside hospitality, recreation and personal services). As demand for transport infrastructure directly correlates with an activity's trip generation, DCP25 therefore assumes that the trip generation associated with all retail activities constantly and consistently increases with floor area increases. However, it is well established that this is not the case with large format retail activities, which have grown as a retail phenomenon over the past 40 years throughout New Zealand. Large format retail activities, such as Harvey Norman's major stores, generate fewer trips per 100 m^2 than other retail activities. This is particularly the case for stores displaying and selling large and bulky products, such as furniture.

24. As an example, NZTA research report 453 (dated November 2011) identified trip generation rates of approximately 45 vehicles per day and 5.6 vehicles per peak hour per 100 m^2 gross floor area for large format retail, compared to between 84 and 100 vehicles per day and between 9.9 and 18.9 vehicles per peak hour per 100 m^2 gross floor area for shopping centres. For the shopping centre rates, a clear reduction in traffic generation per 100 m^2 for larger centres is observed. The DCP25 assumption that traffic generation increases constantly with gross floor area of retail activities is therefore flawed.

25. Harvey Norman submits that DCP25 needs to introduce a new Transport Unit of Demand for Large Format Retail that is approximately half of that applying to retail activities in general. Therefore, a rate no greater than 1.0 HUE per 430 m^2 GDA should be applied. This is particularly important in light of the significant increase to transport contributions proposed by DCP25.

RELIEF SOUGHT

26. Harvey Norman seeks the following relief:

a) That DCP25 be independently reviewed by a Government-appointed expert panel prior to any further consideration by the Auckland Council Governing Body.

b) That DCP25 be amended to remove development contributions for projects which extend beyond a 10-year planning horizon.

c) That DCP25 be amended to ensure that any increases to development contributions are benchmarked against a suitable construction-related metric.

d) That DCP25 introduce a new Transport Unit of Demand for Large Format Retail at a rate of no greater than 1.0 HUE per 430 m^2 GDA.

[redacted]

National Development and Asset Manager (NZ)

Development Contributions Policy Review

#122

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Neilston Homes

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Your details

Your name and feedback will be included in public documents. All other personal details will not be made available to the public.

First name: [redacted] Last name: [redacted]

Email or postal address: [redacted]

Your local board or suburb:

Are you providing:

- [ ] Your **personal** feedback
- [x] Feedback as the official representative of an **organisation**

  Organisation name: Neilston Homes

These questions are optional but will help us understand which groups of the community are engaging with us.

What gender are you?

- [x] Male
- [ ] Female
- [ ] Another gender: _____

What age group are you?

- [ ] Under 15
- [ ] 15-17
- [ ] 18-24
- [ ] 25-34
- [x] 35-44
- [ ] 45-54
- [ ] 55-64
- [ ] 65-74
- [ ] 75+

Which ethnic group(s) do you feel you belong to? (Please select as many as apply)

- [x] Pākehā/NZ European
- [ ] Māori
- [ ] Cook Islands Māori
- [ ] Samoan
- [ ] Tongan
- [ ] Indian
- [ ] Chinese
- [ ] Southeast Asian
- [ ] Korean
- [ ] Other (please specify): _____

Would you like to subscribe to any of the following? (tick all that apply)

- [ ] People's Panel – to take part in council surveys
- [ ] OurAuckland – your weekly guide to what's happening in Auckland
- [ ] Auckland Conversations - free public events offering ideas, inspiration and action for world-class cities

You can also visit AK Have Your Say at akhaveyoursay.nz to find out about, or register to receive regular updates on, consultation activities happening across Auckland

Important privacy information

The personal information that you provide in this form will be held and protected by Auckland Council in accordance with our privacy policy (available at **aucklandcouncil.govt.nz/privacy** and at our libraries and service centres) and with the Privacy Act 2020. The privacy policy explains how we can use and share your personal information in relation to any interaction you have with the council, and how you can access and correct that information. You should familiarise yourself with this policy before submitting this form.

Your feedback (all questions are optional)

1. Updated spending over the next 10 years

For more information, see page 18 of the consultation document.

Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

- [X] Support
- [ ] Do not support
- [ ] Other
- [ ] I don't know

Tell us why

See attached feedback

2. Spending in Investment Priority Areas over the next 30 years

We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

- [ ] Support
- [ ] Do not support
- [X] Other
- [ ] I don't know

Tell us why

See attached feedback

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

- ☐ Support
- ☐ Do not support
- ☐ Other
- ☐ I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

- ☐ Support
- ☐ Do not support
- ☒ Other
- ☐ I don't know

Tell us why

See attached feedback

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Need more room? You can attach extra pages.

NEILSTON HOMES

15/11/24

Auckland Council
Development Contributions Policy Team
Via email: contributions.policyteam@aucklandcouncil.govt.nz

Re: Development Contributions Policy Review

To whom it may concern,

We are an Auckland based property development company, who deliver new homes in brownfield areas. First home buyers are our target market. We deliver homes which are affordably priced, for the areas we deliver in.

We agree that development must pay for its fair share of the cost of growth.

Feedback

1. **Updated spending over the next 10 years**

Please ensure there is no double dipping between funding sources.

2. **Spending in Investment Priority Areas over the next 30 years**

The proposed increase in Development Contributions is considered too significant for a single stepped change.

The economic impacts of this policy will be significant, to the detriment of first home buyers, renters and housing affordability in Auckland.

Whilst increased development contributions will not result in a sudden increase in house prices, the initial impact on development will be a significant reduction in the supply of new sections, most notably in the areas with considerable DC price rises (which are the main areas where growth is being targeted). Only over time will this improve.

The consultation document acknowledges that *"The (increased) DC price will lower the price developers are willing to pay for land"*, it then goes on to state that *"There may be an indirect effect on the sequence of sites getting taken up for new housing across the city in the short term as development adjusts around a new equilibrium. However, this will be small relative to other market factors."*

We believe the impact of the indirect effect on; the sequence and number of sites that will get developed, has been significantly underestimated.

NEILSTON HOMES

Taking Tamaki as an example to demonstrate the impact:

- Say a site is valued at $1.6m 'as is' for an existing home on the site – ignoring development potential.
- Say the same site (before the development contributions increase) was valued at $1.65m to the developer, based on yield of 5 houses.
- The highest and best use of the site, and the likely outcome would be that a developer would purchase the site and 5 new houses would be developed.
- After the development contributions increase ($450k - $90k per house) the property would only be worth $1.24m to the developer.
- The highest and best use for the site is 'as is' for the existing home, thus the developer would not purchase the site and 4 additional homes would not be delivered to the market.

Some homes will be delivered in locations where development contribution increases are smaller however overall, there will be reduced supply to the market. This reduced supply will put pressure on house prices, pressure on rents and ultimately house prices will increase. Making houses more unaffordable.

Only after further increases in house prices, will the highest and best use change and development become the best use. Only over time will we see significant levels of increased housing supply.

This point would not have been so prevalent in the significant step change in development contributions experienced by Drury in 2022. Drury is largely undeveloped, the highest and best use would remain residential development and one would expect that land prices would have adjusted to accommodate the bulk of the increase.

The economic report supplied by Council as part of the consultation, acknowledges that the above is a valid issue. It also mentions a possibility that higher DC's will result in earlier delivery of infrastructure that can accelerate development, however history tells us that this will not happen.

The context of where we are in the current property cycle is also a key consideration. In recent years prices have declined, costs have increased, and interest rates remain high. Building consent approvals, being a leading indicator of house construction, are down significantly. This policy risks an even greater reduction in supply.

<u>Recommendations</u>

A combination of a price transition and targeted rates.

We believe the best solution for the significant increase in DCs is a price transition period. Where the increase is phased in over a 5 year period. Whilst a price transition

will result in increased costs for rate payers, the alternative of stalled development will have a greater impact on society via increased houses prices due to lack of new supply. Lack of supply has been a significant issue for Auckland for some time and has led to significant affordability issues.

Targeted rates is a solution that Council need to advance in the short term. Milldale is a prime example of this working successfully. Yes, it will have its challenges, particularly in relation to Brownfield areas, but it is a solution that pays the increased costs over time. Council must find a way to make this work.

3. **Development contributions in Drury**

No comment

4. **Other proposed changes**

New subregional funding for Whau is not supported. The area is too broadly defined. More detailed consideration needs to be given to those who will benefit from the infrastructure. Further review of the proportion of community infrastructure to be funded via DC's is required.

An example is the proposed Recreation Centre in Avondale $104m, of which 50% or $52m is to be funded by DC's. The benefit to the existing community is more significant than 50%. In terms of location, the Whau area includes Mt Albert which already has a community centre, sports hall, swimming and fitness in the immediate proximity. For the new homes being developed in Mount Albert this represents a very poor value for money outcome.

Yours faithfully,

[redacted]

Neilston Homes

Development Contributions Policy Review

#123

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Karaka Sports Park Trust

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

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These changes include:

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- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy 2025

Feedback from Karaka Sports Park Trust

We submit that the Karaka Sports Park development be specifically included in Schedule 8 "Assets for which development contributions will be used":

Infrastructure type	Community infrastructure
Funding Area	Rural South West
Project name	Karaka Sports Park
Project description	The development of a multi-sport and community facility at Karaka Sports Park
Funding sought	To support the provision of sport and community facilities such as field irrigation and drainage, toilet and changing room buildings, field lighting, carparking, active mode pathways

Project detail.
The Karaka Sports Park is a large (17.5 ha) park within the Franklin Local Board area. The park is home to a number of sports clubs catering for a number of codes including tennis, rugby, cricket, netball, baseball, lawn bowls, rugby league and touch rugby. The approved indicative business case includes sand carpeting six playing fields, netball and tennis courts, cricket nets (indoor and outdoor), cycle and pedestrian routes, lighting for courts and sports fields and carparking. It also includes buildings to house toilet and changing facilities, administration, sport support offices, kitchen, meeting and lounge areas.

Sports field lighting and sand carpeting fields have been added as a result of the indicative business case identifying that there is a current shortfall of lit weekday field time for winter sports of 40 hours per week, which is forecast to grow to a shortfall of 105 hours per week by 2028.

The development of the Karaka Sports Park supports Auckland Council's commitment to Māori and supports positive outcomes for Māori participation in sport and recreation. Engagement has been undertaken with Ngati Tamaoho to date who are supportive of the concept plan.

This project was selected by the Franklin Local Board as their One Local Initiative for funding as part of the Long-term Plan 2018-2028. The Local Board has worked with the Karaka Sports Park Trust to prepare the business case for the development. The Karaka Sports Park Trust is actively involved in the development and operation of Karaka Sports Park. There is a willingness to work with council in partnership to facilitate development.

The Franklin Local Board has identified that the Park is central to an area of population growth, including the housing developments in Clarks Beach, Waiau Pa, Kingseat, Patumahoe, Karaka, Paerata, Hingaia and Drury. This growth will increase demand for sport and recreation services and facilities

The population in the catchment of Karaka Sports Park is expected to grow significantly over the next 30 years from around 6,000 in 2016 to 63,000 in 2046. Most population growth is expected in Opaheke-Drury and Pukekohe-Paerata. The age profile of the catchment population is slightly younger than the Auckland average, with more people under 15 years of age (25 per cent compared to 21 per cent for Auckland). The ethnicity profile is of the catchment is higher in Māori (20 per cent) and Pacific peoples (27 per cent) when compared to the Auckland average

(11 per cent and 15 percent respectively) with fewer New Zealand Europeans (44 per cent versus 59 per cent in Auckland). The needs assessment found a current and future need for ancillary infrastructure, such as toilets and changing rooms, car parking and sport field upgrades.

There is a current shortfall of lit weekday field time for winter sports of 40 hours per week, which is forecast to grow to a shortfall of 105 hours per week by 2028. The provision of sand-carpeting and lighting of fields at Karaka Sports Park would help address the current and projected shortage of lit field hours.

Detailed Business Case
The DBC was presented to and accepted by Franklin Local Board in March 2020. Key elements in the summary include:
Strategic Case. The proposal is strategically aligned with the goals of the Auckland Plan, Local Board and Council strategies
Proposal. To provide field upgrades and a higher-quality clubroom facility at Karaka Sports Park, in order to cater for growth
Auckland Plan. Recognise the value of culture and sports to quality of life. Provide public spaces that are inclusive and accessible. Create safe opportunities for people to meet, connect, participate and enjoy. Improve community health and wellbeing
Local Board Plan. Growth is dealt with effectively. Communities feel ownership and connection to their area. Make the best use of existing sports centres. Karaka Sports Park is a medium to high priority investment
Council Strategies. Sports Facilities Investment Plan 2019-2039 - Provide adequate facilities to enable higher frequency use by clubs, schools and the community. The Auckland Sport and Recreation Strategic Action Plan - Provide affordable and accessible options with a focus on attracting youth and Auckland's diverse communities. Community Facilities Network Plan - Provision of a community places and spaces to build strong, healthy and vibrant communities
Economic Case The preferred option for Karaka Sports Park achieves value-for-money. Capital cost of $28.3m. Better value for money than other options considered. A BCR in the order of 1.1. Potential operating income of a similar magnitude to likely operating costs

The project had an estimated capital cost (March 2020) of $28.3 million. This included field upgrades (drainage, irrigation, lighting etc) $6.2 million, clubroom building $14.4 million, and other items (earthworks, drainage, carparking, courts, lighting etc) $7.7 million.

Project status
Resource consent LUC 60388621 for the Park development was approved in July 2022. The consent was commenced in July 2024 with the planting of field trees. Auckland Council are proposing to build new park entrances over the summer of 2024/25. The Trust are planning to construct new tennis/netball courts and an indoor cricket centre in 2025.

Development Contributions Policy Review

#124

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): NZ Transport Agency Waka Kotahi

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

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   Tell us why

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   Tell us why

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Tell us why

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For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

www.nzta.govt.nz

NZ Transport Agency Waka Kotahi
Level 5, AON Centre, 29 Customes Street West
Private bag 106602
Auckland 1143

13/11/2024

AK Have Your Say
Auckland Council Contributions Policy Team
Freepost authority 182382
Private bag 92300
Auckland 1142

Dear Sir/Madam

NZ Transport Agency- Waka Kotahi Submission: Sharing the Cost of Growth Development Contributions Policy 2025

Thank you for the opportunity to submit to Auckland Council Development Contribution Policy 2025.

The NZ Transport Agency (NZTA) is a Crown Entity required by the Land Transport Management Act 2003 to undertake its functions in a way that contributes to an effective, efficient, and safe land transport system in the public interest. NZTA's functions include:

- to manage the State Highway system, including planning, funding, design, construction, maintenance and operation.
- to assist, advise, and co-operate with approved organisations; and
- to manage funding of the land transport system.

NZTA is also required to give effect to the Government Policy Statement (GPS) on Land Transport 2024-34. The GPS sets out expectations for NZTA and local government to maximise revenue and consider opportunities to supplement that revenue with contributions from beneficiaries/users whenever possible.[1]

NZTA highly values its role, alongside Council, as a co-investor in the transport system for Auckland and continues to work closely with Council, Auckland Transport (AT) and key stakeholders on a range of initiatives to enable people and freight to move around efficiently, quickly and safely in Auckland and to ensure that transport is integrated with land use.

NZTA actively collaborates with Auckland Council and Auckland Transport on long term planning and developing infrastructure programmes to support Auckland's growth including targeting growth and investment within priority development areas.

The proposed policy will help provide additional funding to support growth and complement government investment in priority development areas. We encourage Council to continue to explore options for additional revenue, especially where this helps deliver on an effective, efficient and safe land transport system.

It is important that a regionally effective and efficient approach to updating development contribution is proposed across other growth areas of Auckland to manage unintended consequences such as not realising the growth benefits from transport investment in targeted areas where developer contributions are relatively high and incentivising growth in less accessible locations where developer contributions are relatively low.

For future planning, NZTA want to ensure Council's and NZTAs transport project assumptions, including for North-West Rapid Transit, align to ensure that transport projects included in the policy are comprehensive and integrate with planned strategic infrastructure. We also support the review of projects as infrastructure delivery and business case investigations progress.

[1] Government Policy Statement on Land Transport 2024-2034, Section 5: Statement of Ministerial Expectations.

NZTA supports consideration of policy where it delivers more equitable outcomes for example growth paying for growth, and as such supports in principle the proposed development contribution policy.

Thank you again for the opportunity to provide feedback on the developer contribution policy review.

Yours sincerely

Director Regional Relationships

Development Contributions Policy Review

#125

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Cabra

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

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   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

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   Tell us why

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Tell us why

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For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

FEEDBACK ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To: Auckland Council

Private Bag 92300, Auckland 1142

Submission on: Draft Development Contributions Policy 2025

Name: Cabra Developments Limited

1. Introduction

1.1. Cabra Developments Limited (**Cabra**) is a land development company established in 1987 specialising in greenfield subdivision and residential development within the western and northern parts of the Auckland region. Cabra is committed to contributing to the response to critical housing demand through provision of additional serviced lots for residential development to the private market, thus facilitating housing supply and enabling growth within Auckland.

1.2. Cabra has successfully undertaken the subdivision of several large land parcels in the region (including in Huapai, Riverhead, Orewa, Greenhithe, Papakura, Snells Beach, Pukekohe, Wainui and Whangaparaoa) and has a proven track record in the delivery of quality residential outcomes. Cabra also has numerous landholdings in Whenuapai including four sites along Clarks Lane and Sinton Road, 90 Trig Road and three properties along Fred Taylor Drive. These properties are all within the extent of land applicable to the Draft Development Contributions Policy 2025 (**the Policy**).

1.3. Cabra have long supported the use of development contributions in Whenuapai to enable live-zoning in the area. In 2021, Cabra provided feedback to Council on the then draft policy advocating for increases to contributions in Whenuapai to assist with funding a large deficit of infrastructure in the area. In fact, the development contributions in Whenuapai decreased, rather than increased.

1.4. In principle, Cabra supports an increase in development contributions in Whenuapai in order to unlock greenfield development via a proportionate contribution from developers. However, the proposed increase in contributions in the Inner Northwest is simply unfeasible for developers in the area for the reasons set out in the following feedback.

1.5. There is general sense that developers are being asked to 'pay tomorrow's rates, today', raising concerns regarding fairness and equity as discussed in further detail.

1.6. Cabra provides the following feedback with the intention of supporting Auckland Council to deliver a fair and reasonable Policy that will enable, rather than discourage, residential and business growth in the Inner Northwest.

1.7. Cabra is grateful to have received preliminary email correspondence from Mr Andrew Duncan (Manager Financial Policy) in respect of its initial enquiries, including the supply of various business cases.

1.8. Cabra would be happy to meet with the Council team preparing the Policy to discuss the following feedback.

2. Transportation

Projects – Inner Northwest

2.1. Firstly, Cabra supports the inclusion of funding for the following projects in the Policy in particular as they directly relate to or adjoin Cabra's landholdings and are reasonably required to unlock greenfield development in these locations:

- Trig Road upgrade from Brigham Creek Road to SH18
- Spedding Road East upgrade from Trig Road to SH18, including SH18 overbridge
- Spedding Road West upgrade from Fred Taylor Drive to Trig Road
- Fred Taylor Drive upgrade from the SH16 interchange to Kakano Road
- The two-stage approach to the upgrade of Brigham Creek Road (between Tamatea Avenue and Kauri Road) to a two-lane arterial by 2039 and a four-lane arterial by 2054.

Transport Capex spreadsheet

2.2. It appears the Policy specifies project costs as stated in the Transport Capex spreadsheet using the *"Project costs loaded to DC model before applying NZTA funding and DC growth percentage"* (refer red below), and it is queried why the Policy has not deducted NZTA funding and *"Level of Service Share (rates funded)"*.

2.3. Rather, it appears the *"Growth Share to be funded by DCs"* (after deductions – shown in green below) would be more appropriate when determining the cost per HUE. This would avoid charging contributions from developers <u>as well as</u> receiving NZTA funding and rates, therefore double dipping and/or over-accumulating funding (driving up the cost per HUE). Some examples of this are highlighted below. It is unclear how this is translated into Attachment B of the Policy. Cabra would appreciate further clarification from Council in this regard.

RWW Transport Capex Model Consultation Spreadsheet

Project Number	Project name	Project description	Include in DCs?	Total project cost after mitigation (Property and Construction)	Share of construction costs related to AT asset Renewal	Project costs loaded to DC model before applying NZTA funding and DC growth percentage	Expected NZTA FAR rate funding	Level of Servce Share (rates funded)	Growth Share to be funded by DCs
W24	W24 - Collector	Road overbridge across SH18, supplementing existing pedestrian / cycle bridge	Include	$7,286,220	$385,495	$6,900,725	$0	$1,194,657	$5,706,068
W22 - Bridge	W22 - Collector	Collector from Clarks Ln to Kauri Rd.	Include	$9,293,180	$0	$9,293,180	$0	$1,608,840	$7,684,340
W24 - Bridge	W24 - Collector	Road overbridge across SH18, supplementing existing pedestrian / cycle bridge	Include	$61,954,532	$0	$61,954,532	$0	$10,725,601	$51,228,931

Attachment B: List of projects for other investment priority areas

Infrastructure type	Project name	Project description	Completion year	Cost (after developer mitigation)
Transport	W24 - Collector	Road overbridge across SH18, supplementing existing pedestrian / cycle bridge	2037	6,900,725
Transport	W22 - Collector	Collector from Clarks Ln to Kauri Rd.	2037	9,293,180
Transport	W24 - Collector	Road overbridge across SH18, supplementing existing pedestrian / cycle bridge	2037	61,954,532

Project I25, W22 and W24

2.4. Project I25 relates to the single lane roundabout at the intersection of Sinton Road and Clarks Lane, Whenuapai. The roundabout will connect two collector roads (W22 and W24), together serving growth across the wider peninsula and providing connectivity to existing and future development along Kauri Road and on the southern side of SH18 (via two new bridges).

2.5. There is some inconsistency between documents regarding the payment and delivery of I25, W22 and W24, and two associated bridges. Various documents state these works are to be included in the Policy (either partly or fully funded) and others state the works are required to be delivered by developers as mitigation works.

2.6. Development along Clarks Lane and Sinton Road are required to mitigate the effects of that development on the road reserve, which may not be the equivalent of a full collector cross-section, nor does a developer often have control over both sides of a road in order to deliver a 24m road reserve (where 20m often exists).

2.7. It is appropriate therefore for a developer to upgrade the road frontage to deliver an outcome that a) mitigates the effects of its development, and b) delivers an appropriate outcome that ties in with the existing road corridor. A roundabout that is designed to serve two collector roads is unlikely to fit within the local road corridor as it exists today; additional land will be required which cannot be provided if it is outside of the developer's ownership.

2.8. It is suggested therefore that these projects should be included in the Policy and delivered by way of contributions to be collected from developers across the full extent of the peninsula, as the collector roads will unlock, and serve, residents wider than only the immediately adjacent development.

2.9. For example, Clarks Lane east of the I25 roundabout is not required to be upgraded to collector status, however the upgrades are required to unlock development in the eastern part of the peninsula and those residents will have no option but to use I25, W22, W24 and the two bridges to travel elsewhere in Whenuapai, or to Hobsonville. Sharing the cost of the collector status across others who will use the collectors is equitable, and these projects should be funded by the Policy, rather than relying on immediately adjacent developers.

Collector Road – Clarks Lane to Kauri Road (W22)

2.10. The Policy includes the construction of a collector road from Clarks Lane to Kauri Road. It is understood that the road is required at such time that Sinton Road's connection to NZTA's Brigham Creek/SH18 interchange is removed in order to improve the performance of the interchange as growth occurs. The road is indeed indicatively shown on the Whenuapai Structure Plan 2016.

2.11. However, it is noted that the road, despite being reasonably short, will be complex and costly to consent and construct. The road crosses the Waiarohia Inlet, requiring a bridge, private land acquisition, removal of established esplanade reserve that will in time connect with a pedestrian walkway circumnavigating the perimeter of the peninsula, and generate adverse environmental effects on the ecology and biodiversity within the Inlet and the Significant Ecological Area Overlay located on the southern side of the Inlet. This area is also known to hold cultural values for iwi, including Te Kawerau ā Maki.

2.12. For these reasons, it is unclear whether resource consent will be obtained for the road / bridge to connect Kauri Road and Sinton Road, and further investigation is required before Council accrues funding for a project that may not be feasible or appropriate.

2.13. Further, growth on the peninsula may not reach the density assumed, and the Sinton Road connection to the interchange may be retained, thus overcoming the need for the collector.

Projects delivered by developers

2.14. It is unclear how or whether developers can expect to be compensated for constructing a project or providing land for a project that is included in the Policy. A number of queries arise in this regard:

- If a listed project is estimated by Council to cost, for example, $9m including escalation, but a developer can deliver the project in the immediate/short term for $4m (thus avoiding escalation), is the developer 'credited' $9m from their contribution because this is the sum that Council is recouping in contributions from developers over the 30-year term? Or only the $4m it is spending to deliver the project?
- Following on from this, is the project removed from the Policy to avoid Council recouping contributions for a project that it did not deliver?
- We understand from Mr Duncan that an Infrastructure Funding Agreement would be entered into in a scenario where a developer is delivering a project listed in the Policy, which would include the amount that Council will contribute to the project. However, we understand that developer would still be required to pay contributions towards the project as the Council has incurred the capital expenditure in its payment to the developer.
- If indeed a project does not cost what is estimated (i.e. Council makes a profit), how does Council manage refunds to contributors accordingly? This would appear to be extremely difficult in practice, and a transparent method or system should be established by Council to manage this, and thus avoid 'double dipping'.

Other transport matters

2.15. The following other matters are raised in respect of transport contributions:

- The base cost estimate of some projects appears to be significantly higher than market rates, resulting in a markedly high starting position even before contingency and escalation is accounted for. This results in an altogether excessive contribution that is being passed on to developers, and a system is required to ensure refunds to developers are duly provided (as discussed above).
- It is acknowledged that the 30-year horizon was utilised in Drury, perhaps appropriately given the extend of infrastructure required to develop a new centre, however in the Inner Northwest is on the edge of existing urban areas and transport networks, and does not require the same level of investment in infrastructure. The concerns raised later in this feedback regarding escalation assumptions relative to reserve acquisition also apply here in relation to transportation contributions:
    - It appears the 30-year timeframe is giving rise to high escalation costs, which are driving up the overall price per HUE. Escalation costs make up a large percentage of the cost of each project (and in some instances are twice the

base construction cost of the entire project), which raises the question whether funding is being sought too early for projects that are not forecasted for 20+ years' time, in many instances. Perhaps a more appropriate approach would be to only accumulate funding for projects required within the next 20 years, while identifying future projects that will be included in 'rolling updates' to the project list. This would keep escalation costs down while also forecasting future projects to be added over time.

- It is recognised that development that may occur in the short-medium term within the Clarks Lane and Sinton Road development will indeed generate traffic along Brigham Creek Road and that the respective developer(s) should proportionately contribute to the costs associated with the two-lane arterial upgrade by 2039. However, short-term traffic generation can be suitably accommodated by the level of service enabled by a two-lane upgrade, and therefore early developers in the area should not be required to contribute to a greater level of service (4-lane arterial forecasted for 2054), which is required by later growth. This is one example that demonstrates the 30-year time horizon is generating inequitable contributions, given growth that is not causing additional demand is required to financially contribute to it.
- It is considered that the transport funding areas (maps) could be further reduced in size, for example by splitting into smaller areas such as has occurred in Drury (east, west and south). Service levels can be better managed by localising the upgrades required.
- There appears to be four Drury projects incorrectly allocated to the Inner Northwest, equating to $1.3b in contributions – it is assumed this is a typing error, but should be checked to ensure the costs have not been incorrectly allocated to the Inner Northwest:

Transport	Redhills / Westgate	Arterial roads and infrastructure for multi-modial corridors	Upgrading existing roads and arterial roads in Drury to cater for higher traffic volumes, which benefit this funding area. In some cases, also building multi-modial corridors to allow active modes and public transport.	$1,900,495,456	$946,081,655
Transport	Redhills / Westgate	Collector roads	Building or upgrading of collector roads in Drury which benefit this funding area	$348,122,871	$292,751,784
Transport	Redhills / Westgate	Arterial roads and infrastructure for multi-modial corridors	Upgrading existing roads and arterial roads in Drury to cater for higher traffic volumes, which benefit this funding area. In some cases, also building multi-modial corridors to allow active modes and public transport.	$126,889,708	$52,286,488
Transport	Redhills / Westgate	Collector roads	Building or upgrading of collector roads in Drury which benefit this funding area	$4,176,843	$3,512,491

- There are a range of projects whereby funding is to be received from across the Auckland-wide funding area, whereas the projects appear to benefit residents at a sub-regional level. This raises the question whether projects are sitting under appropriate area category, ensuring that the costs lie with the beneficiaries of the respective project.
    - For example, it is unlikely that residents from within the Inner Northwest area will regularly use the AMETI busway or the Airport to Botany rapid transit facility, yet the Inner Northwest is contributing to their funding. Projects such

as this would be better placed in the sub-regional category and funded by growth in east Auckland. If there is insufficient growth in these areas to fund the projects, this is a 'level of service' matter that wider Auckland should not be required to contribute towards.

- Likewise, arterials and collector roads in Drury should be funded from contributions received from growth in Drury, rather than at an Auckland-wide funding level. These should rather be categorised at a sub-regional level.

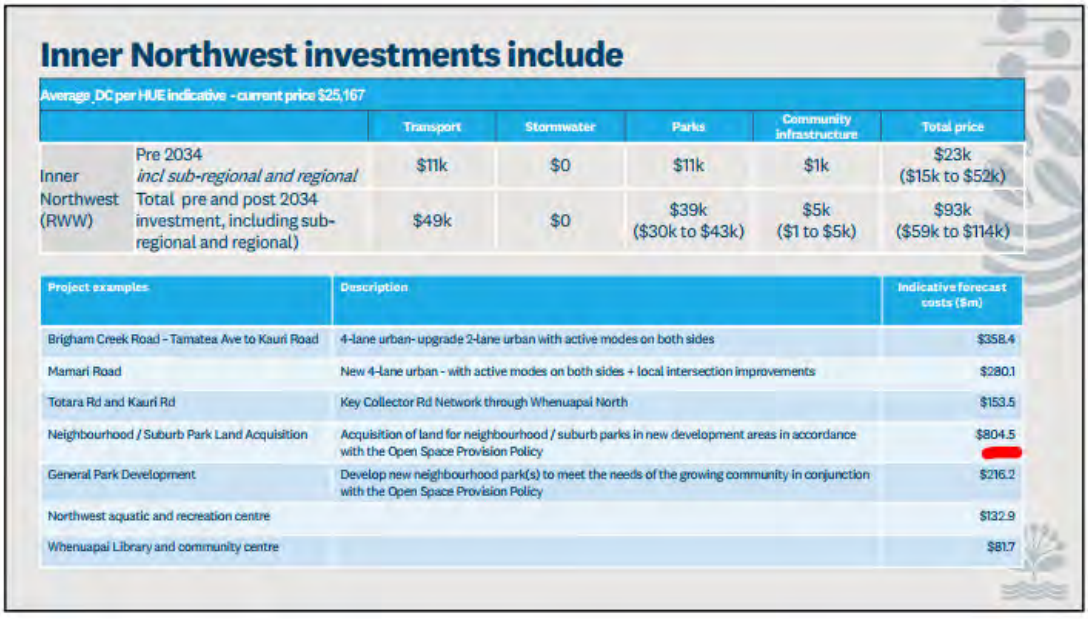
Reserve Acquisitions

2.16. Cabra has obtained advice from Mr Derek Foy in order to understand and assess the appropriateness of the Policy from an economic perspective. The analysis of, and commentary from, Mr Foy is set out below and Cabra welcomes the opportunity to meet with Council to discuss this in further detail.

2.17. Mr Foy has used data provided by Council[1] to try to replicate the contribution calculation in order to understand how the Policy was calculated. Using that data, Mr Foy has been able to reach a point where he is confident that his calculation correctly replicates the calculation that Council must have applied to arrive at the Policy.

2.18. Mr Foy's replica calculation has determined that the Policy must be calculated using a time horizon much longer than a 30 year period. However, Mr Duncan has advised that indeed a 30-year horizon is applied. The following steps through Mr Foy's consideration in this regard.

2.19. The information supplied by Council in its consultation (excerpt below) indicates that the cost to acquire land for Neighbourhood and Suburban Parks in the Inner Northwest will be $804.5m, and contributions are proposed to be levied at $39,000/HUE.



Inner Northwest investments include

Average DC per HUE indicative - current price $25,167

		Transport	Stormwater	Parks	Community infrastructure	Total price
Inner Northwest (RWW)	Pre 2034 *incl sub-regional and regional*	$11k	$0	$11k	$1k	$23k ($15k to $52k)
	Total pre and post 2034 investment, including sub-regional and regional)	$49k	$0	$39k ($30k to $43k)	$5k ($1 to $5k)	$93k ($59k to $114k)

Project examples	Description	Indicative forecast costs ($m)
Brigham Creek Road - Tamatea Ave to Kauri Road	4-lane urban- upgrade 2-lane urban with active modes on both sides	$358.4
Mamari Road	New 4-lane urban - with active modes on both sides + local intersection improvements	$280.1
Totara Rd and Kauri Rd	Key Collector Rd Network through Whenuapai North	$153.5
Neighbourhood / Suburb Park Land Acquisition	Acquisition of land for neighbourhood / suburb parks in new development areas in accordance with the Open Space Provision Policy	$804.5
General Park Development	Develop new neighbourhood park(s) to meet the needs of the growing community in conjunction with the Open Space Provision Policy	$216.2
Northwest aquatic and recreation centre		$132.9
Whenuapai Library and community centre		$81.7

[1] Minutes from the Draft Contributions Policy 2025 Workshop (11 September 2024), the Cost Allocation methodology report, and the Draft DCs Policy.

2.20. Growth projected in the Northwest is from 2,947 households in 2024, to 38,165 in 2080 (full build-out).[2] That equates to an average annual growth of around 630 households (growth of 35,218 households in 56 years).

2.21. We note that the Whenuapai Structure Plan 2016 identifies the number, size and location of reserves identified by Council as required to service future growth. It is unclear whether the Policy has been prepared to deliver this level of service.

2.22. Despite this, Council does not have a sqm/household figure for the provision of Neighbourhood and Suburban Parks, instead using a requirement from its Open Space Policy 2016 (rather than the WSP) to provide a Neighbourhood Park of 0.3-0.5ha within 400m of high and medium density residential areas and within 600m of other residential areas, and Suburban Parks of 3-5ha in area within 1000-1500m walk, etc. It is difficult to translate this into the total area required for parks in order to meet the desired level of service (and accordingly to determine the cost of land to provide those parks), without knowing where and how many households are expected within the area. If one is to apply an alternative (presumably comparable, at least to some degree) figure of 7.5sqm of parks space per household (as for example Queenstown uses in its contributions policy), this equates to around 5,000sqm of additional park space per year (at 630 households/year), out to 2080.

2.23. Accounting for inflation (as confirmed by Mr Duncan) and a starting value of $250/sqm,[3] 5,000sqm of additional land for parks per year starts out costing around $1m a year to purchase. That 5,000sqm increases significantly over time, to $2m/year in year 10, $4.5m/year in year 20 (2044), $9m/year in year 30, $18m/year in year 40 (2064) and then $54m/year by full build-out (2080). That is, costs for this park provision more than doubles about every 10 years.

2.24. Summing the cost in each year out to 2080 (i.e. $1.18m+$1.24m+$1.32m….+$54m) approximates that $800m cost (as identified in the excerpt above). However, Mr Duncan advises that indeed costs are only forecasted for the next 30 years, and summing the costs for this period alone yields a much lower total cost closer to $110m.

2.25. A cost of $110m will not yield a contribution remotely close to the $39,000/HUE that is published in the schedule, but rather a much smaller number (less than $10,000/HUE) that would result if the calculation were made over the next 30 years of reserve acquisition.

2.26. The difference in contributions ($39,000 vs a number less than $10,000/HUE) is unable to be reconciled by Mr Foy, and therefore implies that a period longer than 30 years appears to have been applied in order to reach a figure of $39,000/HUE for reserve acquisition.[4]

[2] Cost Allocation Report, Table 2.02, p7.
[3] Cost Allocation Report, paragraph 42.
[4] Mr Foy acknowledges are some limitations as to how accurately he is able to replicate this calculation, including in relation to whether land purchase occurs consistently (evenly) over time, whether growth is projected to arrive evenly etc.

2.27. Recalculating the figure of $39,000/HUE over a 30-year time period, Council must be assuming a significantly high land cost per sqm, or that a significantly larger area of land is to be acquired (about 60sqm per household). Either scenario appears to be incorrect.

2.28. This is particularly apparent when comparing reserve acquisitions for the Inner Northwest with other growth areas. The existing provision of some parks may account for some of the reason why this area is much higher than Tāmaki or Mount Roskill, but from the schedule, other greenfield growth areas appear to be subject to much lower contributions for reserve acquisition (e.g. Paerata/Pukekohe $612/HUE, Hingaia $13,847). Clearly the long time horizon in the Inner Northwest is a strong driver of high future costs, and hence the high contributions. That is, it is probable that the high cost of reserve land acquisition is strongly influenced by the long time until full build-out, and not just by the level of existing park provision.

2.29. This reinforces the assumption that Council has used a period of 55 years (out to 2080) to calculate its forecasted reserve acquisitions but has 'shrunk' the timeframe for accumulating this funding into a 30-year period. This raises the question as to why the need for reserves beyond 30 years being paid for by developers today, and not by developers generating that demand at the time (beyond the 30-year forecast). If a developer is not generating the demand for the additional reserve, it should not be contributing to it.

2.30. Mr Foy raises a number of related queries, as follows:

- How are existing parks in adjacent catchments accounted for in the funding maps? In the case of development along Clarks Lane and Sinton Road for example, the proximity to the recently acquired reserve at 17A Clarks Lane and the existing reserve at Hobsonville War Memorial Park (accessed via the Clarks Lane Footbridge) indicates that developers should not be required to fund reserve acquisition in other locations which would be unlikely to be utilised. This area is on the edge of the catchment and close to existing urban areas and parks, such that it would appear more equitable to recognise its proximity in the same way that Council has approached areas such as Tamaki (where few new reserves are anticipated to need to be funded by the Policy).
- Council has already acquired some reserves in Whenuapai, such as 92 Trig Road/4 Spedding Road and 17A Clarks Lane. Has Council applied long term escalation figures to their land value? It should only be looking to recoup the costs incurred to date and then consider reserve development costs (as a separate contribution category). The consultation documentation does not appear to confirm this either way.
- Turning to the long-run cost escalation factor for land acquisition, Mr Foy questions whether it is appropriate to apply 7.1% when that is based on the average annual

increase in the median house price in the period 1992-2022, not the increase in land value.[5] It is expected that greenfield land values will have grown at a much slower pace than regional house price inflation used by Council. This is important as the methodology effectively assumes that reserve land purchased in the Inner Northwest is subject to an inflation rate that is not related to the likely rate that will occur going forward.

Interest rates

2.31. Further, because the interest rate applied is high, Council will achieve a significant return on development contributions that are paid well in advance of the start of capital works for the project they are funding. Consider a case where growth occurs only in year 1 and year 30. The development contribution from dwellings established in year 1 will accrue 30 years of interest, and year 30 dwellings will accrue no interest.

2.32. At the prescribed interest rates (5.7% long-term) this means that the development contributions (including their interest) from year 1 dwellings will pay for two thirds of the capital expenditure, and growth from year 30 dwellings will pay for only one third, if they pay the same base contribution. In practice the contribution paid by a year 30 dwelling will have been revised up a number of times, but as Cabra understands it this is not accounted for in the draft methodology.

2.33. An alternative way of structuring this is for the year 1 contributions to pay a discounted rate, that once interest has accrued will be equal to the rate paid by year 30 dwellings. While this is an extreme example (and for simplicity excludes inflation), it does show the time value of money, and that value is very pronounced in the Inner Northwest because so much of the capital works are not required until so far into the future.

2.34. Finally, we query whether the proposed level of service in the Inner Northwest exceeds that provided elsewhere in the Auckland region, and if it so, is this appropriate and should this be reviewed with a view to reducing the cost per HUE?

3. Key concerns

3.1. Cabra agrees that developers should pay a **fair, equitable and accurate** contribution to growth, however it is not considered that the Policy as currently drafted meets this 'test'. Overall, Cabra's concern is that the contribution rates for the Inner Northwest are excessive and will in fact slow down growth, achieving the opposite of the desired outcome in terms of unlocking this greenfield growth area to increase housing supply and reduce house prices for Aucklanders.

3.2. Cabra is concerned that the cost escalations are significantly driving up the contributions and that this is arising from Council intending to deliver the bulk of projects within the 10–30-year timeframe (and beyond to 55 years), with few projects being delivered in the first

[5] Cost Allocation Methodology, paragraph 74.

decade. While this is generally consistent with the Council's Future Development Strategy, it means that projects ultimately cost significantly more than they otherwise should (as escalation ends up forming a large proportion of the cost of each project).

3.3. While Council has advised it does not consider that contributions will affect house prices (which is considered to be market driven), significant contributions can deem new residential developments unfeasible and delay or cancel projects altogether. This in turn slows or reduces housing supply and keeps prices of existing housing stock at elevated levels. Ultimately, this is the scenario that Council is seeking to avoid.

3.4. If indeed the project is delivered, and the developer does pass these costs onto house buyers, those purchasers (and in fact, the second or even third generation of homeowners) are paying for facilities and upgrades that may not be used in the time they reside in the property. If the (approx.) $100k contribution is passed onto the purchaser, this reduces the developer's ability to deliver affordable housing.

3.5. Cabra considers that a closer review of the base cost of each project, and the duplication that appears in the project list should be considered in the first instance. If this does not noticeably reduce the contribution, the 30-year timeframe should be reconsidered and a revised policy released for consultation.

3.6. Cabra considers there are six specific actions that Council could take to improve its development contributions methodology.

1. **First**, the interest rate applied should better reflect the true cost of council borrowing. The long term 5.7% rate is much higher than the Local Government Funding Agency interest rate of 4.857% for 10-year term or the average of 3.44% since 2012, and Cabra understands that Council may have access to wholesale rates that are even lower still.
2. **Second**, the time horizon within which projects subject to development contributions are recovered should be reduced, so as to ensure that there is a stronger relationship between the requirement for capital works and the dwellings paying DCs towards them. Cabra considers that it is difficult to establish a robust relationship between growth driving the need for a project when the growth may arrive up to 30 years before the project it is funding.
3. **Third**, there should be a specific service standard identified for parks contributions, such as an area of space per household. The only standard contained in Council's "Open Space Provision Policy 2016" relates to walkable proximity to parks but does not explicitly take into account the number of dwellings within that distance. For parks that have a very large number of dwellings within that walkable distance the level of service (on a per household basis) will be lower than for less densely populated areas. This is particularly relevant given increases in development densities observed since the current open space policy was adopted in 2016.
4. **Fourth**, there should be some mechanism to enable refunds for services that are already provided to new dwellings in a particular area, or to spatially differentiate the

development contributions levied on new dwellings and in a manner that better recognises the differential need with the catchments currently applied in the methodology. Specifically, the Cabra land is very close to an existing suburban park (Hobsonville War Memorial Park), but is being assessed as if all of the new dwellings in the Cabra development will give rise to the need for a new suburban park.

5. **Fifth**, the inflation of land acquisition costs should be established using land acquisition data from comparable greenfield developments, not median house price inflation from the entire urban environment. This inflation makes up a large share of the development contributions calculated, and is set at 7.1% using "Chief Economist Unit's general land price escalation" that is derived from "average growth rate of the median house price between 1992 to 2022". Generally the escalation of house prices will exceed inflation of land value in greenfield areas, which means that land acquisition costs in greenfield areas will be lower than is modelled by Council.
6. **Finally**, there should be some discount included in the development contributions methodology that recognises the interest that will accrue to development contributions collected in early years. If development contributions are collected well in advance of capital expenditure being made, the contribution will accrue interest until it is required to be spent, meaning that the dwelling unit that made that contribution will have effectively contributed more than a dwelling unit that contributes towards that expenditure in the year (or after) that expenditure occurs. This means that the draft development contributions methodology will result in inevitable recovery of fees, with short term growth subsidising longer term growth.

3.7. Cabra would appreciate meeting with the Council's development contributions team with the view to offering a developer's perspective of the Policy. Cabra seeks to work constructively and offer assistance to Council in this regard.

CABRA DEVELOPMENTS LIMITED

Signature	**Cabra Developments Limited**
	[redacted]
Address for Service	Forme Planning Limited
	[redacted]
[redacted]	[redacted]

FEEDBACK ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To: **Auckland Council**

Private Bag 92300, Auckland 1142

Submission on: Draft Development Contributions Policy 2025

Name: Cabra Developments Limited

1. Introduction

1.1. Cabra provided feedback on Auckland Council's draft Development Contributions Policy on 14 November 2024. Since that time (on 22 November) Council made the DC models available for review, and Cabra has obtained further advice from Mr Derek Foy in order to understand and assess the appropriateness of the Policy and the Development Contribution Models from an economic perspective. Mr Foy has reviewed the models,[1] and data[2] provided by the Council, and has provided commentary on the model operation, which is set out below.

1.2. It is Mr Foy's opinion that there are five main matters that warrant Cabra providing feedback on:

1. Timeframe applied
2. Project costings
3. Growth projections
4. Interest treatment
5. Inflation treatment.

1.3. Those matters are addressed in the subsequent sections of this feedback. It is Cabra's position that all of those matters will require changes to be made to the DC models.

2. Development Contributions Timeframe

2.1. As noted in previous feedback, Mr Foy's replica calculation had determined that the Model and Policy appeared to apply a time horizon of more than 30 years, although Mr Andrew Duncan (in separate email correspondence) had advised that a 30-year horizon is applied.

2.2. While the model reviewed does have capital expenditure only out to 2056 (actually year 32 of the model), there are large amounts of growth and expenditure in the last two years

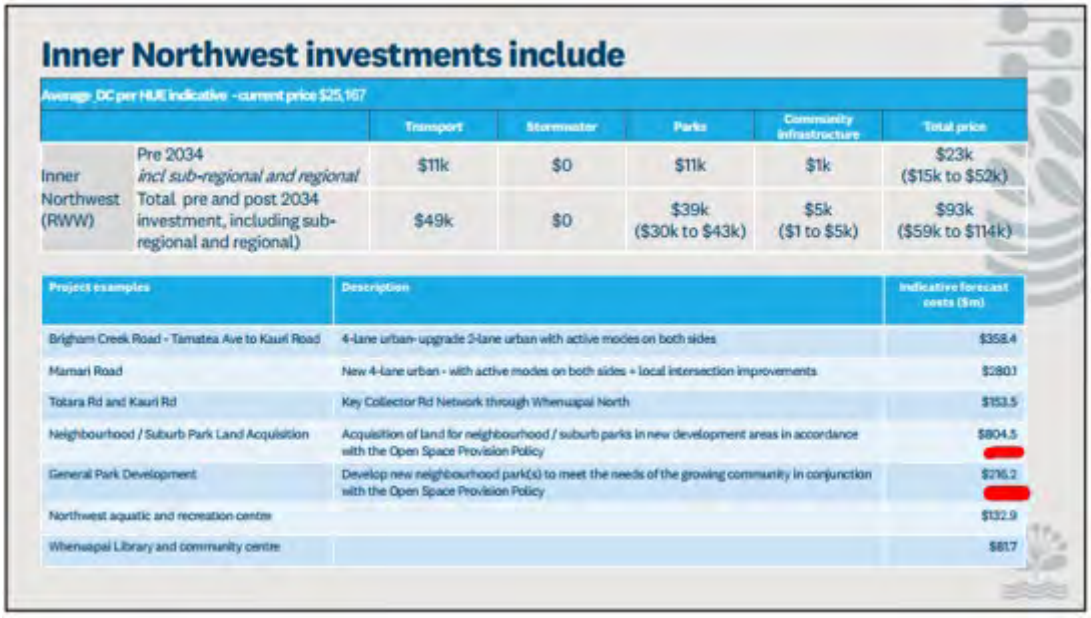
[1] Auckland Council (2024) "DC_consultation_for_2024-2034_LTP_period" and "DC_consultation_IPAs_beyond_2034".
[2] Minutes from the Draft Contributions Policy 2025 Workshop (11 September 2024), the Cost Allocation methodology report, and the Draft DCs Policy.

of the model that appear to represent the aggregation of growth and expenditure in many future years beyond year 30. That is discussed below in relation to the Project Costings, and Growth Projections.

3. Projects Costings

3.1. As noted in the previous feedback, there is a lack of information from the council on how the project costings are estimated. The model only provides annual expenditure estimates, and has no data on how the costings are derived. The methodology paper does not provide information from which Cabra can assess whether spending such large amounts of money is reasonable.

3.2. The information previously supplied by Council in its consultation (excerpt below) indicates that the cost to acquire reserve land and general park development of over $1B, with Neighbourhood and Suburban Parks in the Inner Northwest costed at $804.5m and General Park Development of $216.2m, and contributions are proposed to be levied at $39,000/HUE.



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3.3. The models provided by Council show two main projects that make up most of the $1B in projected spend:

1. Park Land Acquisition – Whenuapai: in total this project is costed as $456.5m over 32-year period. A small share (6.3%) of the total cost occurs in the coming 10 years, with expenditure of $28.7m for the period 2025-2034. Most of the cost occurs in the last few years in the assessment, with 32% of that $456.5m ($144.5m) in the last three years (years 30-32) peaking at $51.5million in 2056.
2. General Park Development (Whenuapai): in total this project is costed as $122.1m over 32-year period. A small share (1.4%) of the total cost occurs in the coming 10 years, with expenditure of $1.8m for the period 2025-2034. Most of the cost

occurs in the last few years in the assessment, with 35% of that $122.1m ($42.2m) in the last three years (years 34-36) peaking at $33.5million in 2059.

3.4. Figure 1 (below) shows the costings, which indicate very little spend in the early years (2025-2034) and then a large increase in spend (over $10m p.a.) with several large peaks. The peaks and scale of spend in the later parts of the time period will drive most of the Development Contribution.

Figure 1: Timing of capex for two largest park-related projects in Whenuapai

3.5. As noted in the previous feedback, Mr Foy was concerned that there may be large expenditures of over $50m towards the end of the evaluation period which would drive most of the development contribution that is payable. The data in the Council model confirms that is the case, with very large spend allocated in the final years (i.e. after 2050) for both the Park Land Acquisition and General Park development in Whenuapai (see figure above).

3.6. Mr Foy considers that these large costings in the final years will be driven largely by the high inflation rates applied. As an example, the Park Land Acquisition for Whenuapai has a costing of $51.5m to acquire park land in the year 2056. Using the Council's estimate of land costs, the starting value of land (in 2024) is $250/m^2,[3] and applying the Council's assumed inflation rates of 7.1% would result in projected land value of around $2,000/m^2 in 2056. If the Council land acquisition cost is $2,000/m^2 and the total spend is $51.4m, then the Council would be purchasing around 2.5ha of park land in that year. Because under an inflation rate of 7.1% the land cost will double about every ten years, if this land was bought 10 years earlier in 2046 then the land value would only be $1,000/m^2, and half the cost ($25.9m).

[3] Cost Allocation Report, paragraph 42.

3.7. The assumptions around the timing of projects (acquisition) and inflation values are critical to the development contribution.

3.8. It is Cabra's position that:

- There is no information around the needs assessment which must have informed the timings and costings of the projects within the model, and therefore it is not possible to establish whether the capital expenditure scheduled is warranted or appropriate, including as to both the timing and the quantum.
- It is not appropriate to apply 7.1% inflation to land costs when that is based on the average annual increase in the median house price in the period 1992-2022, not the increase in land value.[4] It is expected that greenfield land values will have grown at a much slower pace than regional house price inflation used by Council. This is important as the methodology effectively assumes that reserve land purchased in the Inner Northwest is subject to an inflation rate that is not related to the likely rate that will occur going forward.

4. Growth Projections

4.1. Growth projected in the models[5] in the Whenuapai catchment averages 66 households per year in the period 2024-2034 (years 1-10), 369 per year in the period 2035-2050 (years 11-26), then increases to 4,784 new households arriving in year 28 (2051) and another 6,970 arriving in year 29 (2052), with no new households in any future year (2053+).

4.2. This raises several issues for Cabra.

4.3. First, it is highly unlikely in Cabra's opinion that it would be possible to build 4,784 households in Whenuapai in a single year. That means that even if it is correct to apply that number in the DCs model in theory, it will not in Cabra's opinion be able to eventuate in practice.

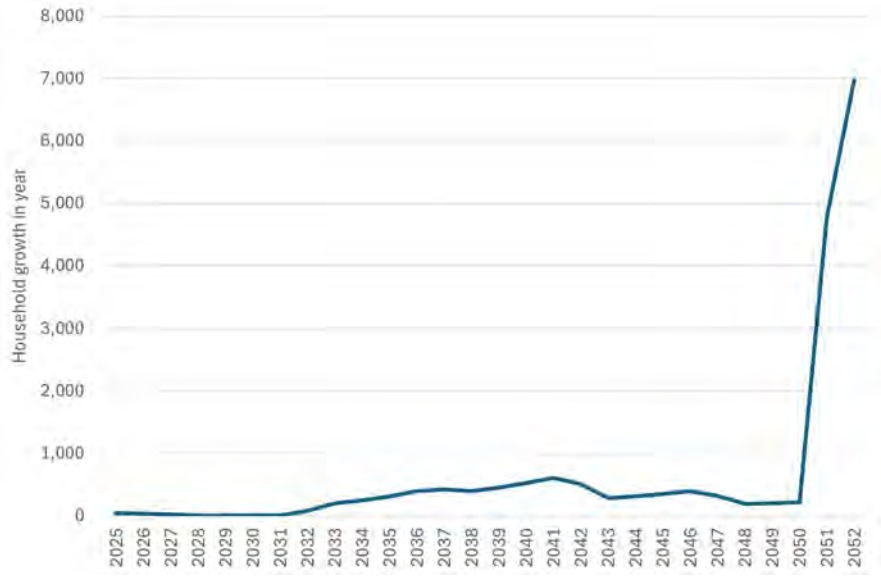
4.4. Second, the total new households applied in the model in the first 29 years is 18,321, which is close to the Council's estimated built-out capacity of Whenuapai (stated as 20,547 households)[6]. The DCs policy identifies 2080 as the full build-out date for Whenuapai, and there is no explanation that Cabra has seen as to why the model should be applying household growth that equates to Whenuapai being 90% fully built-out by 2052.

4.5. Third, there is no apparent reason why 57% of that full build-out capacity (11,754 households, comprised of 4,784 in year 28 and 6,970 in year 29) should be built in only two years (Figure 2), and those near the end of the 30 year model period.

[4] Cost Allocation Methodology, paragraph 74.
[5] "HUEs_by_funding_area" sheet
[6] Draft Contributions Policy Presentation to governing Body Workshop, 11 September 2024, slide 33

4.6. The late arrival of demand in the last two years is likely to drive Council's plans for land acquisition of land and spending on general parks in the years immediately after this. It would be preferable if a realistic growth projection was applied and the expenditure reduced to match the demand levels that could be reasonably be expected.

Figure 2: Timing of growth arriving in Whenuapai catchment

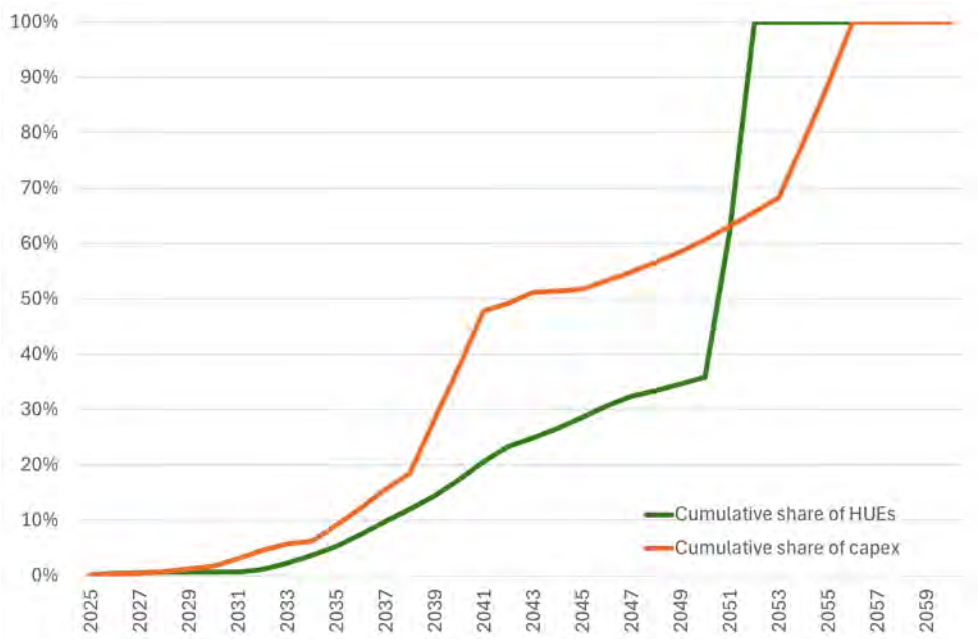


4.7. The arrival of growth often does not seem to be well related to when capital is intended to be spent. That also has implications for the modelled DCs, because if capital expenditure is spent in advance of growth arriving, it will have the effect of increasing development contributions.

4.8. Consider the project Park Land Acquisition – Whenuapai again. Modelled capital expenditure on that project is well in advance of growth arriving, and by year 15 28% of the capital expenditure is modelled to have occurred while only 14% of growth has arrived, and by year 25 the relative shares are 58%:35%. The large amount of growth in years 27 and 28 (2051 and 2052) sees the cumulative share of growth overtake the cumulative share of capital expenditure at that time, and remain ahead for the rest of the modelled period.

4.9. Because this park acquisition would seem to be a relatively simple category to undertake, it is not clear why capital expenditure would need to be so far in advance of growth arriving, and why the two lines in Figure 3 below are not closer together in each year. It is accepted that capital works will need to be undertaken in advance of growth arriving, but in many parts of Figure 3 spend leads growth by a decade.

Figure 3: "Park land acquisition – Whenuapai" timing of growth and capex



5. Interest Treatment

5.1. In the previous feedback it was noted that because the interest rate applied is high, Council will achieve a significant return on development contributions that are paid well in advance of the start of capital works for the project they are funding.

5.2. The Council model shows that this is the case, with most capital works in Park Land Acquisition and General Park Development occurring in the long term (2050 onwards), which means that interest earned by the Council on development contributions paid by HUEs that arrive in the earlier period (2025-2034) would be a very large amount. This large pool of interest earned would be used to offset the costs of other (post-2034) growth households who for the most part arrive at the end of the assessment period (as seen in Figure 2).

5.3. An alternative way of structuring the model is to have the assessment undertaken for two groups, early HUEs (who arrive 2025-2034) and late HUEs (who arrive 2035 onwards). The early HUEs would receive a discounted rate that accounts for the interest that will accrue on their early payment. Conversely, the late HUEs will pay a higher rate to account for the interest that Council must incur for the assets built before their arrival.

5.4. Mr Foy has used the Council Model to apply two separate DC rates, using the same methodology for each but having two groups, (earlier and later arrivals).

5.5. Using the Park Land Acquisition - Whenuapai project, the Council model calculates a DC of $25,469 per HUE which both early and late HUE pay. In Mr Foy's alternate two group model the rates would be as follows:

- Early HUEs (2025-2034): would pay $11,079 per HUE, which accounts for the $8.1m of interest earnt by the Council on the early payment of DC before the expected expenditure.
- Late HUEs (2025-2054): would need to pay $27,783 per HUE, which accounts for the $62.7m in interest incurred by Council because of later payment of DC, which is generally after expected expenditure.

5.6. The total recovery from the two groups would be the same as achieved from the $25,469 per HUE the Council's model calculates.

5.7. The same logic would apply to the other development contribution projects. Further examples are:

- General Park – Whenuapai, which would see the DC decrease from the Council assessment of $6,152 per HUE for all growth, to $2,676 per HUE for early HUEs (if Mr Foy's two group method is adopted).
- Northwest aquatic/rec, which would see the DC decrease from the Council assessment of $2,890 per HUE for all growth, to $1,559 per HUE for early HUEs.

5.8. As noted in the previous feedback, it is Mr Foy's, and Cabra's position that there should be some discount included in the development contributions methodology that recognises the interest that will accrue to development contributions collected in early years. If development contributions are collected well in advance of capital expenditure being made, the contribution will accrue interest until it is required to be spent, meaning that the dwelling unit that made that contribution will have effectively contributed more than a dwelling unit that contributes towards that expenditure in the year (or after) that expenditure occurs. This means that the draft development contributions methodology will result in inequitable recovery of fees, with short term growth subsidising longer term growth.

6. Development Contribution Inflation

6.1. The Council model has the functionality to include "Annually increase DC price" and it notes that it "may not be required".[7] All of the calculations in the model use the setting that assumes that development contributions will not change in 30 years.

6.2. Mr Foy considers that this is very unlikely, and that the model should include inflation for development contributions. It is not reasonable to include inflation for all other aspects of the model and then to exclude them from this aspect.

6.3. Turning this one assumption from 'off' to 'on' creates a large difference in the development contributions calculated. As an example, taking the Park Land Acquisition - Whenuapai project, the Council model has a DC fee of $25,469 per HUE with no

[7] "DC_price_calc" sheet, row 14

inflation for development contributions. Toggling this assumption 'on' within the model results in the DC fee changing as follows:

- in 2025 a fee of $8,199 per HUE.
- in 2034 a fee of $12,750 per HUE.
- in 2044 a fee of $22,174 per HUE.
- in 2052 a fee of $34,549 per HUE.

6.4. This outcome would also apply to other projects. Mr Foy considers that it is common practice in economic modelling to include all elements as inflation adjusted, and that it is incorrect to model only applying adjustments to some elements and not others. It would be inequitable to run the council model without including inflation for the DC payments.

6.5. The review of the models that has been summarised in this document shows that the development contributions calculated in the models are significantly affected by several key assumptions and data inputs. It is Cabra's position that revisions are required to the models to account for issues to do with the timeframe applied, specifics relating to project costings, growth projections and how interest and inflation are treated in the models. The aggregate effects of those issues is material, and in Cabra's opinion the development contributions assessed in the models is inequitable and require significant amendments.

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Development Contributions Policy Review

#126

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): UDINZ

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

UDINZ Submission on Auckland Council's Development Contributions Policy 2025

November 2024

UDINZ

creating urban communities together

UDINZ Submission on Auckland Council's Development Contributions Policy 2025

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About the Submitter

The Urban Development Institute of New Zealand (UDINZ) was formed in 2019 and was officially launched in 2020. It has a national board and currently has three chapters respectively in the Auckland, Wellington and Canterbury regions.

It has in excess of 205 (predominantly organisational) members from across the development ecosystem.

UDINZ was formed with the intention of bridging the gap between the public and private sectors and the various disciplines working in urban Development so as to remove barriers to quality urban development. We do this by bringing insights and industry together for the benefit of people and communities.

The intention is to share knowledge, international best practice and new technologies and increase transparency across the system to reduce uncertainty for all that are part of development processes.

The objective is resilient, sustainable and healthy communities for all in Aotearoa.

Around 86% of New Zealanders live in urban areas, but there is little consensus about what makes a "sense of place" in those communities. There are many contributing factors. UDINZ focuses on issues that its members broadly agree are relevant and compelling and in relation to which UDINZ can effect change. It aims to lead the development of an "NZ Inc" approach.

UDINZ:

- Defines and advocates for a new urban development paradigm for Aotearoa New Zealand;
- Provides an environment for the sector to work together including with central and local government agencies to build relationships and understanding that reduce uncertainty and increase consistency between policy jurisdictions, as well as aligning policy and implementation;
- Runs events that bring the sector together to discuss issues and facilitates collaboration around best practice- connecting and coordinating people working in urban development;
- Builds knowledge through provision of data, evidence-based research and domestic and international learning as well as case studies demonstrating different approaches and best practice; and
- Provides and supports talent development and training in areas particular to the advancement of good urban development.

Introduction

What is the Development Contributions Policy 2025 being consulted on

Auckland Council (Council) is proposing a new development contributions policy to take effect from February 2025.

They regularly review their contributions policy to account for updates to:
•expected growth
•current budgets
•any relevant policy changes.

The last review was in 2022 under the Development Contributions Policy 2022 - Variation A.

Council are expecting Auckland's population to grow by a further 200,000 by 2034 and by another 409,000 by 2054.

The new policy is intended to apply to reflect:
•spending and investment decisions over the period of the Long-term Plan 2024-2034 (LT Plan)
•expected growth in population and interest rates
•updates to project costs
•updates to long-term (30 years) investments in the Drury Investment Priority Area.

They also propose to spend and invest in other Investment Priority Areas (IPAs) over the next 30 years, like:
•Inner Northwest areas at Red Hills, Westgate and Whenuapai
•the Auckland Housing Programme (AHP) areas at Tāmaki, Māngere and Mt Roskill.

Council are seeking feedback on:
•proposed changes to the development contributions policy for investments made over the next ten years
• the proposal to add projects to IPAs beyond the LTP period (after 2034)
•proposed changes to the policy for the Drury area
•other proposed changes for the policy.

Not all of the spend anticipated is fully quantified and justified at this point, with supporting material continuing to be added to the material available for comment during the consultation process even now as the consultation period nears its close.

Scope of this submission

This UDINZ submission draws on perspectives across the urban development community and it should be noted that the views of the UDINZ membership are not homogenous. We have sought to represent a range of perspectives, with a particular focus on comments that suggest there may be unintended consequences on feasibility, housing supply and affordability and perverse outcomes that might not otherwise be understood.

Proposed Structure of Submission changed

It was intended that this submission opened with general principles and then fleshed out those principles with real world examples of the impact of the Development Contributions Policy. The time horizons and market response have however changed that proposed approach . It has not been easy to find many willing to publicly provide examples or comment. In several instances we were advised by members that they were not in a position to comment because of the impact that such comments may have on their existing investments in land and plans for that land (or in the case of consultants their client's plans) and the perceived risk of adverse consequences for those individual parties.

Overarching "in principle" comments

Infrastructure shortfall does need to be funded
UDINZ recognises the infrastructure deficit and accepts the concept that all beneficiaries of infrastructure should pay their fair share. We are also accepting of the notion that those conducting developments (developers) are used by local government to collect contributions towards additional infrastructure from the consumer(s) that will ultimately benefit from that new infrastructure (as long as it is indeed them that benefit). To that point some have questioned whether sufficient consideration has been given to those who actually benefit and to some of the cost of additional infrastructure being borne by the entire ratepayer base (or indeed taxpayer base). Some argue all in the community benefit from the increased housing supply (increased rateable/tax base, essential workers housed, enhancement of affordability etc).

Cross subsidisation suspected
Development contributions should be better aligned to the areas and individuals that benefit from the infrastructure. There appears to be significant cross-subsidies between existing and future ratepayers, and between areas of growth. Legally recovery must occur over the life of an asset, not in a foreshortened period (see below)

Public need confidence in methodology
It is not clear in all instances how costings on infrastructure have been arrived at and whether they are robust and defendable. Not all of the supporting material has been provided and is being progressively "drip fed" to the sector. It is the job of Council to establish the basis for charging, not the role of the development community to check the veracity of the costs (see process concerns below).

It is suggested that all costings should be independently audited (with an opinion, which the public can rely on, confirming methodology, calculations and assumptions are consistent with legislation and Auckland Council Policy) and conventional discounting practices applied for future spend.

Analysis we have seen (FIG 1) suggests infrastructure costs are in some areas loaded to the end of the 30 year period with minimal delivery in the first ten years. It leads one to question whether the infrastructure required for housing development happening now will be delivered in a timely fashion. It also suggests existing residents may not have been and will not be equitably bearing their share of costs.

Figure 1

Greater confidence in LT Plan than 30 year projections
There is some concern with the move to a 30 year period of infrastructure projections. The development community is generally comfortable with the rigorousness of the LT Plan (financially viable, deliverable, aligned to policy and subject to Audit Office review). That comfort and confidence is just not shared in relation to the 30 year projections.

People are rightly asking is the program deliverable from both a constructability and feasibility perspective within the timeframes. Delayed delivery impacts the promises the development community has made to residents around the level of amenity they can expect in the form of infrastructure.

Increases are greater than had been expected
The increases are unreasonably large compared to current development contributions (in many instances double or triple current levels) and further consideration should be given to alternative ways to fund the required infrastructure.

Affordability & market health
The policy further undermines the affordability of housing for first home buyers and presents a significant barrier to smaller developers.

Absence of staged implementation will drive perversities
The absence of a staged transition may lead to inequitable and supply-reducing outcomes for eg:
(a) Those that have land already and are sufficiently progressed will submit Resource Consents as soon as possible; (b) Where they have land, but are not ready or are concerned about feasibility with DCs they will delay their plans; and (c)Those that do not yet have land will simply eschew the area with the higher development contributions in favour of adjacent neighbouring suburbs.

Overarching in principle comments (cont)

Many will take the first approach and seek to "run the orange" i.e. seek to get consents in prior to the policy coming into play. This means the ratepayers generally, will bear a greater burden. It also places a consent resourcing burden on Council in the interim. A staged implementation could have lessened the all or nothing impact.

Council should consider whether they need a staging plan. It's important that developers who've invested in land for housing are able to proceed with those plans- some of which may already have finance - unimpeded by the constraints the new policy may impose. A period of 18 months or so would permit those plans already in train to be submitted, perhaps with phased increases thereafter.

DC s influence on housing supply (via development feasibility) and prices

Our members fundamentally disagree, based on their collective experience, with the economic analysis suggesting that higher DCs do not generally lead to higher house prices, at least in the short term (although longer term it may have that effect).

While there is an impact from the wider housing market, higher DCs are obviously factored into feasibility analysis and ultimately what developers seek to charge for the product they produce (they do not have an ability to exponentially absorb such costs).

Consumer appetite for a resultant price is the most likely determinant of go/ no go decision-making.

DCs impact feasibility

We are hearing implementation of the Development Contributions policy will result in a re-evaluation of the feasibility of projects and potentially prevent some proceeding. This decreases certainty about future growth and development. In a worst case scenario, this could result in investment in infrastructure that is not utilized to the level anticipated.

Impact Economically on viable yield

No consideration seems to have been given to the impact that the DC policy will have on overall yield. It might not be economically feasible to develop to the yield/intensity that that Council has zoned for (and projections of 30 year supply). This could itself have included in its implications for projected infrastructure investment – most likely over estimating quantum and cost.

Perception of double dipping

Any payment must not involve double dipping.

There is a suggestion in some instances that the costs of infrastructure included in the projected spends by Council has already in fact already been completed by Central Government (Kainga Ora). Some in the development community say these are already baked into the cost of land (for instance the superlots in Mangere, Roskill and Tāmaki) and paid for by the land developer and so an attempt by Council to also recover contributions equivalent to the costs of such infrastructure would be "double dipping". It is also not clear whether any funding from third parties such as grants, developer funded works, and any funding from financial contributions and targeted rates is excluded from projections and if so how this will be accommodated.

For example, there is a line item for Aorere and Waikowhai transport projects, but it is understood this has already been delivered.

Council will need to confirm further work is intended and required to be able to legally recover any costs in this regard. The counterfactual is that superlots in those areas will be cross subsidizing growth elsewhere in the suburb.

Recognition of Averted Spend

Similarly there needs to be recognition of the contribution made by Developers to constructing infrastructure (including expediting delivery of infrastructure planned for later decades) or in undertaking works that extend the capacity of the existing Infrastructure network whether traditional infrastructure or blue/green infrastructure (ie recognise averted spend). It seems there are no remissions provided for by the policy - i.e. even if the developer builds infrastructure on behalf of the Council, development contributions must still be paid. This is inequitable and does not incentivise innovation or collaboration between the private sector and Council.

Overarching in principle comments (cont)

Addressing Watercare "red zoned" areas
Consideration needs to be given to the impact of developers not being able to connect as a result of capacity constraints caused by overdue network upgrades in existing residential areas yet to be completed. Delayed discharge of stormwater separation responsibilities of Auckland Council also potentially a contributor to the issue. This will, amongst other things, reduce the pool of contributors.

Cost of overdue infrastructure unfairly borne
Developers are becoming increasingly concerned that the purchasers of newer housing (their customers) are being asked to pay for well overdue infrastructure upgrades that should be funded by a much wider group including existing home owners.

Calculations best not based on consenting data
In Para 43 of the paper which was presented to the governing body of Auckland Council reference is made to the assessments of population size (in turn shaping infrastructure demand) based on consenting numbers. It is a known fact consents sought are not necessarily a good predictor of the number of dwellings completed. Adjustments need to be made for this.

Verbatim Member comments

The sheer increase in cost is just too high at a time when the building industry is facing severe pressure and stress, a housing crisis, and battling with increasing costs. These further increases are going to result in damage to the already high cost of building, hamper consumer confidence, and result in a significant reduction in the number of developers.

New Zealand is in a housing crisis, due to the collision of low housing availability and housing affordability. House prices have increased dramatically and we need more homes to satisfy current demand and to stabilise the housing market. Further increases to development contributions will only discourage building activity in the city, as consumers weigh up the cost of building here as compared with cheaper parts of the country.

I'm concerned we allow for community infrastructure works, such as that undertaken by schools, charitable organisations or charitable trusts and to support the principles in the preamble to Te Ture Whenua Māori Act 1993. Council should definitely exempt social housing developments undertaken by Community Housing Providers and the Crown (as well as iwi trusts), where the organisations in question own the land and are undertaking the development directly. Consideration should also be given to relief in situations where social housing providers opt to purchase market housing from a private developer for the purpose of social housing, rather than undertake the development themselves. .

Not including the proposed exemption may disincentivise the development of social housing.

There are grounds for imposing the cost of some gene local public goods on landowners who benefit. The cost of supplying public goods such as neighbourhood parks, reserves, outdoor recreation facilities and stormwater systems that exclusively or predominantly service or enhance a development and are located within a development, may be appropriately imposed on relevant households and businesses by requiring the developer to pay for, or provide, the facilities. There should be a close connection between the subdivision or development on the one hand, and the relevant infrastructure and facilities on the other.

Mount Roskill is identified as an area that DCs will go up dramatically. So much so that it would make it near impossible to commit to buying land there. KO has done a great job with the Roskill South and Waikowhai redevelopment. The land price they are asking for currently reflects those upgrades and value added by these works. They openly have gone over budget so the increased DCs feel like a clawback for historical cost blowouts. How can that area still have such a huge forecast for upgrades?

It is questionable whether a 30-year view of infrastructure requirements will enable compliance with the fairness, equity, proportionality, and causal requirements of the Act.

The horizons are too long and far out to be able to properly model impacts, but there is a real concern that this can only impact feasibility, supply and affordability.

Verbatim Member comments (cont)

A mistake when assessing what is feasible is to build price on a cost up basis. Good developers know to work back from what the market will sustain to assess feasibility. No point building housing no one can buy or afford. A good example is say a developer working on an affordable housing option in Glen Innes/Tamaki Housing there sell for around $700k. After fees and GST a developer is with about $600k to deliver a completed house, buy the land and connect it. It's just not possible to do within $600K. The proposition is not bankable because the increases in DCs and IGCs (which are a $90k charge to be absorbed within that cost structure) erode margin required by the banks to cover risk and interest costs. You essentially end up with a negative return.

Property Development Breakdown

Selling Price	**$700,000**
Less: Fees and GST	-$100,000
Available for land, buildings & connections	**$600,000**
Required Profit (15%)	**$90,000**
Increases from prior year:	
Development Contributions Increase	$85,000
Infrastructure Growth Charge Increase	$5,000
Total Increases	**$90,000**
Required Profit	$90,000
Less: Total Increases	-$90,000
Leftover EBIT	**$0**

EBIT = Earnings Before Interest & Tax

Has anyone actually deep dived into the demand factors and their relevance in driving a compact city? Seems to me that we are operating with some dated legacy figures. There also seems to be a bit of 'opinion' involved.

Process concerns

Consultation malaise from experience on Drury.

Many of those who might comment or participate have been jaundiced by their experience of the Drury Development contribution consultations and have indicated they are unwilling to engage again with a process which is not genuinely interested in the feedback of those participating - the investment of cost and time is just not warranted. Why does this matter? There are concerns as a result of the above that the real and practical implications of the policy will not be elicited by the consultations.

Pre-consultation on this policy not productive, and regarded as potentially disingenuous

UDINZ, and we believe other industry associations, were requested to convene members to meet with Council officials prior to the draft Development policy being presented to the Governing Body of Auckland Council (as it transpired on Thursday, 26 September 2024 10.00am). A group of members dutifully turned up ready to listen and engage. A significant amount of feedback was given by those in attendance.

We expected (not unreasonably) that, having engaged in good faith we would be notified of the policy going up to Council's Governing body for consideration. No such notification was received. We identified ourselves that this was to occur and notified our members accordingly. We did then forward this notification, as a courtesy, to Council and indicated that we looked forward to official consultation commencing. Again however, the formal consultation commenced without any notification to us as a stakeholder group. Scant if any of the feedback provided during the pre - consultation seems to have made its way into the policy or has even been referenced in the material we are now considering.

Some have gone as far as to suggest that the pre-consultation was designed to "take the heat out of concerns" and "wear down" participants. As notes were taken by numerous officers present during the pre consultation in this instance, please ensure this material is noted in the feedback collected on the policy.

Not all of the members present at that time are willing to engage further.

Respective roles of Council and community in relation to consultation

The approach with this "consultation" seems to us to be flawed in that Council seems to have had an expectation that the consultation process will road test their assumptions and approach. By contrast, the community should be able to expect that the proposals put forward by Council should be robust and comprehensive and consistent with Council' policy and legislative powers. It is not the public's job to disprove Council's assumptions or identify shortcoming in the approach taken.

By way of example:
(i) in the transport program there are, in each neighborhood, a number of interventions that don't align with Auckland Council/Auckland Transport /Central government policy: and
(ii) the Tāmaki stormwater investments haven't allowed for causation factors other than growth (eg Climate change) when allocating costs between existing ratepayers and development contributions.

A Missing step: desired level of service

One could say that the real focus of the process should have been on putting a range of alternative service levels with corresponding costs to the community for them to feedback on the level of service required which also would have operated to better inform the community on the respective costs of the various alternatives.

Policy must comply with Legislative basis for charging

Its important that any development contributions policy is aligned with the legislative basis for charging.
The purpose of development contributions is set out in s 197AA of the Local Government Act as follows:

197AA Purpose of development contributions
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.

Section 199 sets out the circumstances which may give rise to a territorial authority requiring a development contribution from a developer. It provides:

199 Basis on which development contributions may be required
(1) Development contributions may be required in relation to developments if the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, the territorial authority incurs capital expenditure to provide appropriately for—
(a) reserves:
(b) network infrastructure:
(c) community infrastructure.
(2) This section does not prevent a territorial authority from requiring a development contribution that is to be used to pay, in full or in part, for capital expenditure already incurred by the territorial authority in anticipation of development..
(3) In subsection (1), effect includes the cumulative effects that a development may have in combination with other developments

Section 197AB sets out the principles that must be taken into account when preparing a development contributions policy under s 106 or requiring development contributions under s 198.

Section 197AB(f) states:

197AB Development contributions principles
(1) All persons exercising duties and functions under this subpart must take into account the following principles when preparing a development contributions policy under section 106 or requiring development contributions under section198:

(a) development contributions should only be required if the effects or cumulative effects of developments will create or have created a requirement for the territorial authority to provide or to have provided new or additional assets or assets of increased capacity:

(c) cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets;

(e) territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why they are being used

Development contributions under the LGA are in addition to, and separate from, financial contributions imposed as a condition of a resource consent under Section 108 of the Resource Management Act 1991 (RMA). Development contributions taken by the Council under the LTP relate directly to the assumed cost of development on current and future community facilities

Te Ture Whenua Māori Act 1993:
Section 102(3a) of the Local Government Act 2002 (LGA) requires Council policies, including the Development Contributions Policy, to support the principles set out in preamble to Te Ture Whenua Māori Act 1993.

The Preamble includes that the Crown should "...facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and their hapū."

Clause 22, Part 4, Schedule 1AA of the LGA requires that development contribution policies be compliant by 1 July 2024.

Legislative basis for charging (CONT)

106 Policy on development contributions or financial contributions

(1) In this section, financial contributions has the meaning given to it by section 108(9) of the Resource Management Act 1991.

(2) A policy adopted under section 102(1) must, in relation to the purposes for which development contributions or financial contributions may be required,—

(a) summarise and explain the total cost of capital expenditure identified in the long-term plan, or identified under clause 1(2) of Schedule 13 that the local authority expects to incur to meet the increased demand for community facilities resulting from growth; and

(b) state the proportion of that total cost of capital expenditure that will be funded by—

(i) development contributions:

(ii) financial contributions:

(iii) other sources of funding; and

(c) explain, in terms of the matters required to be considered under section 101(3), why the local authority has determined to use these funding sources to meet the expected total cost of capital expenditure referred to in paragraph (a); and

(d) identify separately each activity or group of activities for which a development contribution or a financial contribution will be required and, in relation to each activity or group of activities, specify the total amount of funding to be sought by development contributions or financial contributions; and

(e) if development contributions will be required, comply with the requirements set out in sections 201 to 202A; and

(f) if financial contributions will be required, summarise the provisions that relate to financial contributions in the district plan or regional plan prepared under the Resource Management Act 1991.

UDINZ

creating urban communities together

Contact Information:

[redacted]

Development Contributions Policy Review

#127

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Auranga Town Centre Holdings Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Our Ref: 16285
[redacted]

14 November 2024

Auckland Council
Private Bag 92300
Victoria Street West
Auckland 1142

By email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

Dear Councillors

Development Contributions Policy as applied to Auranga Town Centre Holdings Limited

Introduction

1. We represent Auranga Town Centre Holdings Limited (**ATC**) in submitting this objection to Auckland Council's Development Contributions Policy (**DCP**) as applied to the Auranga development (**Auranga**) in Drury.

2. While ATC appreciates Auckland Council's efforts to address Drury's infrastructure needs, ATC considers the DCP in its current form imposes disproportionate and inequitable costs on the Auranga.

3. This letter sets out ATC's position and provides our rationale for seeking a tailored, fairer approach to DCs as applied to Auranga.

Executive Summary

4. ATC is of the view that:

   (a) Auranga is a self-contained town designed and established with extensive internal infrastructure to support the daily needs of its residents.

   (b) Auranga has a unique positioning in Drury as a self-sustaining community, with existing infrastructure and services that limit the need for further contribution.

(c) In the circumstances, the Council's inclusion of Auranga in the broader Drury infrastructure policy inappropriate and the extension of the DCP horizon from 10 years to 30 years disproportionately impacts ATC and is inconsistent with ss 197AA and 197AB of the Local Government Act 2002 (**LGA**). It also puts into question the financial viability of Auranga development.

(d) Given its unique circumstances, an assessment for Auranga by reference to a lower HUE calculation (based on the number of bedrooms per dwelling as applied by Hamilton City Council's DCP) and / or an equitable density contribution calculation under a Development Agreement would provide an equitable contribution structure which would better align Auranga's DC obligations with its actual infrastructure demands.

Legal framework

5. Sections 197AA and 197AB of the LGA emphasize that development contributions must be fair, equitable, and proportional to the demand generated by a specific development. Under section 101(3)(a)(ii), councils are required to consider who benefits from infrastructure when apportioning costs, ensuring costs align with actual benefits received by the development.

6. Sections 199(1) and 197AB(1)(a) of the LGA provide that councils may charge development contributions only where a development creates demand for new or additional infrastructure. The requirement for a causal nexus means contributions must relate directly to the infrastructure needs generated by the development, avoiding costs that serve only speculative or future demands.

7. Section 197AB(b) of the LGA mandates transparency in the Council's contributions policy, ensuring that developers understand the purpose and rationale behind imposed costs. Section 82(1)(a) also requires councils to provide adequate information for public engagement in policy decisions.

8. The National Policy Statement on Urban Development 2020 (NPS-UD) directs councils to encourage feasible development that supports housing affordability, while section 101(3)(a)(i) of the LGA mandates consideration of contributions' economic impacts on developments. Inflated contributions that undermine housing affordability are inconsistent with the NPS-UD's objectives.

9. In *AGPAC Ltd v Hamilton City Council*[1], the Court established that contributions must reflect each development's specific demand. The Court further ruled that councils must provide adequate data to support cost assessments, allowing developers to evaluate contribution fairness. *Neil Construction Ltd v North Shore City Council*[2] emphasized that a clear, causal connection is required between a development and the infrastructure it is charged for.

Contributions Policy 2022

10. Household unit equivalent (**HUE**) is defined as the unit of demand that creates an equivalency factor between a type of development and one average detached dwelling unit (household unit) in the Council's Contribution Policy.

11. Auckland Council's DCP uses HUEs to reflect demand on infrastructure for various types of developments by setting units of demand according to the specific infrastructure use patterns associated with each type of development.

[1] *AGPAC Limited and others v Hamilton City Council* [2021] NZHC 222.
[2] *Neil Construction Ltd v North Shore City Council* HC Auckland CIV-2005-404-4690, 21 March 2007.

12. HUEs for residential developments are primarily based on occupancy levels and average demand on infrastructure such as transport, stormwater, and community facilities. Larger homes with higher occupancy rates place more strain on these resources and therefore typically have higher HUEs.

13. Certain developments, like retirement villages, have lower HUEs because they generally house fewer occupants and have reduced transport and community facility demand. The lower HUEs reflect the council's recognition of the distinct infrastructure use patterns in these cases.

14. Lower HUE allocations are applied where a development has lower than average impact on infrastructure. Auckland Council also reduces HUEs for developments that integrate sustainable infrastructure, like stormwater management, which lessens the overall load on council resources.

Background of Auranga

15. Auranga is a self-contained town centre within Drury, designed and established with extensive internal infrastructure to support the daily needs of its residents. Unlike neighbouring developments, Auranga has prioritized self-sufficiency by providing core facilities including schools, parks, retail spaces, and recreational areas within walking distance for residents within the development.

16. Importantly, Auranga's infrastructure needs are largely met by existing resources, including direct access to State Highway 22 directly and State Highway 1, which are fully funded and serve as its primary transport route significantly reducing dependence on regional roadwork funded through DCP, and various projects listed in the Council's transport assessment.

17. This self-sufficiency reduces Auranga's demand on Drury's broader infrastructure network, positioning it differently from other developments in the area under the same DCP.

18. The traffic projects funded and completed by ATC will benefit the broader Drury community as well as Auranga, as they provide utility beyond Auranga and reduce the infrastructure burden on the Council and other developers.

19. ATC paid a premium for its land, significantly more than adjacent undeveloped land in Drury, due to Auranga's desirable location and existing infrastructure. This premium reflects the value of infrastructure available to ATC.

20. The Council's DCP, however, designed with a 30-year horizon, applies broadly to all Drury developments and does not account for Auranga's unique characteristics or ATC's significant contributions to local infrastructure.

Distinction between Auranga and other developments in Drury

21. Auranga is within Drury as a largely self-sufficient community, designed to have numerous internal infrastructure projects completed or near completion, substantially reducing its need for external infrastructure as funded by the DCP:

    (a) Traffic: Auranga has direct, fully funded access to SH1, which serves as its main transport route and significantly reduces dependence on regional roadwork funded through the DCP.

    (b) Comprehensive community amenities: Auranga's internal facilities are designed and developed to support the community's needs, ensuring minimal reliance on transport. These amenities are also available and provide benefit for developments outside of Auranga.

    (c) Higher cost: the significant premium for Auranga's land due to its locational advantages reflects infrastructure benefits that Auranga's residents already enjoy and

will enjoy in the long term. Any further DCP contributions would effectively constitute a double payment for infrastructure.

Auranga's reduced infrastructure demands

22. The Council's DCP applies charges for regional infrastructure projects and community facilities that ATC's residents are unlikely to use, given the self-contained nature of Auranga's community facilities. Section 197AB requires that contributions reflect the specific demand each development creates. For ATC, the required contributions to support broad roadwork and community amenities in Drury lack a causal nexus and provide minimal benefit to Auranga.

23. As established in *Neil Construction*, contributions must be tied directly to the actual demand generated. Auranga's facilities significantly limit the need for further regional infrastructure, meaning these contributions impose an unfair burden on ATC. Additionally, this approach conflicts with *Ranfurly Village Ltd*, which underscores the importance of proportionate and justifiable contributions, ensuring fairness in cost allocation.

24. Auranga's access to SH1, a fully funded project, and its internally funded traffic projects and facilities indicate that its key infrastructure needs have already been met. The ATC funded projects and amenities not only benefit Auranga but also the wider Drury region.

25. Section 199(1) of the LGA restricts councils to charging contributions only where new infrastructure demand exists. Imposing additional contributions on ATC for already-funded infrastructure is unjustifiable, as it forces ATC to pay twice for infrastructure it is already benefiting from.

26. This double charging violates the fairness and transparency principles established in *AGPAC Ltd*[3], which confirms that contributions should only apply to infrastructure costs created by a development. The absence of a causal link between Auranga's current infrastructure needs and the Council's broader Drury projects further highlight this issue, reinforcing that such charges are legally unsound.

27. Furthermore, the Council's decision to extend the DCP horizon from 10 years to 30 years disproportionately impacts ATC. The extended timeframe, intended to cover Drury's full buildout by 2060, projects beyond Auranga's current development phase and significantly increases the contribution burden. ATC, as a largely self-contained development, will not derive sufficient benefit from infrastructure designed for a future Drury population.

28. The Council's failure to transparently justify the extended horizon contravenes section 197AB(b), which requires clear reasoning for such policy shifts. As per *AGPAC Ltd*[4], councils must provide developers with sufficient information to assess the basis for contributions, which has not been adequately done in this case. Without clear data supporting the need for a 30-year horizon, ATC is deprived of a meaningful opportunity to assess whether the contributions align with its specific needs.

DCP 2024/25 – Hamilton

29. The most recent Hamilton City Council's DCP calculates HUEs based on the number of bedrooms per dwelling rather than overall gross floor area adopted by the Auckland Council's DCP. This bedroom-based calculation better aligns contributions with actual infrastructure demands.

[3] above, n 1.
[4] above, n1.

30. The Hamilton DCP reflects the LGA principles of fairness and equity by assigning lower HUEs to developments that have reduced infrastructure demands. For example, Hamilton applies a 0.33 HUE rate to one-bedroom units and 0.66 HUE rate to two-bedroom units, recognising that smaller units generally require fewer services. This approach benefits developers and communities by setting contributions proportionate to actual demand and avoids overburdening smaller or self-sufficient developments.

Proposal for fair contribution

31. In light of the above, ATC considers the current DCP, as applied to Auranga, lacks legal justification due to its failure to meet the statutory requirements of proportionality, causality, and transparency. However, ATC is willing to contribute a fair and appropriate share for infrastructure specifically benefiting Auranga and its residents. To address this, ATC respectfully proposes the following options to resolve the matter expediently:

(a) Development agreement

(i) ATC is open to entering into a development agreement with Auckland Council to formalize an equitable contribution structure that reflects Auranga's unique circumstances.

(ii) This agreement would establish clear boundaries of responsibility between ATC and the Council, specifying which public works and infrastructure will benefit Auranga directly and merit ATC's contribution. Such an agreement will:

(iii) Ensure transparency and proportionality, as required by sections 197AB(b) and 82(1)(a) of the LGA; and

(iv) Enable a fair allocation of costs that respects Auranga's reduced reliance on shared Drury infrastructure.

(b) Contribution cap on extended DCP horizon:

(i) Given the Council's shift from a 10-year to a 30-year horizon in its DCP, which disproportionately increases ATC's contribution burden, we propose a cap on contributions proportional to Auranga's immediate development phase. This measure would prevent ATC from bearing costs for infrastructure intended primarily to support future developments in Drury beyond Auranga's operational needs.

(ii) Such a cap would be consistent with section 197AB(b) of the LGA, ensuring contributions remain transparent and proportionate, and aligned with the principles of fairness as established in Ranfurly Village Ltd v Auckland Council.

(c) Density contribution calculations:

(i) For developments within Auranga with three bedrooms or more and with development area of 99 square meters or less, we propose that Auckland Council apply a lower HUE calculation.

(ii) This approach is in line with similar reductions applied to apartment-style developments, retirement villages and other self-sufficient developments that generate lower demand on regional infrastructure. This adjustment recognizes the reduced demand Auranga places on infrastructure, particularly transport and community amenities.

(iii) As stipulated in the DCP, lower HUEs are applied to developments with unique demand patterns to reflect accurately the actual impact on

infrastructure. Accordingly, this proposal aligns with the requirements under sections 197AA, 197AB, and 199(1) of the LGA that DCs must be fair, equitable, and proportional to the demand generated by each specific development.

(d) Lower HUEs calculations based on Hamilton's policy:

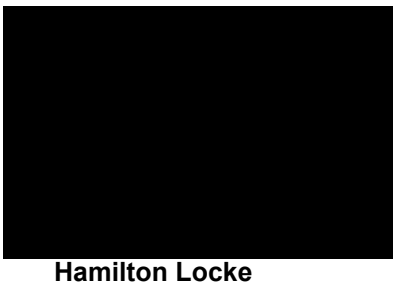
(i) For development within Auranga with two bedrooms or less, we propose that Auckland Council adopt an HUE calculation methodology for Auranga similar to the Hamilton DCP, which adjusts HUEs based on the number of bedrooms rather than floor area.

(ii) This method would recognise reduced infrastructure demands for self-sufficient developments and better aligns with statutory requirements for fair, equitable, and proportional contributions under sections 197AA, 197AB, and 199(1) of the LGA.

32. Given that ATC is funding a substantial amount of community infrastructure (e.g., parks, library, and other communal spaces), we seek clarification on the reimbursement options available through DC payments. These amenities not only benefit Auranga but also contribute to the surrounding Drury area, reducing the broader community's infrastructure demands. We propose a structure where Council recognizes and reimburses these contributions to avoid double-charging and to ensure DCs accurately reflect the infrastructure benefit provided by ATC's amenities.

33. We thank Auckland Council for considering ATC's position and proposed adjustments to the DCP. We welcome the opportunity to discuss this matter further to arrive at a fair and legally justified resolution.

34. Should you require additional information or wish to arrange a meeting, please do not hesitate to contact us.



Hamilton Locke

Development Contributions Policy Review

#128

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Fulton Hgan Land Development Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

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   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

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   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

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   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

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We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Submission by Fulton Hogan Land Development Limited on the Development Contributions Policy Review (2025)

To: Contribution Policy Team
Auckland Council
Private Bay 9230, Victoria Street West
Auckland 1142

By email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

Name of Submitter: Fulton Hogan Land Development Limited (FHLD)

INTRODUCTION

1. FHLD is one of the biggest residential property development companies in New Zealand. In particular, in Auckland, FHLD has been responsible for the large-scale subdivision and development of land at Danne Mora, Milldale, Millwater, and more recently has commenced works in Drury.

2. The Auckland Council Draft Development Contributions Policy 2025 (the Policy), is therefore of critical importance to the feasibility and viability of FHLD's developments across the Auckland Region as well as the cost of housing.

3. As currently drafted, the Policy raises some serious concerns, particularly in terms of affordability to both the development community and in terms of supply of potential housing stock, and whether the Policy is reasonable in that it includes projects far into the future with no apparent relationship with developments that are being levied now.

4. FHLD is concerned that the approach taken to the Policy will have significant impacts, and could further prevent development from occurring across Auckland in particular in areas that have been identified by Auckland Council as appropriate for future growth, given the substantial increase proposed in the Development Contributions.

5. FHLD agrees that the private sector should pay its fair share of infrastructure required for growth on a fair, equitable, and proportionate basis. However, there are significant issues with the Policy which are not fair, equitable, or proportionate and that do not otherwise comply with key provisions of the Local Government Act 2002 (LGA). There are significant implications arising from the Policy, and FHLD has significant concerns regarding the approach being adopted by Council in the Policy.

6. FHLD is concerned that the Policy and, in turn the LGA, is being misused as tools to deter Development in specific areas even though they are zoned for Development. The Resource Management Act 1991 (RMA) is the statute to determine whether Development should occur in specific locations and not the LGA.

7. FHLD could not gain advantage in trade competition through this submission.

8. FHLD opposes the Policy, subject to the amendments being made for the reasons outlined in this submission.

SUMMARY OF SUBMISSION

9. FHLD welcomes the opportunity to provide feedback on the Policy. It is absolutely critical to have a robust DC policy that allows the development community to make informed long-term investment decisions and to ensure the fair distribution of costs across all those that benefit from that expenditure.

10. The Council has provided insufficient information, including with respect to the methodology and calculations for the DCs in the policy, to provide an understanding of how the quantum of DCs have been established.

11. In particular, it is not clear from the capital cost estimates in the DCs Policy:

    (i) whether any funding from third parties such as grants, developer funded works, and any funding from financial contributions and targeted rates is excluded; and

    (ii) if assets that developers construct and vest in the council (e.g. arterial roading, major intersection upgrades, parks) are fully accounted for in the calculations.

12. As a result of para 11 above, there is a high likelihood of double dipping where DCs are charged for infrastructure that will be provided and funded by developers and then vested in the Council at no cost. Clauses 67 and 69 of the Policy appear to prevent remissions being provided for developers who deliver infrastructure included in the Policy ahead of time which will allow the Council to 'double dip'. If a developer builds any of the listed Infrastructure in the Policy, Council cannot also charge the same developer a DC for that Infrastructure (in particular at an ecalated price), however, the provisions in question appear to specifically enable that outcome to occur.

13. The significant quantum of DCs proposed for development, particularly in greenfield areas, is a direct disincentive to growth and fails to recognise that there are other funding options such as the Infrastructure Funding and Financing Act 2020 and developer agreements.

14. It is questionable whether a 30-year view of infrastructure requirements in the Investment Priority Areas (IPAs) will enable compliance with the fairness, equity, proportionality, and causal nexus requirements of the LGA.

15. FHLD strongly opposes the magnitude of the increases to the DCs in the Policy, which would have a negative impact on the feasibility of development, and in turn will have a negative impact on the number of jobs that will be provided across Auckland. This would be a significant issue given the amount of residential development that has either been developed, consented,

or is in the pipeline with rezoned land for residential purposes, and the number of people who will be living within this area in the future.

16. FHLD recommend that the Council not adopt the 30-year funding and financing plan decision in the IPAs and replace it with a 30-year strategic vision that is financed and forecasted in 10-year increments. Shifting from 30-year financing to 10-years would allow the Council to use alternative funding and financing mechanisms such as using the Crown Infrastructure Partners balance sheet through the Infrastructure Funding and Financing Act.

17. FHLD is extremely concerned that if the Council approve the DCs to the magnitude proposed, it will disincentivise development across the Auckland region, in particular in future growth areas including Drury and the northern growth area, increase the cost of development, and in turn jobs will not be established in areas which are significantly in need of local job generation. This will in turn, increase pressures on Auckland's infrastructure as more people will be travelling greater distances to access jobs.

18. FHLD is of the view that the Policy changes could undermine Central Government's commitment to funding and delivering transport infrastructure to support the future growth of priority development areas. The Policy review proposed by Auckland Council will effectively disincentivise development in the future growth areas from occurring, making it less viable for developers to deliver job generating businesses and housing in this location.

REASONS FOR SUBMISSION

30-year timeframe creates complexities with funding and financing

19. The 30-year timeframe to fund and finance infrastructure in the IPAs introduced through the Policy is a significant change from current 10-year timeframes within Long Term Plans.

20. FHLD considers it questionable whether a 30-year view of infrastructure requirements in IPAs will enable compliance with the fairness, equity, proportionality, and causal requirements of the Act. FHLD also notes that it is impossible to accurately predict what infrastructure will be required and the cost of delivering this infrastructure 30-years out.

21. It is essential that the Council has a robust DC policy that allows developers to make informed long-term investment decisions and ensures a fair distribution of fees amongst all ratepayers. However, when looking at the cost of infrastructure over a 30-year timeframe, complexities arise around the accuracy of the price of infrastructure creating uncertainty; particularly, when trying to estimate things such as inflation, delivery risks, costs of infrastructure, and future demands over a 30-year period. FHLD is concerned that the calculations become increasingly inaccurate and uncertain past 10 years.

22. FHLD considers that there are a number of things that add to the complexity of the modelling and requires further consideration by Council, such as:
    - Impact of inflation on delivery of projects over time;
    - Benefits of paying upfront vs. delivery risks;

- The accuracy of capital expenditure allocations that far in advance, given that each development will not necessarily generate the same demand on infrastructure;
- Evidence supporting the Council's intent to take a 30-year approach;
- Actions the Council will have to take to ensure money collected today will be spent on delivery of the projects over a 30-year period;
- The impacts on development in the short term;
- Lack of evidence suggesting that a 30-year approach is better than a 10-year one; and
- The time value of money, and how the real value of contributions collected today will not erode through inflation, specifically in relation to the increasing costs of the anticipated future infrastructure against which it is allocated.

23. The proposed changes lack transparency and raise concerns around the accuracy of the proposed DC charges. In particular, FHLD is concerned that there could be over collection of DCs in which the Council will be legally required in 30-years' time to track down the developers and return any over payments. This too will add layers of complexity for the Council and is another reason why FHLD supports the 10-year funding and financing timeframe.

24. FHLD recommends the Council not adopt the 30-year infrastructure funding and financing for Ipas (including Drury) due to a number of uncertainties (such as predicting the future cost of infrastructure) which could result in grossly overcharging through development contributions. FHLD considers the costs of infrastructure are overstated.

25. Alternatively, FHLD is generally supportive of a 30-year strategic vision for Auckland and in particular future growth areas, with financing and reforecasting in 10-year increments. This would better ensure that project costs are greater aligned to upcoming projects and lowers the risk of cost blow-outs from overcharging through DCs. Reforecasting every 10 years will also allow for alternative funding and financing mechanisms through the Infrastructure Funding and Financing Act. This will help ensure fairer allocation, better transparency and intergenerational equity.

Concerns with transparency of the process

26. The Council has provided insufficient information, including with respect to the methodology and calculations for the DCs in the Policy, to provide an understanding of how the quantum of DCs have been established.

27. It is not clear whether any funding from third parties such as grants, developer funded works, and any funding from financial contributions and targeted rates is excluded.

28. It is also unclear whether remission will be provided where a Developer delivers infrastructure listed in the Policy ahead of time, and whether the Policy will be amended to re-price the infrastructure at the cost to deliver it as opposed to the escalated and grossly blown out cost allocated in the Policy.

Timing and Staging of Infrastructure Delivery

29. FHLD is concerned that the Policy is being used to further deter Development in specific locations, such as in Drury, where some infrastructure upgrades have been delayed in the Policy to decades after they are actually needed. For example, the Drury Stormwater Project is not scheduled under the Policy to be completed until 2043, whereas it is needed by 2028. Bringing the project forward to when it is actually needed will also save many millions of dollars as it will avoid 15 years of inflation and escalation costs and enable Development to occur which in-turn will allow more DC's to be collected earlier.

30. Given the issues raised throughout this submission, FHLD is concerned that there are fundamental issues with the DC policy.

31. FHLD is concerned that Clauses 67 and 69 of the Policy as currently worded prevent remissions to be provided for developers who deliver infrastructure included in the Policy ahead of time. If a developer builds any of the listed Infrastructure in the Policy, FHLD strongly opposes Council also charging the same developer a DC for that Infrastructure (in particular at an ecalated price) The provisions in question appear to specifically enable that outcome to occur, and FHLD seeks that clauses 67 and 69 be amended so that this does not occur.

RELIEF SOUGHT

32. FHLD seeks the following relief on the DC Policy:

    a. that the DC Policy be **amended** to cover a 10-year period of infrastructure works (as opposed to the 30-year timeframe proposed in the Policy) so that the Policy can be considered to be reasonable on the basis there is some link between the Development occuring and the works it is being levied for now.

    b. that the Policy (and Attachment A: Updated Drury Investment programme) is **amended** to bring forward the Stormwater project for Drury (from 2043) to be completed by 2028, i.e. when it is actually needed to support development in Drury rather than to prevent it.

    c. that the Policy be **amended** at clause 67 and clause 69 at page 12 of the Policy so that if a Developer delivers infrastructure listed in the Policy, the Developer will not be charged a DC in addition for that infrastructure.

    d. that the Policy be **amended** so that where a project is delivered ahead of time, the DC is re-priced at the cost of infrastructure delivered (to ensure that the Council is only recovering the actual cost associated with the delivery of infrastructure rather than the grossly escalated price).

    e. that the Policy be **reviewed and updated** to only include infrastructure that is proven as necessary and has a clear relationship with the developments that are being levied.

f. that the **Policy Review is put on hold** until all information is made available and the quality of that information has been accepted by all relevant experts and all matters above have been addressed.

CONCLUSION

33. FHLD strongly opposes the Council's proposed 30-year timeframe for IPA's and DC Policy review. This will have negative effects to development across the Auckland region. Consequently, developers will start to look for investment opportunities outside of the Auckland region.

34. It is inappropriate to take a long-view to the provision of infrastructure without taking a proportionate view to the roll out of the charging of DCs.

35. FHLD strongly opposes the Policy as it does not pass the reasonableness test in that includes projects so far into the future that have no apparent relationship with the Developments that are being levied now.

36. FHLD wishes to be heard in support of this submission.

37. FHLD would consider presenting a joint case if others make similar submissions.

Address for Service:
Barker & Associates Ltd
Attn: Nick Roberts
PO Box 1986
Shortland Street
Auckland 1140

[redacted]
[redacted]

Copied to:
Fulton Hogan Land Development Limited
[redacted]
[redacted]

Development Contributions Policy Review

#129

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): JZ Planning Consultancy ltd.

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

From: [redacted]
To: Contributions Policy Team (CPT)
Subject: Feedback Form/Qing ZOU/Development Contributions Policy 2025
Date: Wednesday, 13 November 2024 1:33:01 pm
Attachments: f88d0772f684b311b16931c502176e94_Draft_Development_Contributions_feedback_form-QingZOU.pdf

---

Dear Devcon policy team

Please find the attached filled feedback form from me.

I'm a homeowner in Panmure and plan small scale subdivision to suit family growth at some point. I acknowledge the need for infrastructure improvement to cope with any growth. However:

- I do not support the blanket Devcon increase, i.e. charging the same amount to small scale developers and much larger organisational developers such as Tamaki Regeneration Company and Housing NZ who generate the bulk of infrastructure improvement demand that is not comparable to any small scale developers.
- The AHP is the mandate of large social housing developers. They are the ones who created acute demand for infrastructure improvements and should bear their fair share of the cost.
- The average small scale developers, e.g. mum & dad developers should still contribute to infrastructure improvement but in a fair manner.
- It's not a fair share of the cost. Homeowners and small scale developers should be charged differently from the organisational developers, esp. those in the large scale social housing development space.
-
- The target rate is more appropriate to the likes of KO and TRC

Kind regards

[redacted]
Planning Consultant
[redacted]

JZ Planning Consultancy ltd.
[redacted]

Development Contributions Policy Review

Feedback must be received by **midday 15 November 2024**

Development contributions are a fee we charge developers. We use this money to help pay for new assets that are needed to support the new households or business properties that have been, or will be, developed. These assets include activities and services like:

- transport, footpaths, roads and intersections
- parks, park facilities and sports grounds
- drainage and stormwater systems
- community facilities.

We regularly review our contributions policy to account for updates to expected growth, current budgets, and any relevant policy changes.

The last review was in 2022 under the Development Contributions Policy 2022 - Variation A. Since then, we have adopted the Long-term Plan 2024-2034 (LTP).

What we are proposing

We are proposing a new policy to take effect from March 2025, which includes information to reflect:

- spending and investment decisions over the period of the Long-term Plan 2024-2034
- expected growth in population and interest rates
- updates to project costs
- updates to long-term (30 years) investments in the Drury Investment Priority Area.

We also propose to spend and invest in other Investment Priority Areas (IPAs) over the next 30 years, like:

- Inner Northwest areas at Red Hills, Westgate and Whenuapai
- the Auckland Housing Programme (AHP) areas at Tāmaki, Māngere and Mt Roskill.

We strongly encourage you to read the proposed approach and accompanying information before answering any of the following questions.

Give feedback online at akhaveyoursay.nz, or you can:

Scan and Email your completed form to:
contributions.policyteam@aucklandcouncil.govt.nz

Post your completed form to:
Auckland Council Contributions Policy team
Freepost Number 182382
Private Bag 92300
Victoria Street West
Auckland 1142.

Your details

Your name and feedback will be included in public documents. All other personal details will not be made available to the public.

[redacted]

Your local board or suburb: Panmure

Are you providing:

- [x] Your **personal** feedback
- [ ] Feedback as the official representative of an **organisation**

  Organisation name:

These questions are optional but will help us understand which groups of the community are engaging with us.

[redacted]

Would you like to subscribe to any of the following? (tick all that apply)

- [ ] People's Panel – to take part in council surveys
- [ ] OurAuckland – your weekly guide to what's happening in Auckland
- [ ] Auckland Conversations - free public events offering ideas, inspiration and action for world-class cities

You can also visit AK Have Your Say at akhaveyoursay.nz to find out about, or register to receive regular updates on, consultation activities happening across Auckland

Important privacy information

The personal information that you provide in this form will be held and protected by Auckland Council in accordance with our privacy policy (available at **aucklandcouncil.govt.nz/privacy** and at our libraries and service centres) and with the Privacy Act 2020. The privacy policy explains how we can use and share your personal information in relation to any interaction you have with the council, and how you can access and correct that information. You should familiarise yourself with this policy before submitting this form.

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   - [x] Support
   - [x] Do not support
   - [x] Other
   - [ ] I don't know

   Tell us why

I do not support the blanket Devcon increase, i.e. charging the same amount to small scale developers and much larger organisational developers such as Tamaki Regeneration Company, who generates the bulk of infrastructure improvement demand that is not comparable to small scale developers. I'm a home owner of a THAB site in Panmure and plan to do a small scale subdivision on this site to suit family housing need. It will add pressure to the infrastructure but the quantum will be not comparable to TRC. It's not fair.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   - [ ] Support
   - [x] Do not support
   - [x] Other
   - [ ] I don't know

Tell us why

For the same reason as above

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

- [ ] Support
- [ ] Do not support
- [ ] Other
- [x] I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

- [x] Support
- [ ] Do not support
- [ ] Other
- [ ] I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

I'm a homeowner in Panmure and plan small scale subdivision to suit family growth at some point. I acknowledge the need for infrastructure improvement to cope with any growth. However:
I do not support the blanket Devcon increase, i.e. charging the same amount to small scale developers and much larger organisational developers such as Tamaki Regeneration Company and Housing NZ who generate the bulk of infrastructure improvement demand that is not comparable to any small scale developers.
The AHP is the mandate of large social housing developers. They are ones who created acute demand for infrastructure improvements and should bear their fair share of cost.
The average small scale developers, e.g. mum & dad developers should still contribute to infrastructure improvement but in a fair manner.
It's not a fair share of the cost. Homeowners and small scale developers should be charged differently from the organisational developers, esp. those in the large scale social housing development space.
The target rate is more appropriate to the likes of KO and TRC

Need more room? You can attach extra pages.

Development Contributions Policy Review

#130

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Andrew Body Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

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   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

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   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

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We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Submission to Auckland Council on its Draft 2025 Development Contribution Policy

TO: **Finance and Performance Committee**

Auckland Council

FROM: [redacted]

Andrew Body Limited

SUBJECT: Auckland Council Draft 2025 Development Contributions Policy

DATE: 12 November 2024

Councillors

Following are the talking points for my appearance before Auckland Council's Have Your Say meeting on the Draft 2025 Contributions Policy.

"Groundhog Day"

1. Nearly all of the points in this submission were made by me to Auckland Council's Finance and Performance Committee Have Your Say meeting on the Draft 2021 Contributions Policy on 12 October 2021. Council staff are not changing their approach and in some cases have not done what they said they would do.

Development Contribution's are a sensible economic instrument

2. I support development contributions as a fair and efficient economic instrument for Council's to use to fund growth. Imposing cost on the party that causes the cost is more likely to lead to good economic outcomes than an "averaging" approach to cost attribution. The Infrastructure Funding and Financing Act has failed because of its high transaction costs. Proposals around value uplift capture are complex.

Substantially increased contributions collected

3. Auckland Council's development contributions' collections have increased from $65m in 2013 to $269m in 2024 and Council's latest 10 year budget proposes $2.3bn of development contributions.

Being correct in principle doesn't make Development Contributions correct in practice

4. Council is a supporter of development contributions, as it should be. However implementation is complex. The forecasting of project costs is notoriously difficult. Certainty of projects proceeding in the budgeted form declines rapidly as the forecast period extends. Cost splits across developers are complex and apparently small changes can make big differences. The governing body has little if any real visibility over the quality of implementation by Council staff.

No external and independent review

5. There has been no external, let alone independent, review of the detail of Council staff's work for this policy and indeed apparently there has ever been an external detailed review of their work. It is time for an external review overseen by stakeholders, including developers.

Council work for the policy is incomplete

6. Officers were made aware of and acknowledged the deficiencies around demand factors in their early 2018 work and a promise was made by staff to do the work for the next policy update when the 2019 policy was adopted in late 2018. By October 2019 staff had apparently not undertaken any work on demand factors (refer development contributions policy update meeting in October 2019). It looks like the demand factors have still not changed.

Local Government Act doesn't say policy can be only partly correct

7. The Local Government Act 2002 is clear. Section 197AA of the Local Government Act requires development contributions to be "fair, equitable and proportionate portion of the total cost". It doesn't allow for them to be only partly correct. Given how old the demand factor work is and its use of dwelling size not number of bedrooms the policy is likely to be wrong and illegal.

Kainga Ora development contributions

8. Kainga Ora has said it has a special deal with Auckland Council on development contributions (see attached letter, my yellow highlights). Council Officers said Kainga Ora paid the same development contributions as other developers in the 20 September 2021 Have Your Say meeting. What is the current status of Kainga Ora development contributions – is there a special deal?

Monitoring of Development Contributions by the development community should be easy

9. Information on funds raised for particular projects should be transparently disclosed. Funds raised for projects that do not proceed should be returned to developers. Being able to hold the Council and its staff to account increases confidence in proposal.

No bargain with the development community

10. Council's inefficiency in consent processing and construction compliance creates significant costs for the development communities. Council staff are operating in silo's here and don't see the opportunity for a bargain with the development community. This draft policy should have been accompanied by a "mea culpa" from the Council to improve its processes to reduce costs to the development community.

So in summary:

Council should complete its work properly, have its policy independently reviewed in detail, improve the transparency of use of funds and make a promise to improve its processes to reduce costs to the development community.

Councillors should resist any budgetary temptation to approve a principled policy that is poorly implemented.

Kāinga Ora
Homes and Communities

Waterloo Quay Office
PO Box 2628, Wellington 6140

0800 801 601
www.kaingaora.govt.nz

14 September 2021

[redacted]

Dear [redacted]

Thank you for your email dated 9 August 2021 to Kāinga Ora – Homes and Communities requesting the following information under the Official Information Act 1982 (the Act):

1) *The amounts paid by Kāinga Ora (previously called Housing New Zealand) to Auckland Council as development contributions, in each of the 2017, 2018, 2019, 2020, 2021 financial years*

2) *Any correspondence Kāinga Ora may have had with Auckland Council since 1 July 2018 in regard to changing Auckland Council's development contributions policy.*

I have discussed your request with the relevant team in Kāinga Ora and can advise you that from the 2016/17 financial year, Kāinga Ora (and its preceding organisations) paid the following amount in Development Contributions (DCs) to the Auckland Council:

2016/17	2017/18	2018/19	2019/20	2020/21
$11,561,558	$14,277,756	$11,678,727	$7,930,258	$4,241,315

It is important to note that due to infrastructure investment undertaken by Kāinga Ora in certain areas of Auckland (such as those with Large Scale Projects), an agreement was reached with Auckland Council that resulted in lower amounts of DCs paid by Kāinga Ora in the 2019/20 and 2020/21 financial years.

Regarding the second part of your request, a search of Kāinga Ora email servers was requested for correspondence mentioning DCs between Auckland Council and Kāinga Ora since 1 July 2018. This search returned 2,376 potential results.

Due to the large amount of time that would be required to assess all of these emails and identify whether or not they discuss changes to Auckland Council's DC policy, I am refusing the second part of your request under section 18(f) of the Act as, *'the information requested cannot be made available without substantial collation or research.'*

I do not consider that the public interest in release of the withheld information outweighs the need to withhold it. You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

[redacted]
Manager Government Relations

Development Contributions Policy Review

#131

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Aktive

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

AK Have your Say
Development Contributions Policy 2025

Thank you for the opportunity to make a submission on the Auckland Council's draft Development Contributions Policy 2025.

Introduction

Aktive is a charitable trust with a vision of making Auckland the world's most active city. Our purpose is to unite and inspire leaders and organisations in Tāmaki Makaurau to enhance the wellbeing of Aucklanders and create more connected communities through sport and physical activity.

We are a key strategic partner of Sport New Zealand, Auckland Council and major grant-makers and funders. Aktive partners with, and invests in, a range of organisations and projects that get more people active in Auckland.

Response to the Development Contributions Policy 2025 Consultation Documents

We have read the consultation document and supporting information and also attended a "Have your Say" event at the Ellen Melville Centre.

Delivering sport and physical activity facilities in Auckland is very challenging. An increasingly constrained funding environment and the fiscal challenges facing Auckland Council has resulted in a deficit of facilities particularly aquatics and indoor courts. The National Aquatics Facility Strategy identified a current shortfall of c16,000m^2 of water which equates to 39 eight lanes (25m x 17m) community pools and the National Indoor Active Recreation and Sports Facility Strategy identified a current shortfall of 73 indoor courts. Council's investment into parks and community facilities has not kept up with growth.

The Auckland Plan sets out directions for Council to foster an inclusive Auckland and improve health and wellbeing for all Aucklanders. Focus area 7 recognises the value of arts, culture, sports and recreation to quality of life. Given the financial challenges

facing Auckland Council it is critical that all opportunities to fund the parks, open space and community facilities and other essential infrastructure needed by our current and future populations are identified and maximised.

Development Contributions (DCs) are central to this, and it is a robust, logical approach for developers to help fund the cost of infrastructure that will benefit the future residents of their developments.

We also note reference to a possible infrastructure targeted rate which we believe could also be a sensible approach to augment the suggested DC approach.

1. Updated spending over next 10 years

Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

We support the proposed changes to the Contributions Policy to increase the average Auckland DC to $30,000 per household equivalent unit (HUE) to enable recovery of $2.3 billion of growth costs.

It is appropriate that the level of expenditure in the draft Contributions Policy 2025 has been updated to reflect the investment in the recently adopted Long-term Plan 2024-2034 and includes an update of the forecasts of population growth and dwelling construction. We agree with applying different charges to different geographical areas based on the relevant infrastructure investment requirements.

2. Spending in Investment Priority Areas over the next 30 years

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

We support the strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

We agree that by taking a longer view beyond the current LTP ensures that the cost of the new infrastructure is fairly shared between developers and rate payers and that developers pay a fair share of the infrastructure costs over the entire development period.

Notwithstanding that Māngere and Mt Roskill are already developed urban areas with different infrastructure needs to the greenfield IPAs, we would like to see the proposed DC investment include community facilities. This is in response to the significant levels of change in urban density throughout both areas which places greater demand on existing facilities than was anticipated at the time they were developed/ provided.

The provision of open space and community facilities based on the metrics set out in the Open Space Provision Policy (2016) and Community Facilities Network Plan (2015) does not adequately address the changing density of existing urban areas. We submit that the outcomes based on these metrics need to be revisited based on the population increase.

We would also like to understand what impact the draft Manaaki Tāmaki Makaurau: Open Space, Sport and Recreation Strategy will have on future parks, open space and community facilities provision and alignment to this draft Policy.

3. Development contributions in Drury

What do you think of our proposed changes for the Drury area?

We support adjustments to the DCs set for Drury based on the required investment and latest cost analysis. However, we do not support shifting park acquisitions beyond the 10-year LTP period or commencing the community spaces development (libraries, aquatic) three years later in 2035.

While pipes and roads may enable urban development, it is the parks and community facilities that help people connect, belong and participate. Delaying park acquisitions will make the acquisition process more challenging as land, particularly level land, is taken up for other uses and becomes more costly. Similarly, the cost of community facilities will only increase and it is suboptimal for the residents to live in areas with an absence of these facilities given the scale of what is proposed for Drury. We believe that

pushing this investment further out risks the infrastructure not being provided at all due to cost prohibition and this approach seems contrary to the statement that growth is serviced and occurs in a well-planned and coordinated manner.

4. Other proposed changes

What do you think of our other proposed changes?

Due to the level of detail provided in the consultation and supporting documents we are not able to comment on these proposed changes. However, we strongly encourage implementing DCs for parks and open space in Avondale which is an area identified as having a shortfall of open space, particularly playing fields, with the long-term access to the playing fields in the Avondale Racecourse under threat from housing developments.

Thank you for the opportunity to make a submission on the Development Contributions Policy 2025. Overall, we support the proposed changes and commend Council for taking a longer-term investment view.

[redacted]
Active Environments Manager
[redacted]

Development Contributions Policy Review

#132

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Upper Harbour

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

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   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Please see the attached submission. Thank you.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

Please see the attached submission. Thank you.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Please see the attached submission. Thank you.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
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- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

Please see the attached submission. Thank you.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Please see the attached submission. Thank you.

Submission to the Auckland Council's Development Contribution Policy 2025.

Thank you for the opportunity to hear my submission with regard to Council's Development Contribution Policy 2025.

In essence Council is proposing to extend the time frame of the infrastructure it deems necessary for growth in these IPAs (Investment Priority Areas) from ten years as covered in the LTP (Long Term Plan) to thirty years and the Council wishes to recover the costs of building these infrastructures that have extended into the thirty year timeframe in the form of Development Contributions (DCs) from developers.

First of all, it is not clear as to why the number thirty has been chosen by the Council. The current status quo is ten years and I strongly believe that the current status be maintained.

Extending the time frame into thirty years will inevitably create huge uncertainty, costs would generally be well overstated, as per the policy of the Council the timing of acquiring land for open spaces would occur later than optimal and the prices paid for those land would be the developed land's prices instead of greenfield farmland.

Huge uncertainty due to extended timeframe leading to uncertainty in costs escalation will mean that any rational developer would find it favourable to adopt the "wait and see approach" and shy away from developing at the first instance as these escalated costs by the Council would need to be recovered from the developers either directly via the DCs or from the home buyers through increased housing prices, the effects of this on the market will be unknown. This will inevitably reduce the supply of housing in these IPAs and leading to increased housing prices in these IPAs ceteris paribus.

I strongly suggest that the Council would reconsider changing the timeframe of thirty years back to the current status quo of ten years, as thirty years is a very long time and this creates huge uncertainty for the housing market in these IPAs.

In paragraph 73 of Draft Contributions Policy 2025 (Aug 2024) it is stated "For the purposes of Section 210(1)(a) of the Act, the council will refund a development contribution taken for a specified reserve

purpose if the money is not applied to that purpose within 20 years after the contribution was received."

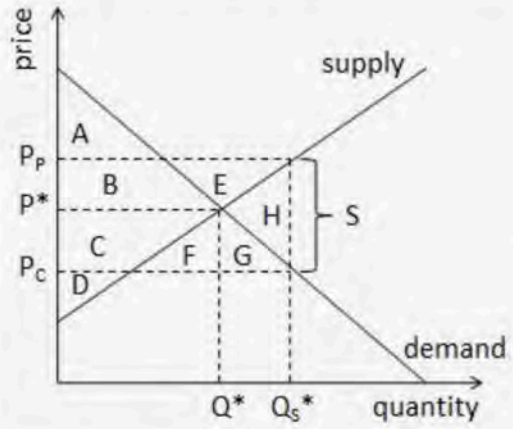
It is clear from the interpretation of the LGA 2002 (Local Government Act 2002) that twenty years is deemed to be a long time from the standpoint of projects. It is clear that the Council's approach of a thirty year timeframe is far too long and is in contrary to the interpretation of the law.

Numerous projects to be funded by DCs are expected to start beyond 2034 and they cater for growth until 2080. Such as the Parks in Whenuapai. This brings us to the next point with regard to the issue of fairness and equity, most of these infrastructure projects have a lifetime of 200 years, is it fair to ask home buyers in these IPAs to pay for these infrastructure that will not get perhaps built until 30 years later and they will cater for growth till 2080? Would it be fair to the home buyer in 2025 to pay the full costs upfront for something that is not going to happen till 2055, and home buyers in 2075 do not have to pay any for its construction but yet get to fully enjoy them straight away ?

We have now come to the second issue in contention, who should be paying for the DCs? The Council's position is that the developers should be the ones that are paying. In the Draft Contributions Policy 2025 (August 2024) it states that the purpose of development contributions is to "provide for those involved in development to make fair payments to the Council to reflect the expected demand their developments will have on Council infrastructure and the expected benefits residents and businesses occupying these developments will derive from Council infrastructure." As we can see clearly, the need to pay stems directly from the demand for those infrastructures and also the benefits that are derived from these infrastructure. Therefore clarifying who benefits and have the demand for those infrastructure would help us determine equitably as to who should be paying. Let's start by analysing who benefits from these infrastructure deemed to be subsidised by the Council if the current status quo is maintained.

Below is a simple supply and demand curve illustrating the effects of subsidising for these infrastructure. We can see that the subsidy is to the amount of S per dwelling unit, for example this could be $75000.00 per dwelling unit in Whenuapai say. The number of houses purchased

Producer Impact of a Subsidy



	Free Market	Subsidy
Consumer Surplus	A+B	A+B+C+F+G
Producer Surplus	C+D	B+C+D+E
Government Revenue	0	
Total Surplus	A+B+C+D	

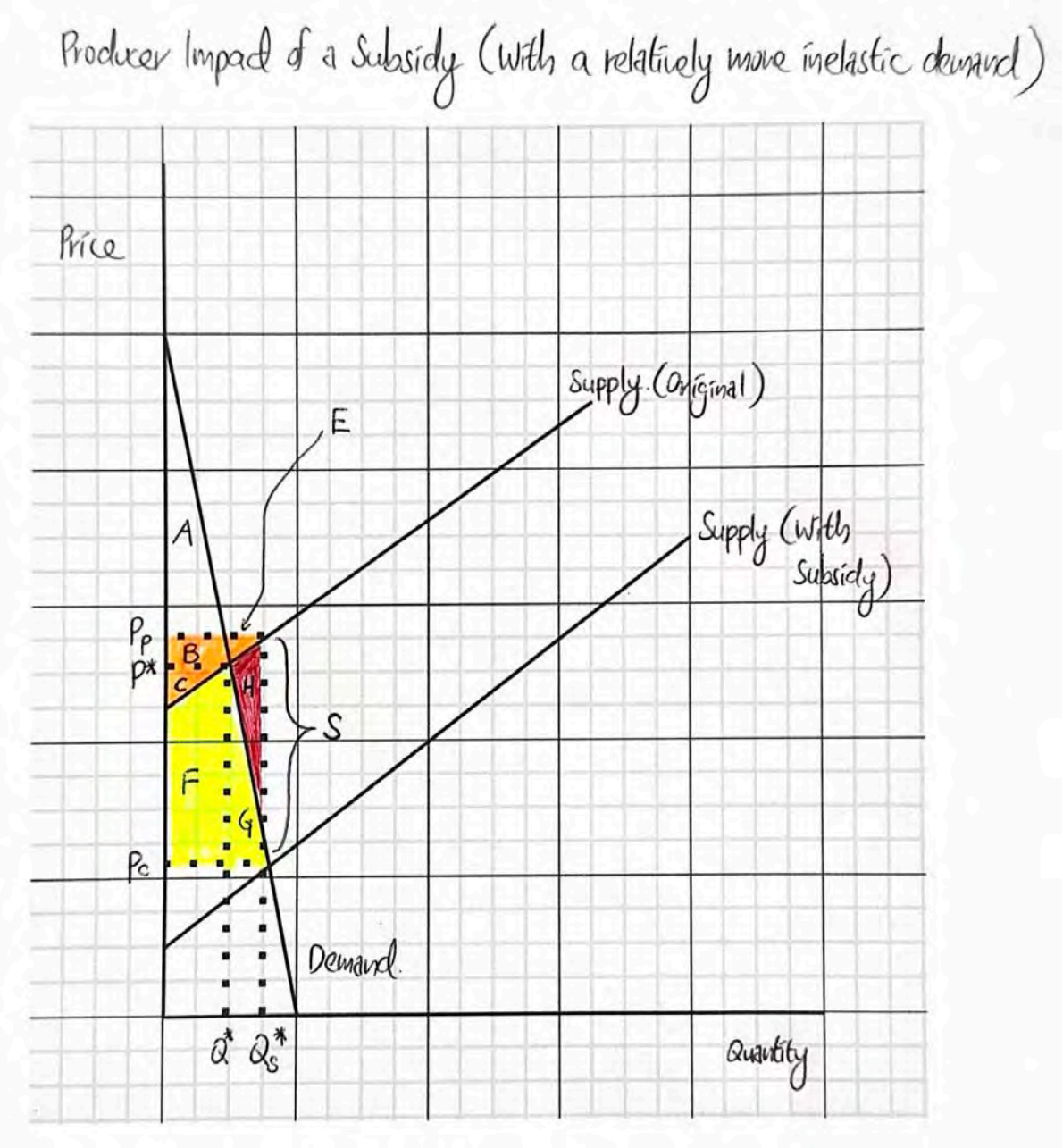
by the home buyers will increase from Q^* to Q_s^*, leading to an increasing number of home buyers in the housing market. The house prices would drop from the original unsubsidised market price of P^* to P_c .

We can see clearly the effect of Council or general rate payers subsidising for the infrastructure is that the price of houses is decreasing making them more affordable and more people are able to be able to purchase their homes in these subsidised development areas and more houses are being bought.

Let's analyse who is actually benefiting, clearly the home buyers are benefiting, intuitively they are getting a lower house price but how much benefits do they actually get? Before the subsidy, their consumer surplus is A+B, this is the amount that the home buyers as a whole are willing to pay over and above the market price for a house.

After the subsidy the consumer surplus for the home buyers have increased to A+B+C+F+G, so the home buyers are enjoying an additional C+F+G as a result of this subsidy.

The developers are benefiting from this subsidy as well. The producer surplus for the developers before the subsidy is C+D, this is the amount below the prevailing market price that the developers as a whole are willing and able to produce. With the subsidy, developers are now enjoying an increase in producer surplus, and the amount of producer surplus is now B+C+D+E. The developers are enjoying an additional B+E amount of producer surplus as a result of this infrastructure



subsidy. We can see clearly that it is not just the developers that are benefiting from these so called “infrastructure subsidy” as portrayed by the Council’s numerous consultation policy documents, a large portion of the benefits are actually captured by the home buyers in the form of a lower and more affordable house prices and a greater number of home ownership as well. In fact, studies have found that the demand curve for the housing market is generally inelastic in price, which means that the portion of the benefits captured by the home buyers is actually greater than that of the developers as I shall illustrate this phenomenon with another similar supply and demand curve above.

As indicated by the supply and demand curve above, we can see that the demand curve is now more inelastic with respect to price, with the curve being more vertical. This means that as the price of houses drops, the increases in the amount of houses being purchased as a result of this price drop is going to be less than the amount in the price drop, with both being in the percentage terms. (For example, a 30% drop in the house price is going to lead to an increase in the number of houses being purchased but by less than 30%, if the elasticity of the demand is -0.3 then the percentage increase would be -30% times -0.3 which will give you a +9.0% increase in the quantity of houses being purchased).

The relative inelastic nature of the long term housing demand has been well backed up by economic research. A paper by Hyslop, Le, Mare and Stillman (2019) of Motu Economic and Public Policy, has found that “housing supply is relatively elastic with respect to price (1.2), while housing demand is relatively inelastic (-0.3)”.

Given the inelastic nature of the housing demand curve, we can easily see that a greater portion of the benefits as a result of an infrastructure subsidy has been captured by the home buyers in the form of a greater increase in consumer surplus, a drop in the house price, and a greater number of house being purchased.

The increase in consumer surplus for the home buyers is indicated by the shaded yellow area (F+G), while the portion of the benefits as a result of this subsidy captured by the developers is indicated by the orange shaded area (B+C), while the area shaded in red (H) is known as the dead weight loss in economic terms.

Together the yellow, orange and red shaded area (B+C+F+G+H) make up the entire amount of the infrastructure subsidy. Due to the relative inelastic nature of the housing demand curve and the relative elastic nature of the housing supply curve, we can see that the majority of the benefits from an infrastructure subsidy has been captured and enjoyed by the home buyers contrary to the wide perceived view held by the general public and the Council that developers are the ones that have captured the entire gain as a result of the infrastructure subsidy and they should be responsible to pay back the full amount.

Now, we have established that a greater portion of the benefits from the infrastructure subsidy is actually being enjoyed by the home buyers,

then the logical next step is to recover these not only from the developers but also from these home buyers. The current Contributions Policy 2025 has indicated that the developers should be fully responsible for the entire infrastructure costs, this is not fair nor equitable from the logical economic analysis above. A greater portion should be recovered from the home buyers as well. Development Contributions are not an ideal tool in terms of recovering the costs from the home buyers as they can only capture developers' portion of gain.

Alternative funding tools like a recurrent targeted rate should be considered. In the paper Economic incidence of developer contributions by Murray and Helm (2022) which has been cited in the consultation document, it has been suggested that upfront payments like development contributions and recurrent payments like a targeted rate in principle are capitalised equivalently.

Recurrent targeted rates should be employed on home buyers to capture the portion of their gains from the infrastructure subsidy. Intuitively, it is better to have a larger number of home buyers who are materially benefiting from this infrastructure subsidy paying it off over a longer period time, instead of burdening their fair share of the costs onto a smaller number of developers who are really the facilitators in helping these home buyers owning their own home.

Disincentivising the developers will lead to a decrease in the supply of the stocks in these affected areas which will ultimately lead to an increase in the house prices making homes less affordable, which is contrary to what the Council has envisioned.

If we look at the IPAs in Full Built Out Scenario, and take Whenuapai for example which is projected to have 20457 households, and at the current proposed DC of $102,000 then for the Whenuapai area it is proposed by the Council that the developers should be paying development contributions to the amount of $2,086,614,000.

The entire developable future urban zoned land is roughly 800 hectares and this is being very generous as there are many coastal strips that have sizes less than 1 hectares and are very difficult for the developers to coalesce and forming a critical developable mass, so the 800 hectares as the denominator could very well be a much smaller number in practice and leading to a higher per hectare contribution figure than the one that has been calculated in this exercise.

If we divide $2,086,614,000 by 800 hectares, we get $2608267.50/ hectare. According to the consultation document by the Council, home buyers are not liable for their fair share of the contribution, and the developers are liable to pay for the home buyers' fair share and the Council is suggesting that the entire costs be passed onto the landowners in the form of a lower land price offered by the developers to these land owners.

Is it pragmatic? Is it practical? Based on the calculation above, we can see that if developers were to adopt Council's suggestion in passing on the entire costs to the land owners then we can see that they need to have a roughly $2.6 million dollar reduction in their offered price per hectare of land, so a five hectare block would need a discount of $13 million dollars.

Majority of the lifestyle farms in Whenuapai being sold or have a Council Valuation that is either close to or lower than the above figure of $2.6 million per hectare. This means that these landowners would practically be gifting their land to the developers for free, if the home buyers are not contributing their fair share.

In reality would these land owners sell their land basically for nothing? The answer is no, because lifestyle farms in far more remote locations have been trading for more, and in situation like this, if developers actually do what the Council's consultation document says it would do, then they would be offering these landowners practically nothing, or perhaps maybe half a million dollars for a five hectare lifestyle block. But these landowners would absolutely refuse because lifestyle farms in more remote places have been trading at $2 to $3 million dollars and they offer way less amenities.

The economic effect of this would be that there would basically be zero trading in the land market, developers would not be able to acquire any land at any practical price if they are forced to bear the home buyers' fair share of the infrastructure costs, also the landowners will just simply hold onto their land and this will lead to a decrease in the supply of the houses in these IPAs and making homes less affordable and the amount of DCs recovered by the Council would be near zero, and the development in the IPAs would stall, and this is totally contrary to what the Council has envisioned.

I urge the Council to continue its work on the use of targeted rates to fund the growth share of the cost of infrastructure investment and eventually adopting the use of the targeted rates to fund the increase in the DCs entirely so that the home buyers fair share of the DCs could be better captured. I believe the targeted rates should only be applied to the new home owners of these IPAs it is these new residents that have created a demand for these new planned infrastructures and according should be paying for them in an fair and equitable way.

Also new funding and financing tools by the Minister of Infrastructure should be explored and considered fully and extensively by the Council so that growth in these IPAs could be accelerated without major delays while the infrastructures provided will be more than adequate.

Studies should be carried out on the movement into capturing the costs of infrastructures beyond the current status quo of ten years. It is very unclear as to why the Council has decided suddenly on the 30 year time frame contrary to the Long Term Plan of ten years.

No research has been cited whatsoever on the decision to make it thirty years and no comparable time frames and their associated costs and benefits analysis has been provided. For something of this importance, it is totally inappropriate to be picking the number thirty years out of a hat without any numerical analysis. I urge the Council to provide studies on the costs and benefit analysis on various comparable time frame such as ten years, fifteen years, twenty years ect.

I note that the notion that the Council has held with regard to the effect of increasing DCs bear no effect on the affordability of the houses in these IPAs. This notion is based on a paper written by Murray and Helm (2022) Economic incidence of developer contributions. I will provide a few comments on on the fallibility of the premises held by the authors of this paper.

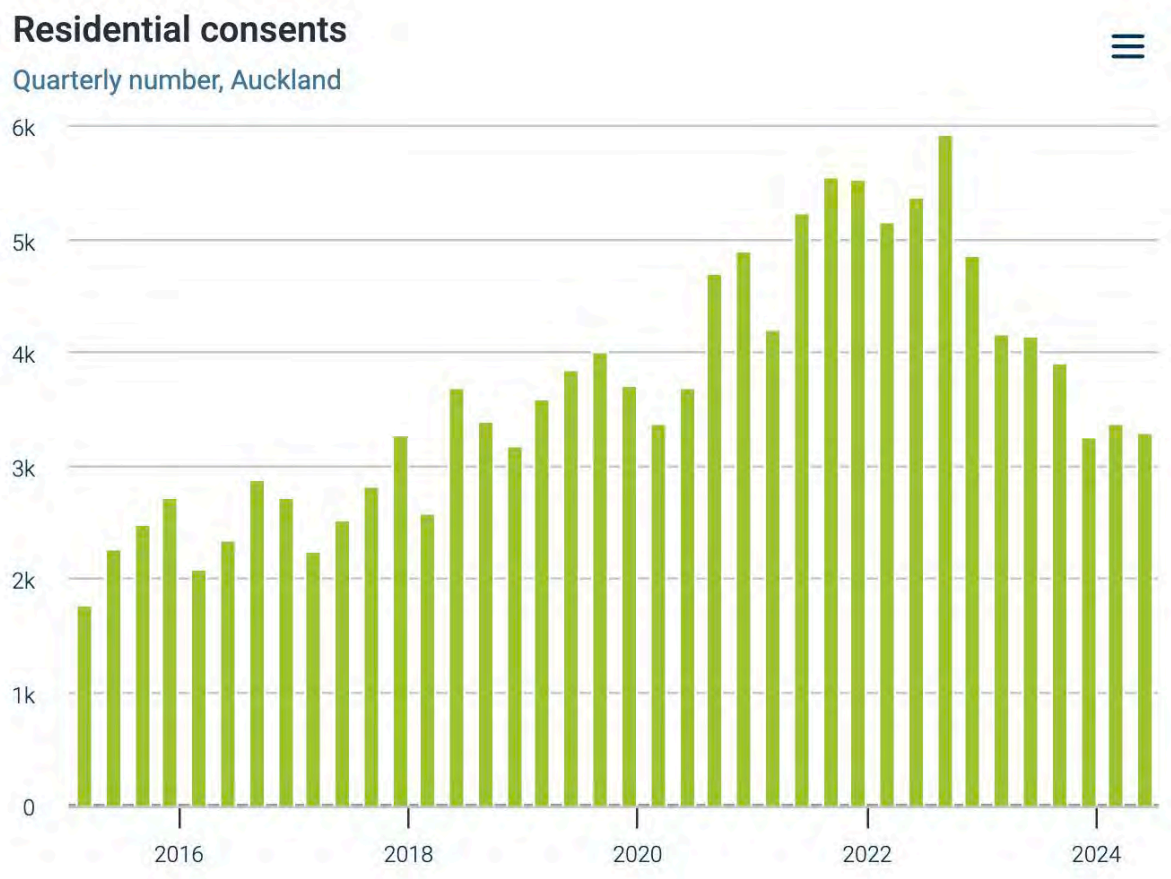
In the paper, the author invented something called the absorption rate, which is the equilibrium rate at which undeveloped land assets are swapped for new dwelling assets. You can view this as the rate of supply of new housing. This absorption date is equal to 1/2a (dt +(i+r)/ w) where a is the sensitivity of price growth to new sales, dt is the rate of growth in demand for dwellings, i is the prevailing interest rate and r is rate of any tax on land value while w represents the irreversibility and zoning constraints.

We can see that this concept is totally false, it implies that the supply of housing is not affected by an increase in costs (i.e the supply curve of the market for houses does not shift to the left if costs went up for example like an increase in the DCs.)

This is not backed up well by real life evidence, over the past two years the interest rate has gone up by a lot, however the number of consents by the builders and developers has decreased by a lot due to a rise in the interest costs which has significant negative effect on the borrowing ability of the builders and developers and also the profitability of the builders and developers.

This is entirely contrary to what the formula of the absorption rate has suggested, where interest rate is a variable that is a numerator of a fraction which means increases in the interest rate would lead to an increase in the absorption rate which is basically the rate of supply of new housing.

Increase in the DCs would have a negative impact and effect similar to that of a rise in the interest costs, this will inevitably lead to a decrease in the supply of housing due to a leftward shift of the housing supply curve. This would lead to a socially undesirable outcome and result in an increase in the house prices and less home ownership.



We can see from the graph above, that the number of residential consents in Auckland has sharply decreased over the past two years as the RBNZ raised the interest rate aggressively. This has caused an escalation of the interest costs which are borne by the developers. This would cause a leftward shift in the housing supply curve as illustrated by the number of residential consents applied by the builders and developers.

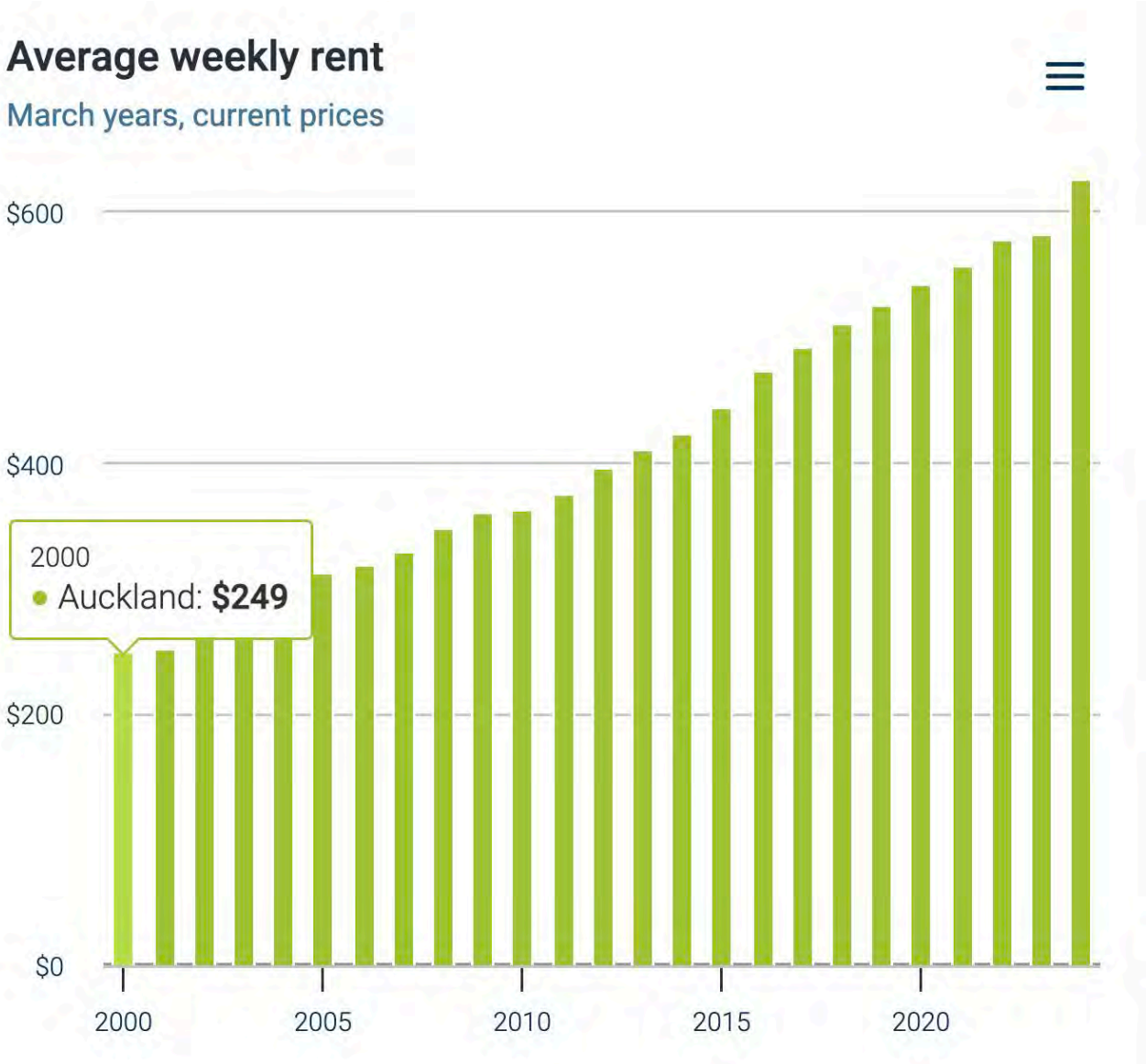
Another major premise used by Murray and Helm (2022) was that houses are viewed as assets which are different from products. The price of a product is according to Murray and Helm (2022) determined as an equilibrium between costs incurred in production (supply) and the willingness to pay of buyers (demand) and since house is an asset its price is determined by its net cashflow(generated by its rental income) divided by the capitalisation rate.

Housing asset value = Net Cashflow / Capitalisation rate

First of all, this is a ludicrous assumption, house is just like any other product, its price is determined by the market forces of supply and demand. By simply labelling “house” as an “asset” and saying it generates future cashflow and you can then somehow work out its market price using a calculator dividing the net cashflow by the capitalisation rate and then somehow ignoring the market forces of supply and demand in its price determination is rather laughable.

Gold is an “asset” but it does not generate any net cashflow, then according to Murray and Helm (2022) it should have zero value, but sadly or fortunately it is not the case.

House is just like any other product, its price is determined by the forces of market supply and demand. You can clearly see that over the past few years, rent has remained steady, yet house prices have gone down, if the concept of housing asset value holds shouldn't the price remain steady?

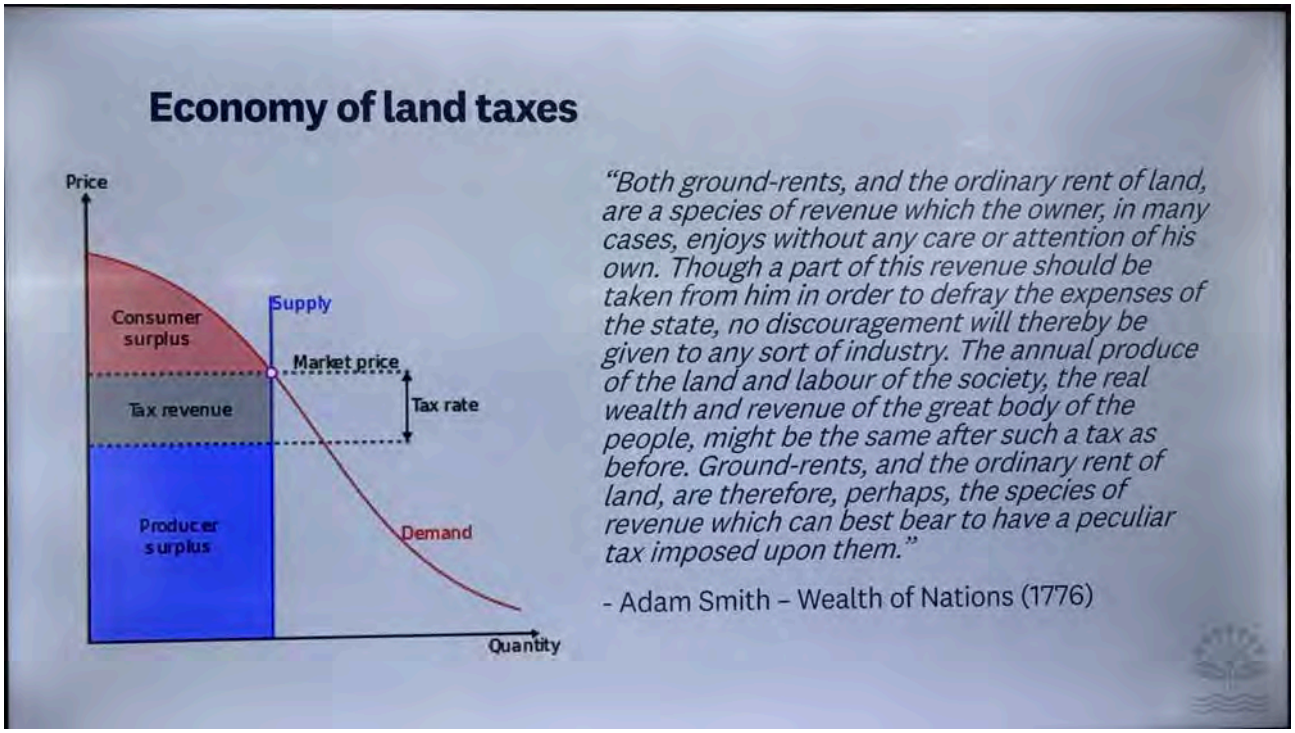


We can see that from the two graphs above, that Auckland's rent has increased every year since the year 2000, however the Auckland house prices has decreased since 2022 and continued its downward trend into 2024. This empirical evidence strongly refutes the premise of Housing asset value held by Murray and Helm (2022)

What is really happening is that house price has gone down due to the fact that the interest rate has risen aggressively over the past two years. This has put a huge burden on the potential home buyers due to the amount of interest they have to pay for their mortgage. Therefore they have decreased their demand of buying a house during this period and this has caused a leftward shift of the demand curve for housing and caused a drop in the house prices and the number of houses purchased.

We have observed that it is the market forces of supply and demand that determines the price of houses. Therefore if DCs increase, supply of housing would inevitably drop, prices of housing would increase therefore leading to a socially undesirable outcome of decreasing housing affordability.

In addition, Murray and Helm (2022) has this fallible notion that any DCs increase can easily be passed to the landowners by the developers. It seems that the Council has simply accepted this idea without seeking extensive assistance from any third party peer reviewed research. Below is a diagram provided by the Council staff in an attempt to defend this position.



We can see that from the graph above, the Council staff has stated that since land is limited then the supply of land should be fixed and be perfect inelastic with respect to price, and therefore the supply curve should be perfectly inelastic.

This is wrong in many ways. Naturally land is limited in geographic terms, unless there are tectonic plates shift then land will be limited in supply geographically speaking. However, this does not mean that in the market of land for developers, the land is not responsive to prices. The diagram above simply states that land is limited in supply from the geographic standpoint and then jumps into a second premise that therefore the supply of land is unresponsive to price. This is clearly wrong. In the real market situation, if the price of land goes up, then landowners will be more willing to sell, and if the price of land is low then landowners will be less willing to sell, and if the land price become so low then the landowners will not even enter the market. If for some reason that some land owners do not sell no matter what the price is,

whether it is high or low then their land do not count in the market supply since they do not actively participate in the market at all.

In the diagram above the supply of land is wrongly assumed to be perfectly inelastic and unresponsive to price, and it has been attempted to argue that therefore a tax imposed on the landowners does not reduce the supply of land and any reduction in the surpluses would only affect the producer surplus which are the land owners. In real life situation, if we were to impose a capital gains tax on land then the supply of land would reduce as some of the owners simply won't sell and a reduction in the supply of land would actually push up land prices and lead to unaffordable housing which is a socially undesirable outcome. Therefore, an increase in the DCs would lead to a huge reduction in the supply of land into the market which would mean that less land or no land will be acquired by developers in these IPAs, then the supply of new housing in these IPAs would be greatly reduced, and house prices in these areas would increase as a result ceteris paribus and this is a socially undesirable outcome, and a lose-lose situation for the society as a whole.

I noted that there is no hearing involved for this proposed Contribution Policy 2025, I urge the Council to hold a formal hearing through the Resource Management Act so that evidences and feedback by all the parties could be heard extensive and formally and it will be possible to have two way conversation with the Council. Right now, the only opportunity to have a two way conversation is to have your feedback presented in person to the Councillors on the 8th of November 2024, but there is only limited spaces available. I urge the Council to reconsider holding a formal hearing instead so that numerous submitters will be able to raise their points with the Council directly and the outcome be decided by the Independent Commissioners.

I strongly urge the Council to maintained the current status quo of the ten year infrastructure timeframe as prescribed by the Long Term Plan.

Development Contributions Policy Review

#133

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: Rodney

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Support

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Do not support

Tell us why

As part of the proposed DC for 2025, why should developers be responsible to fund the $8.2 billion

that is beyond the LTP decades ahead? These spendings are highly uncertain as they are not

not even planned for in the LTP, so why should developers pay for them now knownly that something

will change in the future? Where will these fund go when these so called future plans changes?

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

Same as above, why should developers pay for spendings planned for the next 30 years

as one upfront payment? Shouldnt the DC recovery also consider a staged approach to

recover funds from developers?

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

some exisitng and established sub areas are now respnsible to fund community infrastructures

that service new urban areas. This is not fair for residents/developers in existing urban area.

Funding of new community infrastructure should stictly be applicable and funded by greenfield,

as brownfield developments had already funded these infrastructures through rates and current DCs.

5. **Other feedback**

Do you have any other feedback on the proposed Contributions Policy 2025?

The funding area, especially in the inner north-west should strictly be limited to greenfield areas

which had contributed to the growth. Exsiting brownfield developments should not be penalised

as a result of the investment required to support the growth

Development Contributions Policy Review

#134

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Argosy

Local Board: Regional organisation

Your feedback (all questions are optional)

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   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

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   Tell us why

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

SUBMISSION ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To:	Auckland Council Contributions Policy team Freepost Number 182382 Private Bag 92300 Victoria Street West Auckland 1142
Name of Submitter:	Argosy Property No.1 Limited
Address:	C/- MinterEllisonRuddWatts PO Box 105 249 Auckland City, 1143 Attention: [redacted] Email: [redacted]

Submission on Auckland Council's Draft Development Contributions Policy 2025

1. Introduction

1.1 This is feedback on Auckland Council's (**Council**) Draft Development Contributions Policy 2025 (**Draft Policy**) by Argosy No. 1 Limited (**Argosy**).

1.2 Argosy appreciates the opportunity to provide feedback on the Draft Policy.

1.3 Argosy is a commercial property ownership company that owns a portfolio of industrial, office and retail properties, predominantly in the Auckland and Wellington regions. Argosy's investment strategy is to maintain a diversified portfolio of quality properties and build its portfolio around a mix of core and value add properties.

1.4 In this submission, Argosy:

(a) oppose the new requirement for development contributions to pay for infrastructure over a 30-year timeframe in Auckland's Investment Priority Areas (**IPA**s);

(b) seek amendments to the Draft Policy to encourage on-site sustainability investments that will reduce the demand for new infrastructure or infrastructure of increased capacity; and

(c) that any increases in development contributions are to be reasonable and phased in to avoid material adverse impacts on project feasibility.

1.5 We expand on these points below.

2. Requiring development contributions to pay for infrastructure over the next 30 years in the Auckland IPAs is contrary to the purposes and principles of the Local Government Act and creates uncertainty and potential inequity

2.1 In the Draft Policy Council have adopted a new policy direction, shifting from requiring contributions to fund projects approved in the Long-Term Plan (**LTP**) over a period of 10 years and expanding this by forecasting capital expenditure over a 30-year horizon in the Auckland IPAs to charge for projects beyond those approved in the LTP. The Auckland IPAs include:

(a) the Inner Northwest (at Red Hills, Westgate and Whenuapai); and

(b) the Auckland Housing Programme (AHP) areas of Tāmaki, Māngere and Mt Roskill.

2.2 Under the Local Government Act 2002 (**LGA**), development contributions recovered by territorial authorities must represent a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.[1]

2.3 The principles for preparing a policy or requiring development contributions include:[2]

(a) development contributions should only be required if the effects or cumulative effects of development will create a requirement to provide new or additional assets or assets of increased capacity;

(b) that over-recovery of costs allocated to funding is to be avoided;

(c) contributions should be determined according to, and be proportional to, the persons who will benefit from the assets provided as well as those who create the need for those assets;

(d) development contributions must be used for or towards the purpose of the activity or group of activities that they were required;

(e) territorial authorities should make sufficient information available to demonstrate what development contributions are being used for and why; and

(f) contributions should be predictable and consistent with the methodology and schedules of the territorial authorities policy.

2.4 Argosy is concerned that this new policy approach will be contrary to the purposes and principles of the LGA and will lead to inflated development charges, uncertainty, and inequity.

2.5 Projects to be financed beyond the LTP timeframe have not necessarily undergone public consultation, feasibility studies, technical assessments, or in-depth planning. There is no confidence or guarantee that those projects will be technically feasible, approved, fully financed, and ultimately delivered.

2.6 This policy shift reduces confidence and introduces uncertainty as to whether Argosy's contributions will be used for those intended projects as they are identified outside of the LTP process. This means there are no checks and balances for those projects and no information around their full scope, technical constraints, cost and budgeting, or certainty of delivery within the 30 year time-frame.

2.7 It is difficult to see the direct causal nexus between a development to be undertaken in 2025 and a capital project that is not going to be delivered until 2045 (or later).[3] It is acknowledged that development contributions can be recovered for the capital expenditure necessary to service that development over the long term, but this does not equate with funding for infrastructure that will not be delivered until the long term.

2.8 In the Draft Policy Consultation Document, Council has provided an example of the proposed average contribution pricing in the IPAs, comparing current charges with the 2025 charges in the Draft Policy. For example, in Tāmaki, the current average contribution pricing is $31,157 under the 2022 – Variation A Development Contributions Policy (**Current Policy**), and this charge is proposed to increase to $119,000 for 2025, more than three times the current cost.

2.9 Based on the limited information available, it appears that that a significant part of the costs for projects beyond 10 years is for contingency and escalation costs to reflect the estimated price at time of delivery.

2.10 Developers are therefore facing a significant increase in development contribution charges, largely

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1 Section 197AA Local Government Act 2002.

2 Section 197AB(a)-(f), Local Government Act 2002.

3 *Neil Construction Limited v North Shore City Council* [2008] NZRMA 275, at [120].

based on the delay to provide the infrastructure, and without receiving any benefits of that infrastructure until (or if) it is delivered.

2.11 This change in approach is contrary to the proportionality principle. For example, a 2025 new build that has a building lifespan of 50 years, will be charged contributions for infrastructure that will not be delivered until more than halfway through the lifespan of the building. This is unfair and inequitable, as the developers who bear the cost of contributions will not benefit from this investment in the short-medium term, and contributions will outweigh any eventual benefit received.

2.12 It is noted that any development contributions not attributed towards the capital expenditure of infrastructure projects specified in the Draft Policy must be refunded. However, with contributions required over a 30-year period, it will become increasingly difficult to track where funding is appropriated or identify when a refund is due, exacerbating the lack of transparency and unfairness for developers, and the Council's compliance with the LGA.

2.13 It is appreciated that Auckland City requires significant investment in infrastructure to support growth. However, projections of capital projects over a 30-year period is uncertain and unreliable. If infrastructure necessary to service growth now needs to be developed over a period longer than 10 years, then the LTP should provide for those projects over a consistent and appropriate time frame. Providing for all capital projects in the LTP would ensure that the Council's infrastructure pipeline is clear and aligns with the development contribution policy.

2.14 Argosy seek that the 30-year policy be rejected, and the Draft Policy be amended to remove all projects that are not within the LTP.

3. The Draft Policy should encourage on-site sustainability investments that will reduce the demand for new infrastructure or infrastructure of increased capacity

3.1 Argosy's Sustainability Framework is built around four pillars: reduction, creation, engagement, and sustainability. As part of this commitment, Argosy is a member of the New Zealand Green Building Council (**NZGBC**) and prioritises investment in 'green buildings' within its portfolio. Green Star ratings provide third party validation of the building's overall quality, environmental benefits, recycling, environmental products, and waste diversion. As at 31 March 2024, approximately 35% of Argosy's portfolio had achieved Green Star or NABERSNZ rating of 4 stars or higher. Argosy continues to work towards its corporate goal of greening 50% of its portfolio by 2031.

3.2 Investment in sustainable design, such as rainwater catchment and reuse, that reduces the demand for new infrastructure or infrastructure of increased capacity should be supported and recognised in the Draft Policy.

3.3 The increase in stormwater development contributions are significant in some catchments. As an example, comparing the Current Policy to the Draft Policy, stormwater charges are proposed to increase from $8,052 to $77,990 per HUE in Greater Tamaki GPA, from $8,996 to $34,101 per HUE in the Inner West Triangle GPA, and from $2,697 to $6,330 in the NORSGA GPA. When applying these increases to a large commercial or industrial development the increase in charges is substantial.

3.4 It would be better to encourage developers to invest in sustainable infrastructure on their sites which reduces the need for public infrastructure of increased capacity. Currently, the Draft Policy does not clearly provide for any adjustment for the change in demand due to on-site sustainability investment. This should be clearly encouraged in the policy, and when provided, taken into account in the development contributions payable.

3.5 Argosy seek that:

(a) the Draft Policy be amended to encourage developers to incorporate sustainable infrastructure in a development to reduce the demand for new infrastructure or infrastructure of increased capacity; and

(b) provide that any on-site investment in sustainable infrastructure that reduces the demand below the applicable unit of demand in the policy, will be accounted for in the assessment of development contributions payable.

4. Increases in development contributions must be foreseeable and transitioned over a period to avoid material adverse impacts on project feasibility

4.1 Property is Auckland's largest industry making a direct contribution of $13.0 billion to the regional economy, and a wider impact of $36.7 billion (including indirect and induced contributions). Property is also Auckland's largest employer, and provides for 10.7% of the workforce. Due to Auckland's rapid net migration, developers play a crucial role in meeting the increased demand for housing, retail, and commercial property. The Draft Policy's significant increase in development contributions will create barriers to development by reducing the viability of future projects with flow on effects on supply and economic growth.

4.2 Before a new commercial, retail or industrial development can proceed the commercial feasibility of the development must be assessed and approved. The time between the purchase of the land, obtaining resource consent, and undertaking construction can span several years. The feasibility of current projects has been undertaken based on the Current Policy and did not foresee the significant increases in development contributions now proposed.

4.3 The significant increase in development contributions, both generally and within the IPAs, places a heavy and unexpected financial burden on developers and may have the undesired effect of delaying or discouraging development to occur. The risk of this is high in the current market where developers are already facing high interest rates and construction costs.

4.4 Any increase in development contributions must be clearly signalled well in advance and be introduced over a transition period to enable increases to be taken into account in development feasibility.

4.5 Argosy seek that the Draft Policy be reviewed to ensure increases in development contributions are reasonable and phased in over a 5-year period.

5. Summary of relief sought

5.1 Argosy seek that:

(a) the 30 year policy be rejected and the Draft Policy be amended to remove all projects that are not within the LTP;

(b) the Draft Policy be amended to encourage developers to incorporate sustainable infrastructure in a development to reduce the demand for new infrastructure or infrastructure of increased capacity;

(c) any on-site investment in sustainable infrastructure that reduces the demand below the applicable unit of demand in the policy, will be accounted for in the assessment of development contributions payable; and

(d) any increases in development contributions are clearly signalled, reasonable and phased in over a 5 year period.

5.2 Argosy appreciates the Council's consideration of the matters raised in this submission.

Dated this 15th day of November 2024

Counsel for **Argosy Property No.1 Limited**

Development Contributions Policy Review

#135

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Summerset Group Holdings Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Summerset Group Holdings Limited
Level 27, Majestic Centre, 100 Willis St, Wellington
PO Box 5187, Wellington 6140

Phone: 04 894 7320 | **Fax:** 04 894 7319
Website: www.summerset.co.nz

14 November 2024

Auckland Council Contributions Policy Team
Via Email: contributions.policyteam@aucklandcouncil.govt.nz

Dear Sir/Madam

Submission on Auckland Council's Draft Contributions Policy 2025

Introduction

Summerset is one of New Zealand's leading and fastest growing retirement village operators, with more than 8,400 residents living in our village communities. We offer a range of independent living options and care, meaning that as our resident's needs change, we have support and options within the village. Summerset has 40 villages which are either completed or in development, spanning from Whangārei to Dunedin. In the Auckland region alone, Summerset has 8 villages and further villages planned. We employ over 2,900 staff members across our various sites.

Draft Development Contributions Policy

Summerset has reviewed the Draft Contributions Policy 2025 and welcomes the opportunity to provide feedback to the Council.

Summerset wishes to express its support for the submission of the Property Council New Zealand in its entirety. Summerset requests the Council engages constructively with the Property Council New Zealand in relation to the Draft Contributions Policy 2025.

Yours faithfully,

Chief Development Officer, New Zealand

Development Contributions Policy Review

#136

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Whitford Residents and Ratepayers Association

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

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   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Submission by the Whitford Residents and Ratepayersâ€™ Association

The Policy should include all areas experiencing significant growth with limited infrastructure.

Beachlands and Maraetai are experiencing significant growth. Clevedon is also experienc

From:	Whitford Residents
To:	Contributions Policy Team (CPT)
Cc:	[redacted]
Subject:	Development Contributions Policy 2025 - Submission
Date:	Thursday, 14 November 2024 6:20:49 pm

Submission by the Whitford Residents and Ratepayers' Association

The Policy should include all areas experiencing significant growth with limited infrastructure.

Beachlands and Maraetai are experiencing significant growth. Clevedon is also experiencing significant growth. This affects the road network around the wider area including Whitford and through to Howick, Botany, Ormiston, East Tamaki and Manukau.

The new Plan Change 88 – Beachlands South will eventually double the size of the Beachlands Maraetai settlement.

We would like to see development contributions put towards funding the road network, in particular:

- intersection upgrades along the Whitford Maraetai Road and the Whitford Road
- the Whitford Bypass

The upgrades to these roads and the Whitford Bypass should be included in the list of projects eligible for DC funding.

[redacted]
Chair
On behalf of Whitford Residents and Ratepayers Association

Development Contributions Policy Review

#137

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Submitter details:

Organisation (if applicable): Woolworths New Zealand Limited

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

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   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

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Tell us why

4. Other proposed changes

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

SUBMISSION ON AUCKLAND COUNCIL'S

DEVELOPMENT CONTRIBUTIONS POLICY 2025

TO: Auckland Council ("**Council**")

SUBMITTER: Woolworths New Zealand Limited ("**Woolworths**")

SUBMISSION ON: Auckland Council's Contributions Policy 2025 ("**2025 Draft Policy**")

Summary

1. Woolworths owns and operates over 185 supermarkets, several distribution centres, online fulfilment centres and support offices across New Zealand. It is also the franchisor for over 70 SuperValue and FreshChoice supermarkets. Woolworths has been part of New Zealand communities for more than 90 years. Its purpose is to make Kiwis' lives a little better every day and its team of more than 20,000 people work hard to deliver safe, fresh and affordable groceries to New Zealanders.

2. Supermarkets are critical infrastructure in communities. Woolworths is actively engaged in upgrading its store network (including distribution centres) in New Zealand to support the growth of our communities. As well as being driven by population growth and a desire to support community wellbeing, any development must be commercially viable.

3. The proposed development contributions payable under the 2025 Draft Policy are a significant increase from the contributions payable under the current policy (in some areas the increase for a retail development is up to 125%). That has the potential to significantly impact the viability of, and potentially deter, Woolworths' developments in Auckland which will adversely affect communities who rely on those service.

4. After several years of higher inflation, customers are seeking better value. Adding additional costs to the food distribution system - either in development, travel to store or deliveries - is unlikely to be welcomed by local communities

5. The Local Government Act 2002 ("**LGA**") requires that development contributions must be fair, equitable and proportional.[1] This is unable to be achieved if the 2025 Draft Policy is implemented as proposed. An additional challenge arises as there has not been a reasonable opportunity for affected parties to present their views to Council.

6. Woolworths considers the introduction of the 2025 Draft Policy should be paused to be allowed adequate, reliable and robust information to be gathered, and for proper consultation to take place.

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1 LGA, s 197AA.

Proposed increase in development contributions payable

7. The LGA requires development contributions to be a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.[2] Woolworths is concerned that the 2025 Draft Policy does not meet this test.

8. The 2025 Draft Policy, as currently proposed, will result in significant increases in development contributions payable for retail development in some areas. For example, and as shown in the table below, the contributions payable for a supermarket development in the Inner Northwest is projected to **increase by $35,072** (being a 125% increase from the current development contributions payable if the 2025 Draft Policy is implemented as proposed.[3]

Present		**Pre 2034**	**Pre and post 2034**
Average development contribution per HUE	$27,928	$48,000	$63,000
Percentage increase	–	71%	125%

Table 1: Estimated development contributions for a supermarket development in the Inner Northwest

9. The substantial increase in development contributions could constrain, or even deter altogether, retail development because it simply is not commercially viable to undertake development when the costs of construction become so high. That could have significant implications for Auckland's communities and result in underinvestment of supermarkets and distribution centres in the region.

10. The Commerce Commission has also recommended that the Government "…make more sites available for grocery retailing… using a range of mechanisms under planning law to ensure sufficient land is available to enable choice in sites for new retail grocery stores".[4] Even if sufficient land is made available, it is important to ensure other tools, like development contributions, do not adversely affect the development of supermarkets.

11. In assessing the impact of the higher contributions payable, the Council's Consultation Document focusses primarily on the impact of on house and land prices, noting only in general terms that higher development contributions may be "an additional cost to development".[5] Woolworths is concerned there is no assessment of that cost nor any acknowledgement that the additional cost could ultimately affect the viability of development to the detriment of our communities.

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2 LGA, ss 197AA and 197AB(f).

3 Methodology for Calculating DCs – Have Your Say.

4 Commerce Commission, Market study into the retail grocery sector: Final Report, (8 March 2022) at [9.10.1]. See also [6.59]-[6.74] which include relevant analysis and considerations for planning policy.

5 Consultation Document at [94] to [95].

12. One of the key reasons for the proposed uplift in contributions payable is the Council's proposed inclusion of capital expenditure over a longer (30 year) horizon. Woolworths is not opposed to a long-term view of infrastructure funding and acknowledges this has been signalled by the Council (including in earlier variations to the development contributions policy for Drury which it submitted on). However, Woolworths remains concerned this may lead to an over-recovery of costs, which is contrary to the development contributions principles LGA.[6] For the reasons set out below, Woolworths does not consider there is sufficient or reliable information in the consultation documents to give comfort that this will not occur.

Reliability of information and proposed timing for the new policy

13. Woolworths is concerned that the proposed timing for implementing the 2025 Draft Policy means it is not based on accurate or reliable information.

14. Some of the projects proposed to be funded through the 2025 Draft Policy are based on information that is outdated and is being updated in 2025 (eg the Whenuapai Structure Plan).[7] The Council notes that additional infrastructure identified for this area through that structure planning process will be included in subsequent reviews of the policy. However, the structure planning process could also result in projects being removed and not require funding through the development contributions policy (ultimately impacting the level of contributions payable).

15. Similarly, the 2025 Draft Policy includes projects where third party funding (eg NZ Transport Agency or KiwiRail funding projects) is "unclear", and the Consultation Document states that any changes will be incorporated before adoption of the final policy in 2025 (this also implies that there will not be the ability for affected parties to comment on those changes).[8]

16. Further, the Consultation Document proposes that, while the Council is investigating other funding tools (eg targeted rates) and the Minister for Infrastructure is reporting back on the work programme to expand the funding tools available to Councils in late 2024, the Council will rely on development contributions as the main funding tool in the meantime.[9]

17. Given the significant implications of the new policy, the introduction of the 2025 Draft Policy should be deferred until such time as there is sufficiently up-to-date information to rely on and more details are known about the alternative funding tools (particularly given the Government is due to report back on this shortly). This would also allow time for proper consultation to be undertaken (discussed below).

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6 LGA, s 197AB(1)(b).
7 Consultation Document at [40] to [41].
8 Consultation Document at [50] to [51].
9 Consultation Document at [44] to [46] and [102].

Insufficient consultation

18. Woolworths considers that the format in which the Council has enabled parties to present their views is inappropriate given the significant implications of the 2025 Draft Policy as proposed.

19. The Council has only provided opportunities for written feedback – there are no hearings proposed or any forum for parties to speak to their submissions. Instead, the Council states that the Governing Body will review feedback and adopt the new policy on 27 February 2025. Under the LGA, the Council is required to undertake consultation and make decisions with an open mind.[10] However, the very condensed timeframe (which also includes the Christmas shutdown period) between receiving feedback on the 2025 Draft Policy in November and adopting the final policy in February 2025 raises concerns that the Council is not approaching consultation in this way.

20. Woolworths considers it would be unreasonable and unfair for the Council to implement the 2025 Draft Policy without having given submitters a sufficient opportunity to present their views to the Council.

Development agreements

21. Clause 97 of the 2025 Draft Policy provides that "development agreements will not be used to reduce the amount of any contribution calculated" under the policy.[11]

22. There is nothing in the LGA that prevents development agreements from reducing a development contribution payable under a policy. Rather, the LGA provides that the terms of a development agreement will prevail a development contributions policy where there is inconsistency.[12]

23. The development agreement provisions in the LGA were introduced by Parliament to encourage greater private provision of infrastructure through using such agreements.[13] In some instances, it may be necessary to reduce the development contributions payable in a development agreement to ensure that (consistent with the purpose of development contributions) a fair, equitable and proportionate amount of development contributions are recovered.

24. For example, where a developer is providing the necessary infrastructure as part of its resource consent requirements (which in many instances, Woolworths does), the High Court has considered that "a special assessment would make the appropriate discount", or it would be addressed in a developer agreement.[14]

25. Clause 97 attempts to insert a presumption that development contributions cannot be reduced. This is inconsistent with the purpose of a development agreement and statutory intent. This is inappropriate. Woolworths seeks that clause 97 is deleted.

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10 LGA, s 82(1)(e).
11 2025 Draft Policy, cl 97.
12 LGA, s 207D.
13 See the 2014 amendments to the LGA inserting ss 207A to 207F.
14 *AGPAC Ltd v Hamilton City Council* [2021] NZHC 2222 at [77].

Decision sought

26. Woolworths seeks the Council:

(a) defers the implementation of the 2025 Draft Policy until such time as the relevant and necessary information is available;

(b) provides further and better opportunities for public consultation, including holding public hearings, including opportunities to comment on any updated or amended policy to address the relief in (a);

(c) removes clause 97 from the 2025 Draft Policy; and

(d) provides any further relief or alternative or consequential amendments as may be necessary to address Woolworths' concerns.

WOOLWORTHS NEW ZEALAND LIMITED by its **SOLICITORS** and authorised agents Russell McVeagh:

Signature: [redacted]

Date: 19 November 2024

Address for Service: [redacted]
Russell McVeagh
Barristers and Solicitors
Level 30
Vero Centre
48 Shortland Street
PO Box 8/DX CX10085
AUCKLAND 1140

Telephone: [redacted]

[redacted] [redacted]

Development Contributions Policy Review

#138

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable):

Local Board: I don't know

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   PLease see attached submission.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

PLease see attached submission.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

PLease see attached submission.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

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We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

PLease see attached submission.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Submission to the Auckland Council's Development Contribution Policy 2025.

I appreciate the opportunity to present my submission concerning the Council's Development Contribution Policy 2025.

In essence Council is proposing to extend the time frame of the infrastructure it deems necessary for growth in these IPAs (Investment Priority Areas) from ten years as covered in the LTP (Long Term Plan) to thirty years and the Council wishes to recover the costs of building these infrastructures that have extended into the thirty year timeframe in the form of Development Contributions (DCs) from developers.

To begin with, it is not clear as to why the number thirty has been chosen by the Council. The current status quo is ten years and I strongly believe that the current status be maintained.

Extending the time frame into thirty years will inevitably create huge uncertainty, costs would generally be well overstated, as per the policy of the Council the timing of acquiring land for open spaces would occur later than optimal and the prices paid for those land would be the developed land's prices instead of greenfield farmland.

Huge uncertainty due to extended timeframe leading to uncertainty in costs escalation will mean that any rational developer would find it favourable to adopt the "wait and see approach" and shy away from developing at the first instance as these escalated costs by the Council would need to be recovered from the developers either directly via the DCs or from the home buyers through increased housing prices, the effects of this on the market will be unknown. This will inevitably reduce the supply of housing in these IPAs and leading to increased housing prices in these IPAs ceteris paribus.

I strongly suggest that the Council would reconsider changing the timeframe of thirty years back to the current status quo of ten years, as thirty years is a very long time and this creates huge uncertainty for the housing market in these IPAs.

In paragraph 73 of Draft Contributions Policy 2025 (Aug 2024) it is stated "For the purposes of Section 210(1)(a) of the Act, the council will refund a development contribution taken for a specified reserve purpose if the money is not applied to that purpose within 20 years after the contribution was received."

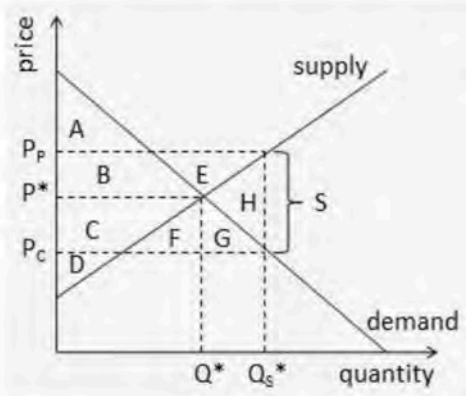
It is clear from the interpretation of the LGA 2002 (Local Government Act 2002) that twenty years is deemed to be a long time from the standpoint of projects. It is clear that the Council's approach of a thirty year timeframe is far too long and is in contrary to the interpretation of the law.

Numerous projects to be funded by DCs are expected to start beyond 2034 and they cater for growth until 2080. Such as the Parks in Whenuapai. This brings us to the next point with regard to the issue of fairness and equity, most of these infrastructure projects have a lifetime of 200 years, is it fair to ask home buyers in these IPAs to pay for these infrastructure that will not get perhaps built until 30 years later and they will cater for growth till 2080? Would it be fair to the home buyer in 2025 to pay the full costs upfront for something that is not going to happen till 2055, and home buyers in 2075 do not have to pay any for its construction but yet get to fully enjoy them straight away ?

We have now come to the second issue in contention, who should be paying for the DCs? The Council's position is that the developers should be the ones that are paying. In the Draft Contributions Policy 2025 (August 2024) it states that the purpose of development contributions is to "provide for those involved in development to make fair payments to the Council to reflect the expected demand their developments will have on Council infrastructure and the expected benefits residents and businesses occupying these developments will derive from Council infrastructure." As we can see clearly, the need to pay stems directly from the demand for those infrastructures and also the benefits that are derived from these infrastructure. Therefore clarifying who benefits and have the demand for those infrastructure would help us determine equitably as to who should be paying. Let's start by analysing who benefits from these infrastructure deemed to be subsidised by the Council if the current status quo is maintained.

Below is a simple supply and demand curve illustrating the effects of subsidising for these infrastructure. We can see that the subsidy is to the amount of S per dwelling unit, for example this could be $75000.00 per dwelling unit in Whenuapai say. The number of houses purchased by the home buyers will increase from Q* to Qs*, leading to an increasing number of home buyers in the housing market. The house prices would drop from the original unsubsidised market price of P* to Pc .

Producer Impact of a Subsidy



	Free Market	Subsidy
Consumer Surplus	A+B	A+B+C+F+G
Producer Surplus	C+D	B+C+D+E
Government Revenue	0	
Total Surplus	A+B+C+D	

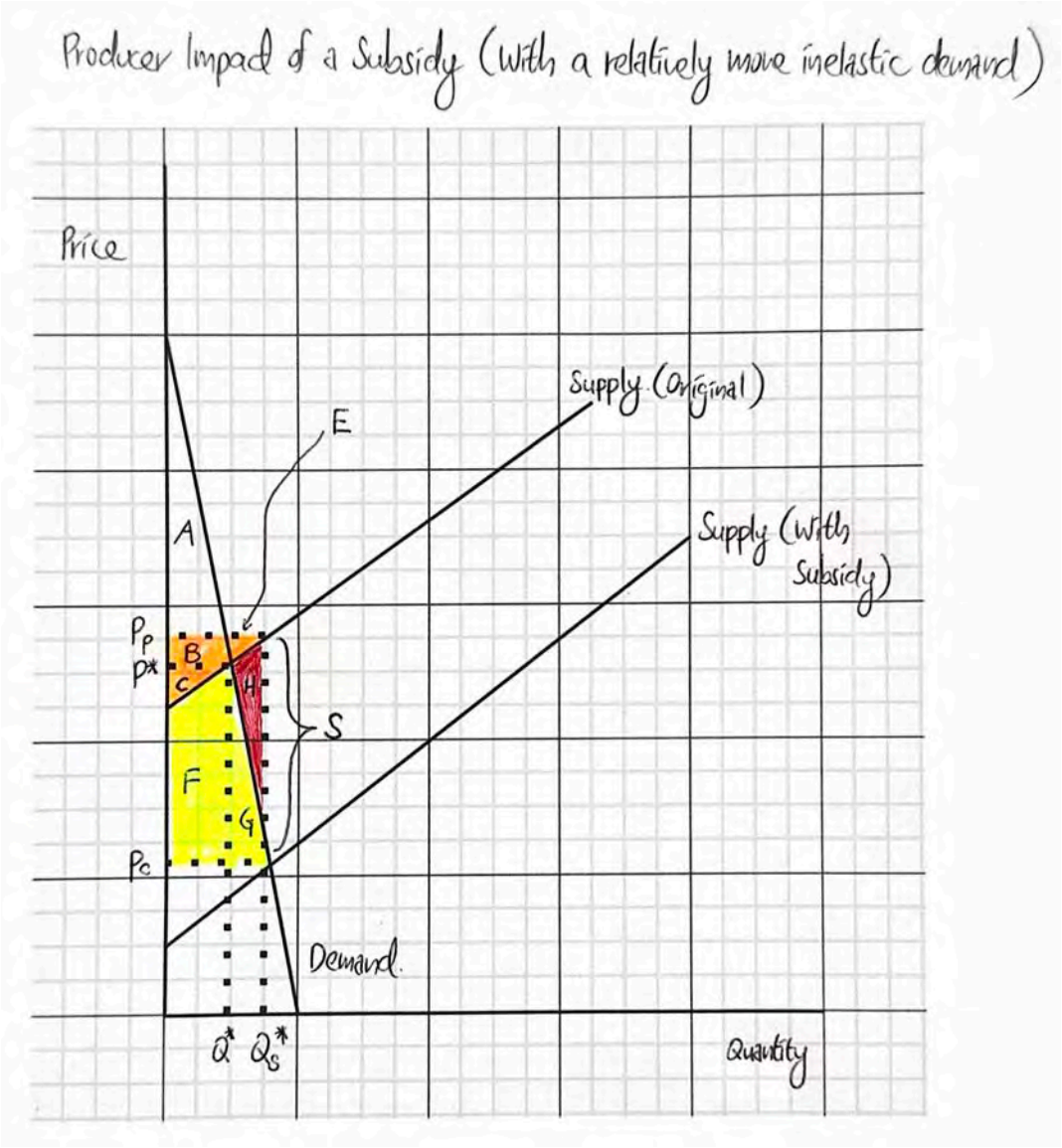
We can see clearly the effect of Council or general rate payers subsidising for the infrastructure is that the price of houses is decreasing making them more affordable and more people are able to be able to purchase their homes in these subsidised development areas and more houses are being bought.

Let's analyse who is actually benefiting, clearly the home buyers are benefiting, intuitively they are getting a lower house price but how much benefits do they actually get? Before the subsidy, their consumer surplus is A+B, this is the amount that the home buyers as a whole are willing to pay over and above the market price for a house.

After the subsidy the consumer surplus for the home buyers have increased to A+B+C+F+G, so the home buyers are enjoying an additional C+F+G as a result of this subsidy.

The developers are benefiting from this subsidy as well. The producer surplus for the developers before the subsidy is C+D, this is the amount below the prevailing market price that the developers as a whole are willing and able to produce. With the subsidy, developers are now enjoying an increase in producer surplus, and the amount of producer surplus is now B+C+D+E. The developers are enjoying an additional B+E amount of producer surplus as a result of this infrastructure subsidy. We can see clearly that it is not just the developers that are benefiting from these so called "infrastructure subsidy" as portrayed by the Council's numerous consultation policy documents, a large portion of the benefits are actually captured by the home buyers in the form of a lower and more affordable house

prices and a greater number of home ownership as well. In fact, studies have found that the demand curve for the housing market is generally inelastic in price, which means that the portion of the benefits captured by the home buyers is actually greater than that of the developers as I shall illustrate this phenomenon with another similar supply and demand curve below.



As indicated by the supply and demand curve above, we can see that the demand curve is now more inelastic with respect to price, with the curve being more vertical. This means that as the price of houses drops, the increases in the amount of houses being purchased as a result of this price drop is going to be less than the amount in the price drop, with both being in the percentage terms. (For example, a 30% drop in the house price is going to lead to an increase in the number of houses being purchased but by less than 30%, if the elasticity of the demand is -0.3 then the percentage increase would be -30% times -0.3 which will give you a +9.0% increase in the quantity of houses being purchased).

The relative inelastic nature of the long term housing demand has been well backed up by economic research. A paper by Hyslop, Le, Mare and Stillman (2019) of Motu Economic and Public Policy, has found that “housing supply is relatively elastic with respect to price (1.2), while housing demand is relatively inelastic (-0.3)”.

Given the inelastic nature of the housing demand curve, we can easily see that a greater portion of the benefits as a result of an infrastructure subsidy has been captured by the home buyers in the form of a greater increase in consumer surplus, a drop in the house price, and a greater number of house being purchased.

The increase in consumer surplus for the home buyers is indicated by the shaded yellow area (F+G), while the portion of the benefits as a result of this subsidy captured by the developers is indicated by the orange shaded area (B+C), while the area shaded in red (H) is known as the dead weight loss in economic terms.

Together the yellow, orange and red shaded area (B+C+F+G+H) make up the entire amount of the infrastructure subsidy. Due to the relative inelastic nature of the housing demand curve and the relative elastic nature of the housing supply curve, we can see that the majority of the benefits from an infrastructure subsidy has been captured and enjoyed by the home buyers contrary to the wide perceived view held by the general public and the Council that developers are the ones that have captured the entire gain as a result of the infrastructure subsidy and they should be responsible to pay back the full amount.

Now, we have established that a greater portion of the benefits from the infrastructure subsidy is actually being enjoyed by the home buyers, then the logical next step is to recover these not only from the developers but also from these home buyers. The current Contributions Policy 2025 has indicated that the developers should be fully responsible for the entire infrastructure costs, this is not fair nor equitable from the logical economic analysis above. A greater portion should be recovered from the home buyers as well. Development Contributions are not an ideal tool in terms of recovering the costs from the home buyers as they can only capture developers' portion of gain.

Alternative funding tools like a recurrent targeted rate should be considered. In the paper Economic incidence of developer contributions by Murray and Helm (2022) which has been cited in the consultation document, it has been suggested that upfront payments like development contributions and recurrent payments like a targeted rate in principle are capitalised equivalently.

Recurrent targeted rates should be employed on home buyers to capture the portion of their gains from the infrastructure subsidy. Intuitively, it is better to have a larger number of home buyers who are materially benefiting from this infrastructure subsidy paying it off over a longer period time, instead of burdening their fair share of the costs onto a smaller number of developers who are really the facilitators in helping these home buyers owning their own home.

Disincentivising the developers will lead to a decrease in the supply of the stocks in these affected areas which will ultimately lead to an increase in the house prices making homes less affordable, which is contrary to what the Council has envisioned.

If we look at the IPAs in Full Built Out Scenario, and take Whenuapai for example which is projected to have 20457 households, and at the current proposed DC of $102,000 then for the Whenuapai area it is proposed by the Council that the developers should be paying development contributions to the amount of $2,086,614,000.

The entire developable future urban zoned land is roughly 800 hectares and this is being very generous as there are many coastal strips that have sizes less than 1 hectares and are very difficult for the developers to coalesce and forming a critical developable mass, so the 800 hectares as the denominator could very well be a much smaller number in practice and leading to a higher per hectare contribution figure than the one that has been calculated in this exercise.

If we divide $2,086,614,000 by 800 hectares, we get $2608267.50/hectare. According to the consultation document by the Council, home buyers are not liable for their fair share of the contribution, and the developers are liable to pay for the home buyers' fair share and the Council is suggesting that the entire costs be passed onto the landowners in the form of a lower land price offered by the developers to these land owners.

Is it pragmatic? Is it practical? Based on the calculation above, we can see that if developers were to adopt Council's suggestion in passing on the entire costs to the land owners then we can see that they need to have a roughly $2.6 million dollar reduction in their offered price per hectare of land, so a five hectare block would need a discount of $13 million dollars.

Majority of the lifestyle farms in Whenuapai being sold or have a Council Valuation that is either close to or lower than the above figure of $2.6 million per hectare. This means that these landowners would practically be gifting their land to the developers for free, if the home buyers are not contributing their fair share.

In reality would these land owners sell their land basically for nothing? The answer is no, because lifestyle farms in far more remote locations have been trading for more, and in situation like this, if developers actually do what the Council's consultation document says it would do, then they would be offering these landowners practically nothing, or perhaps maybe half a million dollars for a five hectare lifestyle block. But these landowners would absolutely refuse because lifestyle farms in more remote places have been trading at $2 to $3 million dollars and they offer way less amenities.

The economic effect of this would be that there would basically be zero trading in the land market, developers would not be able to acquire any land at any practical price if they are forced to bear the home buyers' fair share of the infrastructure costs, also the landowners will just simply hold onto their land and this will lead to a decrease in the supply of the houses in these IPAs and making homes less affordable and the amount of DCs recovered by the Council would be near zero, and the development in the IPAs would stall, and this is totally contrary to what the Council has envisioned.

I urge the Council to continue its work on the use of targeted rates to fund the growth share of the cost of infrastructure investment and eventually adopting the use of the targeted rates to fund the increase in the DCs entirely so that the home buyers fair share of the DCs could be better captured. I believe the targeted rates should only be applied to the new home owners of these IPAs it is these new residents that have created a demand for these new planned infrastructures and according should be paying for them in an fair and equitable way.

Also new funding and financing tools by the Minister of Infrastructure should be explored and considered fully and extensively by the Council so that growth in these IPAs could be accelerated without major delays while the infrastructures provided will be more than adequate.

Studies should be carried out on the movement into capturing the costs of infrastructures beyond the current status quo of ten years. It is very unclear as to why the Council has decided suddenly on the 30 year time frame contrary to the Long Term Plan of ten years.

No research has been cited whatsoever on the decision to make it thirty years and no comparable time frames and their associated costs and benefits analysis has been provided. For something of this importance, it is totally inappropriate to be picking the number thirty years out of a hat without any numerical analysis. I urge the Council to provide studies on the costs and benefit analysis on various comparable time frame such as ten years, fifteen years, twenty years ect.

I note that the notion that the Council has held with regard to the effect of increasing DCs bear no effect on the affordability of the houses in these IPAs. This notion is based on a paper written by Murray and Helm (2022) Economic incidence of developer contributions. I will provide a few comments on on the fallibility of the premises held by the authors of this paper.

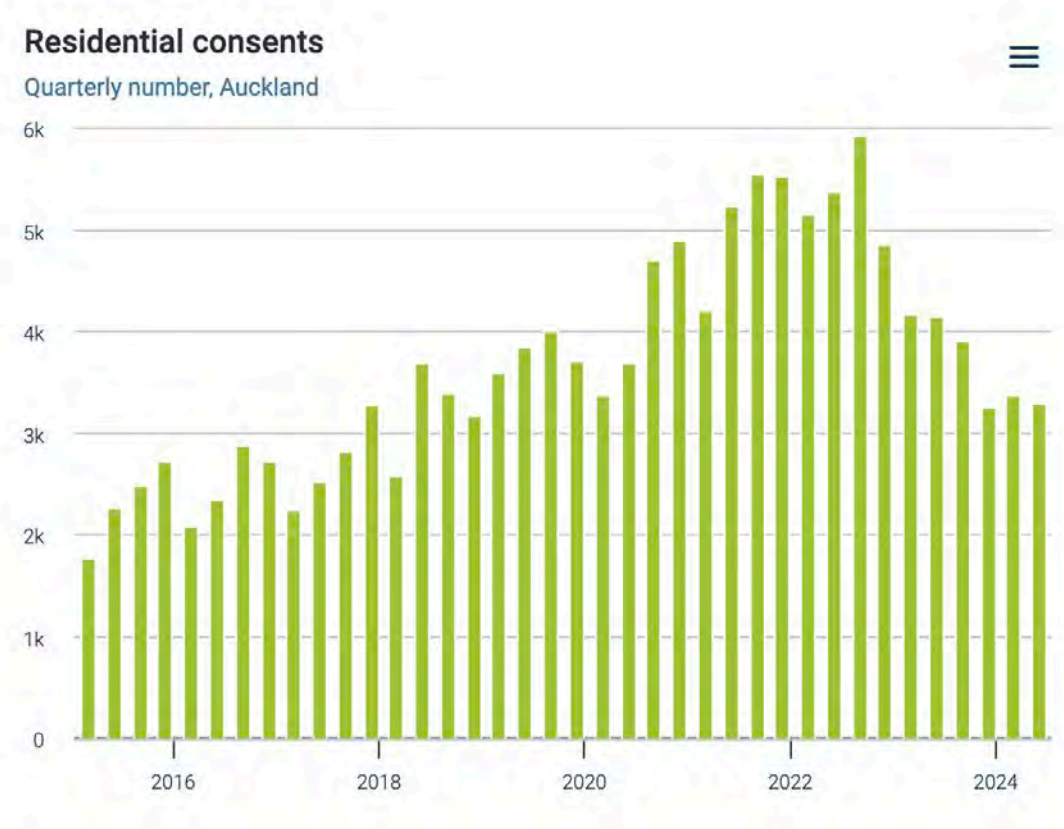
In the paper, the author invented something called the absorption rate, which is the equilibrium rate at which undeveloped land assets are swapped for new dwelling assets. You can view this as the rate of supply of new housing. This absorption date is equal to $1/2a$ $(dt +(i+r)/w)$ where a is the sensitivity of price growth to new sales, dt is the rate of growth in demand for dwellings, i is the prevailing interest rate and r is rate of any tax on land value while w represents the irreversibility and zoning constraints.

We can see that this concept is totally false, it implies that the supply of housing is not affected by an increase in costs (i.e the supply curve of the market for houses does not shift to the left if costs went up for example like an increase in the DCs.)

This is not backed up well by real life evidence, over the past two years the interest rate has gone up by a lot, however the number of consents by the builders and developers has decreased by a lot due to a rise in the interest costs which has significant negative effect on the borrowing ability of the builders and developers and also the profitability of the builders and developers.

This is entirely contrary to what the formula of the absorption rate has suggested, where interest rate is a variable that is a numerator of a fraction which means increases in the interest rate would lead to an increase in the absorption rate which is basically the rate of supply of new housing.

Increase in the DCs would have a negative impact and effect similar to that of a rise in the interest costs, this will inevitably lead to a decrease in the supply of housing due to a leftward shift of the housing supply curve. This would lead to a socially undesirable outcome and result in an increase in the house prices and less home ownership.



We can see from the graph above, that the number of residential consents in Auckland has sharply decreased over the past two years as the RBNZ raised the interest rate aggressively. This has caused an escalation of the interest costs which are borne by the developers. This would cause a leftward shift in the housing supply curve as illustrated by the number of residential consents applied by the builders and developers.

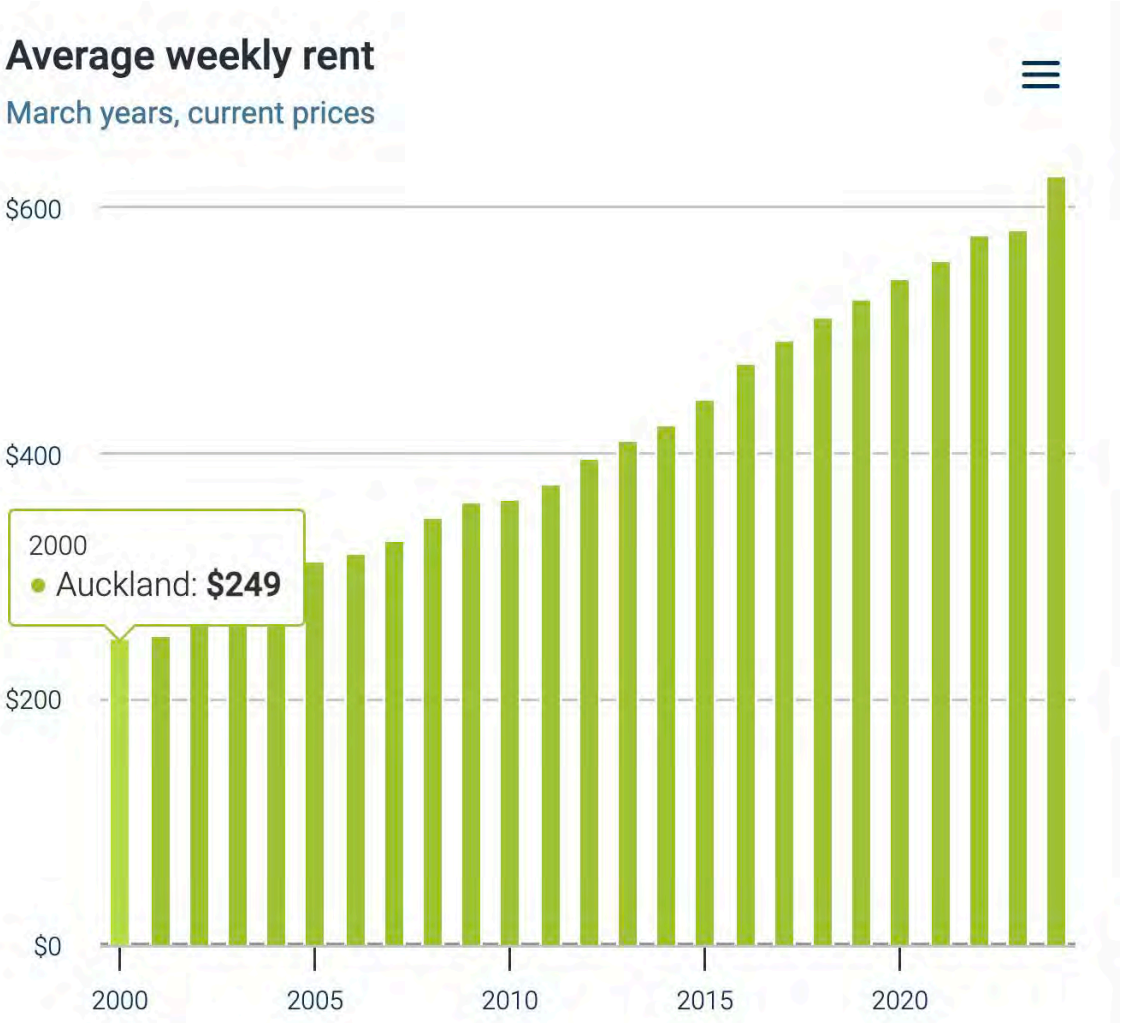
Another major premise used by Murray and Helm (2022) was that houses are viewed as assets which are different from products. The price of a product is according to Murray and Helm (2022) determined as an equilibrium between costs incurred in production (supply) and the willingness to pay of buyers (demand) and since house is an asset its price is determined by its net cashflow(generated by its rental income) divided by the capitalisation rate.

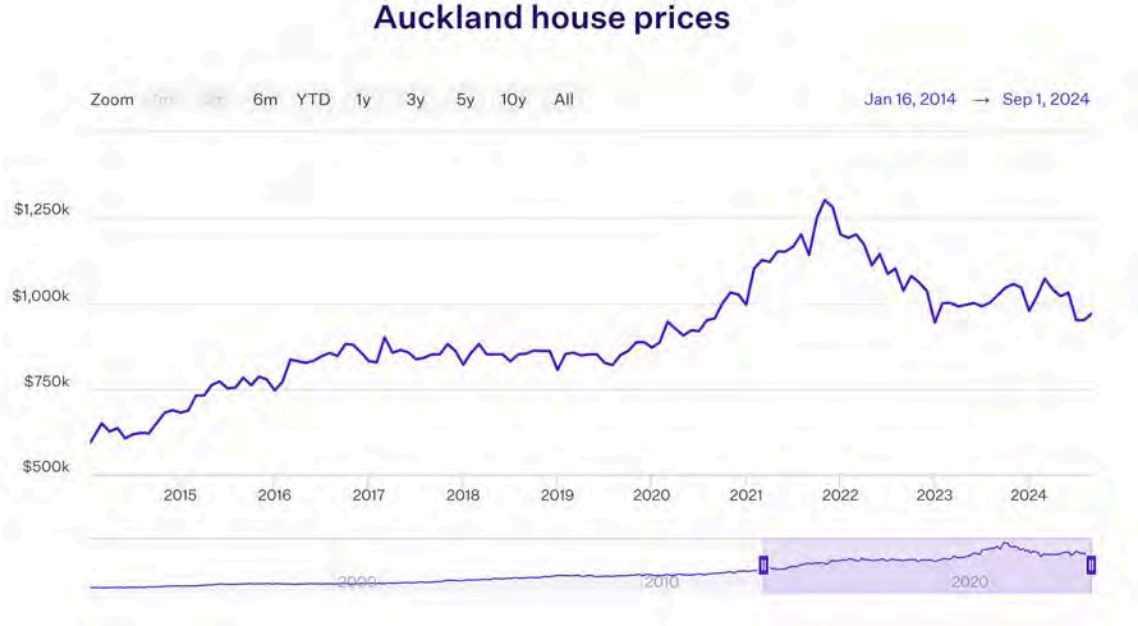
Housing asset value = Net Cashflow / Capitalisation rate

To begin with, this is a ludicrous assumption, house is just like any other product, its price is determined by the market forces of supply and demand. By simply labelling “house” as an “asset” and saying it generates future cashflow and you can then somehow work out its market price using a calculator dividing the net cashflow by the capitalisation rate and then somehow ignoring the market forces of supply and demand in its price determination is rather laughable.

Gold is an “asset” but it does not generate any net cashflow, then according to Murray and Helm (2022) it should have zero value, but sadly or fortunately it is not the case.

House is just like any other product, its price is determined by the forces of market supply and demand. You can clearly see that over the past few years, rent has remained steady, yet house prices have gone down, if the concept of housing asset value holds shouldn't the price remain steady?



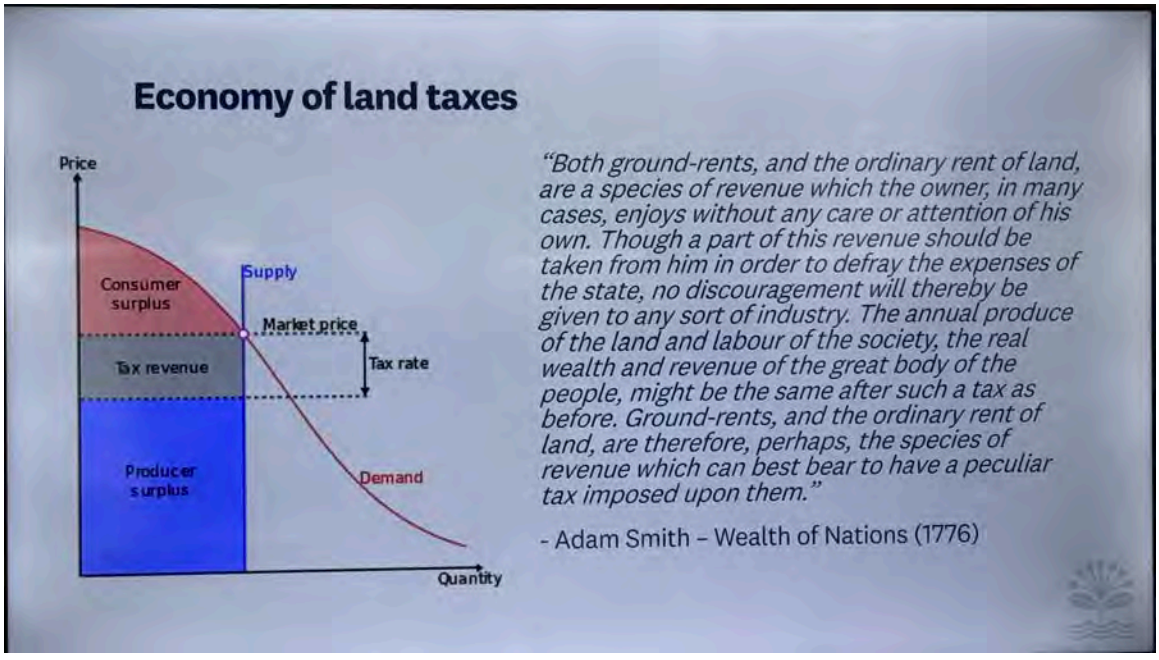


We can see that from the two graphs above, that Auckland's rent has increased every year since the year 2000, however the Auckland house prices has decreased since 2022 and continued its downward trend into 2024. This empirical evidence strongly refutes the premise of Housing asset value held by Murray and Helm (2022)

What is really happening is that house price has gone down due to the fact that the interest rate has risen aggressively over the past two years. This has put a huge burden on the potential home buyers due to the amount of interest they have to pay for their mortgage. Therefore they have decreased their demand of buying a house during this period and this has caused a leftward shift of the demand curve for housing and caused a drop in the house prices and the number of houses purchased.

We have observed that it is the market forces of supply and demand that determines the price of houses. Therefore if DCs increase, supply of housing would inevitably drop, prices of housing would increase therefore leading to a socially undesirable outcome of decreasing housing affordability.

In addition, Murray and Helm (2022) has this fallible notion that any DCs increase can easily be passed to the landowners by the developers. It seems that the Council has simply accepted this idea without seeking extensive assistance from any third party peer reviewed research. Below is a diagram provided by the Council staff in an attempt to defend this position.



We can see that from the graph above, the Council staff has stated that since land is limited then the supply of land should be fixed and be perfect inelastic with respect to price, and therefore the supply curve should be perfectly inelastic.

This is wrong in many ways. Naturally land is limited in geographic terms, unless there are tectonic plates shift then land will be limited in supply geographically speaking. However, this does not mean that in the market of land for developers, the land is not responsive to prices. The diagram above simply states that land is limited in supply from the geographic standpoint and then jumps into a second premise that therefore the supply of land is unresponsive to price. This is clearly wrong. In the real market situation, if the price of land goes up, then landowners will be more willing to sell, and if the price of land is low then landowners will be less willing to sell, and if the land price become so low then the landowners will not even enter the market. If for some reason that some land owners do not sell no matter what the price is, whether it is high or low then their land do not count in the market supply since they do not actively participate in the market at all.

In the diagram above the supply of land is wrongly assumed to be perfectly inelastic and unresponsive to price, and it has been attempted to argue that therefore a tax imposed on the landowners does not reduce the supply of land and any reduction in the surpluses would only affect the producer surplus which are the land owners. In real life situation, if we were to impose a capital gains tax on land then the supply of land would reduce as some of the owners simply won't sell and a reduction in the supply of land would actually push up land prices and lead to unaffordable housing which is a socially undesirable outcome. Therefore, an increase in the DCs would lead to a huge reduction in the supply of land into the market which would mean that less land or no land will be acquired by developers in these IPAs, then the supply of new housing in these IPAs would be greatly reduced, and house prices in these areas would increase as a result ceteris paribus and this is a socially undesirable outcome, and a lose-lose situation for the society as a whole.

I noted that there is no hearing involved for this proposed Contribution Policy 2025, I urge the Council to hold a formal hearing through the Resource Management Act so that evidences and feedback by all the parties could be heard extensive and formally and it will be possible to have two way conversation with the Council. Right now, the only opportunity to have a two way conversation is to have your feedback presented in person to the Councillors on the 8th of November 2024, but there is only limited spaces available. I urge the Council to reconsider holding a formal hearing instead so that numerous submitters will be able to raise their points with the Council directly and the outcome be decided by the Independent Commissioners.

I strongly urge the Council to maintained the current status quo of the ten year infrastructure timeframe as prescribed by the Long Term Plan.

Development Contributions Policy Review

#139

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Open Space for Future Aucklanders Incorporated

Local Board: Regional organisation

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Tell us why

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

   Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

AUCKLAND COUNCIL DRAFT LONG TERM PLAN 2024-2034

SUBMISSION OF OPEN SPACE FOR FUTURE AUCKLANDERS INCORPORATED

TO: Auckland Council
BY EMAIL: contributions.policyteam@aucklandcouncil.govt.nz

SUBMITTER: Open Space for Future Aucklanders Incorporated

Introduction

1. Open Space for Future Aucklanders Incorporated (**Society**) makes this submission on the Auckland Council (**Council**) Draft Development Contributions Policy 2025 (**Draft DCP**).

2. The Society is concerned that the Council faces significant cost exposure in relation to the Carrington Residential Development in Mt Albert / Pt Chevalier.

3. If approved, the Ministry of Housing and Urban Development's (**MHUD**) private Plan Change 94 (**PC 94**) will upzone land within the former Unitec land (known currently as the Wairaka Precinct) to enable even more intense development.

4. That development will create a new suburb with a population currently unknown but expected to be similar to the entirety of the existing suburb of Mt Albert.

5. Overall, the development of the Wairaka Precinct is projected to accommodate a substantial portion—33% to 50%—of the anticipated population growth for the Albert-Eden area over the next 24 years, while occupying only 2.26% of its land area. This proposal represents an unprecedented scale of extremely high-density development in New Zealand.

6. The Society has submitted independent expert planning evidence to the Council which confirms that the extent of development within the Wairaka Precinct would require between 8ha and 23ha of open space to serve the needs (open space and recreational) of the projected future population.

7. There is no land zoned for open space within the Wairaka Precinct and the precinct plans for PC 94 include just over 3ha of land (if accessways and land for stormwater drainage are not included) as "indicative open space".

8. There is no certainty as to how even this (inadequate amount) of open space would be acquired or funded.

9. The Albert Eden Local Board (**Local Board**) does not support PC 94. The Council officers do not support PC 94 in its current form. Lack of quality, accessible open space is a key issue raised by both the Local Board and the Council officers.

10. In short, there is a significant shortfall of open space for the Carrington Residential Development. This open space is needed to service growth and should be funded by the development community via development or financial contributions.

11. In that regard:

    (a) There are no financial contributions rules in the Auckland Unitary Plan (**AUP**) that would require MHUD or the future developers of Carrington Residential Development to provide or fund these open space needs.

    (b) The Draft DCP is silent on funding for reserve acquisition for the Carrington Residential Development.

12. In the absence of development funding, it is likely that will fall to Council to address this shortfall in order to avoid poor urban development and community outcomes.

13. Land currently zoned for tertiary facilities that would be suitable for the provision of open space is proposed to be rezoned Business Mixed Use (**BMU**) under PC 94.

14. If such an upzoning is approved by the independent commissioners following the hearing later this month, it will significantly increase the costs to Council of acquiring open space to serve future residents of the Wairaka Precinct.

15. The Society seeks that the Draft DCP be amended so that the costs of open space acquisition to serve the needs of the future population of the Wairaka Precinct is funded by development contributions.

The Society

16. The Society is an incorporated society that was formed in 2023.

17. The primary purpose of the Society is to represent members in relation to planning matters in Auckland and specifically around Mount Albert and other areas in Auckland that are subject to high levels of planned for intensification.

18. The Society wishes to ensure that sufficient, quality, accessible and useable open space is provided in the right locations to serve the needs of future residents and contribute to well-functioning urban environments.

19. The Society seeks that Council adopts a holistic and long-term perspective and that funding for the open space required to serve intensification is significantly increased commensurate with the level of proposed intensification.

Participation in planning processes

20. The Society participates in resource management and local government planning consultations that are relevant to its purpose. In that regard:

    (a) The Society was an interested party to MHUD's Environment Court appeal on Plan Change 75 (Mason Clinic) to the AUP. The land rezoned by PC 75 is within the Wairaka Precinct. The Council's decision on PC 75 required open space that would be displaced by the Mason Clinic's expansion to be provided elsewhere in the Wairaka Precinct. MHUD's appeal sought to remove that requirement for open space in the Wairaka Precinct. The appeal was resolved at mediation to include a policy that would require the open space lost from the Mason Clinic upgrade to be provided elsewhere but MHUD is challenging that again through PC 94.

    (b) The Society has lodged a submission in opposition PC 94. MHUD seeks to (among other things) rezone additional land within the Precinct to Business Mixed Use, enable up a minimum of 4,500 dwellings (possibly up to 6,000), and increase the number of people able to be accommodated within the Precinct from 8,200 to 12,000 (possibly to 18,000 based on some models), enable taller buildings throughout the Precinct (including 43-72m high buildings in part of the Precinct), remove building setbacks designed to better integrate future development and alter the configuration of, and reduce, the open space in the Precinct.

    (c) The Society sought Heritage Scheduling under the AUP for Penman House a landmark building with heritage values (design attributed to John Logan Campbell) on land proposed to be rezoned for residential development under PC 94. The Council via its experts on PC 94 consider Penman House meets the criteria for heritage scheduling but the Council heritage team had advised that it does not have "capacity" to progress heritage scheduling at this time.

(d) The Society made a submission on Council's Long Term Plan (**LTP**). A copy of the Society's submission on the LTP is attached in **Schedule One.** In summary the Society sought:

(i) The acquisition of land for additional open space required to service areas that are being intensively developed.

(ii) Funding to allow Council to actively participate in fast-track planning processes on behalf of its community where the environmental benefits that arise from additional scrutiny from public participation have been lost due to the public being excluded from the planning process.

(iii) Upgrading railway crossings to provide grade separated crossings where closure of level crossings is proposed to accommodate the increased train frequencies that will be enabled by the City Rail Link (**CRL**), which (AT has previously advised) will see roads around the Carrington Residential Development closed for 45 minutes out of every hour during the peak period.

Carrington Residential Development

21. Unitec has consolidated its operations on the Southern portion of the Precinct and the former Unitec land has been acquired by the Crown for intensive residential redevelopment (known as the Carrington Residential Development).

22. The Society considers that it is important that those planned new neighbourhoods integrate with the existing residential and commercial areas particularly in terms of open space, visual effects, and traffic.

23. The Society is concerned that the level of open space in the Wairaka Precinct needs to be significantly increased beyond that proposed.

24. A significant increase in population is proposed for the Wairaka Precinct. The surrounding suburbs of Mt Albert, Point Chevalier and Waterview are already established residential suburbs.

25. The Precinct presents the only realistic opportunity to provide sufficient open space for future residents.

26. Council officers and the Local Board share some of the Society's concerns. Council officers processing PC 94 do not support it in its current form with the lack of open space and absence of comprehensive master planning being a key issue to be addressed.[1]

27. The Local Board has opposed PC 94, stating that:[2]

> *However in this instance, the Albert-Eden Local Board overall opposes PC94, in particular the proposed heights; building form; level of amenity; and the amount, type, quality and location of open space that the proposed plan change provisions and/or the proposed Precinct plans as notified will result in. There will be insufficient provision of open space, community and recreational activities; and the intensive development and heights proposed have not been sufficiently considered with regard to the provision of the necessary quality, amenity, social, health and wellbeing outcomes for future residents, such that well-functioning, quality, compact urban form, high-quality development with low climate impacts will not be achieved.*

28. Key to resolving these concerns and achieving the necessary level of integration, and safeguarding the success of the Carrington Residential Development, will be ensuring that the Precinct is properly master planned and that open space is considered as critical infrastructure that is planned for and funded on that basis.

29. Aspects of the Carrington Residential Development have been consented under the Covid 19 Fast Track Act 2020, which provided for the "*Residential development stages within Wairaka Precinct of a multi-stage comprehensive mixed-use urban development in Point Chevalier, Auckland*" as a listed project.

30. However, despite the obvious intention that the Carrington Residential Development be a comprehensively planned development, there is no multi-stage comprehensive master plan for the Wairaka Precinct.

31. This crucial master planning, required to ensure the long-term success of the Precinct, has not occurred.

32. Resource consents are being sought by individual developers, and granted, on a site by site basis under Fast-Track processes.

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1 Auckland Council PC 94 s 42A Report.

2 Albert Eden Local Board Minutes 22 August 2024, Item 11 at page [57].

33. This has resulted in developments that were not supported Council nor the Local Board being granted consent.

34. The Carrington Residential Development has again been listed in the Fast Track Approvals Bill.

35. Accordingly, securing and funding open space a matter of urgency given the potential for ongoing Fast Track subdivision and development to continue to foreclose on potential open space options.

36. The Society has engaged Maylene Barrett, an open space planning expert (and formerly the Auckland Council Parks and Planning Principal Specialist) to present evidence at the PC 94 hearing.

37. Ms Barret's evidence (can be viewed at the link below) includes that:[3]

    (a) Between 8ha and 23ha of open space would be required to serve the projected population of the Carrington Residential Development.

    (b) There is a significant gap in open space provision and there are concerns with the quality of open spaces proposed.

    (c) There are no significant allocations in the proposed DCP 2025 for local parks or sports parks associated with PC, which shows a lack of planning and funding for necessary open space. In the absence of open space provision and secured funding:

        (i) PC 94 does not adequately demonstrate that necessary community infrastructure, particularly for active open space and recreation, will be provided. This is contrary to Council's obligations under the National Policy Statement on Urban Development 2020 (**NPS-UD**), which requires local authorities to ensure that sufficient infrastructure, including public open space and community facilities, is available to support proposed developments.

        (ii) Cannot be said to give effect to the relevant provisions of the Auckland Regional Policy Statement (**RPS**), which requires open space and recreational facilities to be enabled and integrated.

Draft DCP

[3] Statement of Evidence of Maylene Barrett on PC 94 dated 29 October 2024.

Support for developer funding

38. The Society supports the intention of the Draft DCP that the costs for new assets (or assets with additional capacity) required to service growth will be met by development community through development contributions. In this case, a considerable area of new open space assets is required just to service the projected population of the Carrington Residential Development. Accordingly, the Society considers that this open space should be entirely growth funded.

39. The Society also supports paragraphs 96-97 of the Draft DCP that provide that:

    (a) Council may enter into development agreements or other agreements in circumstances where there is a need to allocate responsibility between developers and the council for the construction and funding of public works associated with a development in order to support outcomes in the Auckland Plan.

    (b) Development agreements will not be used to reduce the amount of any contribution calculated under this policy.

    (c) Where an applicant undertakes work on behalf of the council, this will be done within normal procurement procedures and paid for under the terms of that engagement. Development contributions will still be payable by the applicant where they are required under this policy.

Reserve acquisition

40. Against the background to the Carrington Residential Development discussed above, the Society is surprised (and deeply concerned) that there is no funding for reserve acquisition to service the open space needs of the incoming population of the Carrington Residential Development in the Wairaka Precinct.

    (a) In that regard: Schedule 3 to the Draft DCP[4] – Schedule of Development Contributions provides for no urban sub-regional reserve acquisition or local central reserve acquisition:

[4] Draft DCP at p [20].

Table 5

Development contribution assessments are calculated exclusive of GST

Regional

Reserve Acquisition	Auckland wide	$ 199
Reserve Development	Auckland wide	$ 1,648
Transport	Auckland wide	$ 13,937
Community Infrastructure	Auckland wide	$ 1,066

Sub-Regional

Reserve Acquisition	Drury IPA (civic park)	$ 24,654
	North Greenfield	$ 1,949
	Northwest Greenfield	$ -
	South Greenfield	-$ 0
	Urban	$ 0
Reserve Development	Drury IPA (civic park)	$ 6,953
Stormwater	Urban Auckland Non GPA	$ -
	Urban Auckland	$ 1,071
Transport	Central	$ 3,601
	Drury IPA	$ -
	Hauraki Gulf Islands	$ 353
	North	$ 4,970
	South	-$ 0
	West	$ 95
Community Infrastructure	Drury IPA (Civic space)	$ 3,216
	Northwest	$ 9,296
	Paerata	$ -
	Whau	$ 7,731

Local

Reserve Acquisition	Central	$ -
	Dairy Flat	$ -
	Flatbush	$ -
	Hibiscus	$ 2,588
	Hingaia	$ 13,847
	Kumeu / Huapai / Riverhead	$ -
	Mangere AHP	$ -
	Mount Roskill AHP	$ -
	North Shore	$ 1,190
	Paerata / Pukekohe	$ 612
	Redhills / Westgate	$ 22,735
	Rural Islands	$ -
	Rural North Lower	$ -

(b) Attachment B: List of projects for investment priority areas identifies to the Draft DCP identifies investment priority areas being the Inner Northwest (i.e. Whenuapai, Hobsonville Brigham Creek), Mangere, Mount Roskill and Tamaki. Despite the Wairaka Precinct being proposed to cater for the growth commensurate with a new inner city suburb, it has not been identified as an investment priority area.

41. The Draft DCP lists only the Sylvia Park, Wynyard and Sylvia Park as precincts as where development contributions may apply. It is potentially possible to fund open space by including a financial contributions rule in the relevant Wairaka Precinct AUP rules. However, neither the operative provisions for the Wairaka Precinct nor those proposed under PC 94 use this funding tool.

Increased costs to Council

42. Ultimately, local authorities are required to address open space shortfalls to avoid very poor urban development and community outcomes.

43. The Society is concerned that the absence of planned and certain development funding the costs of open space provision will ultimately fall on Council.

44. The Carrington Residential Development is located approximately 7km from the CBD. Land values are already relatively high in the central west suburbs. Potentially each Fast Track consent that is granted will increase the land values within the Wairaka Precinct and accordingly increase the costs of open space acquisition.

45. PC 94 proposes a significant increase in development capacity within the Wairaka Precinct. There is land that is still currently zoned for tertiary facilities that would be suitable for the provision of open space but it is proposed to be rezoned Business Mixed Use (**BMU**) under PC 94.

46. If such an upzoning is approved by the independent commissioners following the PC 94 hearing later this month, it will significantly increase the value of the Wairaka Precinct land and the cost to Council of acquiring open space to serve the future population of the Wairaka Precinct.

47. The Society urges the Council to treat this as a matter of some urgency and to act now to secure acquisition and funding of open space within the Wairaka Precinct.

Changes sought to Draft DCP

48. The Society seeks that Council:

    (a) Cost the acquisition of up to 23ha of open space based on the value of BMU land within 7km of the CBD.

(b) Amend the DCP to provide for development contributions to fund the reserve acquisition required to service the future projected population of the Wairaka Precinct.

Next steps

49. The Society looks forwards to presenting to Councillors at the meeting on 8 November 2024 and answering any questions about this submission.

50. The Society would also be happy to meet further with Councillors to discuss its concerns regarding open space and PC 94.

OPEN SPACE FOR FUTURE AUCKLANDERS INCORPORATED
4 November 2024

SCHEDULE ONE: SUBMISSION ON LTP

AUCKLAND COUNCIL DRAFT LONG TERM PLAN 2024-2034

SUBMISSION OF OPEN SPACE FOR FUTURE AUCKLANDERS INCORPORATED

TO: Auckland Council
BY EMAIL: akhaveyoursay@aucklandcouncil.govt.nz

SUBMITTER: Open Space for Future Aucklanders Incorporated

Introduction

1. Open Space for Future Aucklanders Incorporated (**Society**) makes this submission on the Auckland Council Draft Long Term Plan 2024-2034 (**LTP**).

2. The Society has an interest in ensuring that, as Auckland intensifies, enough good quality and easily accessible open space, for a variety of recreational and conservation purposes, is provided for. The Society is interested in this issue generally but particularly in relation to Mt Albert and the redevelopment of the former Unitec land.

3. There are three key areas that the Society considers that the LTP does not provide adequate funding for, being:

    a. Funding to allow Auckland Council (**Council**) to actively participate in fast-track planning processes on behalf of its community where the environmental benefits that arise from additional scrutiny from public participation have been lost due to the public being excluded from the planning process.

    b. The acquisition of land for additional open space required to service areas that are being intensively developed.

    c. Upgrading railway crossings to provide grade separated crossings where closure of level crossings is proposed to accommodate the increased train frequencies that will be enabled by the City Rail Link (**CRL**).

4. The Society seeks that funding for these matters be significantly increased, made commensurate with the level of intensification anticipated, and that the democratic deficit resulting from fast track consenting processes is adequately responded to by Council adopting a wholistic and long-term perspective.

The Society

5. The Society is an incorporated society that was formed in 2023. The primary purpose of the Society is to represent its members in relation to planning applications in Auckland and specifically around Mount Albert and other central Auckland areas subject to high levels of planned for intensification.

6. The Society wishes to ensure that such proposals and Council plans are far sighted and provide sufficient open space to serve the needs of existing and future residents and otherwise contribute to a well-functioning and high amenity urban environment.

7. The Society is made up primarily of Mt Albert community members who own or occupy property close to the Wairaka Precinct (**Precinct**) in the Auckland Unitary Plan (**AUP**). Unitec has consolidated its operations on the Southern portion of the Precinct and the former Unitec land has been acquired by the Crown for intensive residential redevelopment (known as the Carrington Residential Development). The Ministry for Housing and Economic Development (**MHUD**) is leading the Carrington Residential Development.

8. A key concern of the Society is that the level of open space in the Precinct needs to be significantly increased beyond that proposed to recognise the significant increase in population that is proposed for the Precinct.

9. The area surrounding the Precinct is also proposed to be significantly intensified. As the surrounding suburbs of Mt Albert, Point Chevalier and Waterview are already established residential suburbs (and proposed to be significantly intensified due to the proximity to western line railway stations), the Precinct presents the only realistic opportunity to provide sufficient open space for existing and future residents.

10. The Society takes an active role in planning matters that are relevant to its purpose. In that regard:

    a. The Society has lodged a submission in opposition on MHUD's Private Plan Change 94 (Wairaka Precinct) to the AUP (**PC 94**). MHUD seeks to (among other things) rezone additional land within the Precinct to Business Mixed Use, enable up a minimum of 4,500 dwellings (possibly up to 6,000), and increase the number of people able to be accommodated within the Precinct from 8,200 to 12,000 (possibly to 18,000 based on some models), enable taller buildings throughout the Precinct (including 43-72m high buildings in part of the Precinct), remove building setbacks designed to better integrate future development and alter the configuration of open space in the Precinct.

    b. The Society is an interested party on MHUD's Environment Court appeal on Plan Change 75 (Mason Clinic) to the AUP. The land rezoned by PC 75 is within the Precinct. The Council's decision on PC 75 required open space that would be displaced by the Mason Clinic's expansion to be provided elsewhere in the Precinct. MHUD's appeal seeks to remove that requirement for open space in the Precinct.

Carrington Residential Development

11. The Society considers that it is not just how new neighbourhoods are planned, built and serviced *within* the Precinct that is important, but also how those new neighbourhoods integrate with the existing residential and commercial areas particularly in terms of open space, visual effects and traffic.

12. A key aspect of achieving this level of integration, and safeguarding the success of the Carrington Residential Development, will be ensuring that the Precinct is properly master planned.

13. Aspects of the Carrington Residential Development have been consented a under the Covid 19 Fast Track Act 2020, which provided for the "*Residential development stages within Wairaka Precinct of a multi-stage comprehensive mixed-use urban development in Point Chevalier, Auckland*" as a listed project.

14. Despite the obvious intention that the Carrington Residential Development be a comprehensively planned development, there is no multi-stage comprehensive

Master Plan for the Precinct. This crucial master planning, required to ensure the long-term success of the Precinct, has not occurred and resource consents are being sought by individual developers, and granted, on a site by site basis.

15. In addition, some severely sub-optimal developments have been consented in the areas outside, but nearby the Precinct.

16. Given the deliberate removal of the public notification and submissions process under the Fast Track Act, the Council is one of the few entities that has the ability to comment on resource consents applications sought using this procedure.

17. The Society considers that the Council has a duty to advocate on behalf of its existing community to ensure that the Carrington Residential Development is properly master planned and provides appropriate levels of quality and accessible open space that serves a variety of recreational purposes.

18. Accordingly, the Society seeks that adequate funding be allocated in the LTP to enable the Council to actively participate in and adequately scrutinise fast track development proposal. This is a matter of some urgency given the potential for ongoing subdivision and development to foreclose on potential open space options.

Open Space Funding

19. The LTP records that "*networks of parks and open spaces have been determined by Council to be strategic assets given that they are critical to delivering service*s.[1] The Society strongly supports this recognition of the strategic value of open space and urges the Council to strengthen its LTP to take and "open space as critical infrastructure approach" to ensure that it is prioritised when planning for the development of the region.

20. The LTP records that the proposed open space acquisition budget is insufficient to fund the level of acquisition proposed in the Parks and Open Spaces Strategic Action Plan 2013 and the Open Space Provision Policy 2016.[2] However, the Society understands that these Council open space strategy documents are being reviewed because they are out of date and not fit for purpose to meet the community needs for open space given the levels of intensification now being seen. The Society considers that there needs to be a bespoke approach to the provision of open space for higher density urban developments such as the Carrington Residential Development. The Society asks that the LTP be amended to increase the funding for the significant levels of open space acquisition required to meet community needs.

21. In relation to charges to recover the cost of growth, the LTP proposes that the change to Council's development contributions policy to enable infrastructure to be funded over a 30 year timeframes that has been adopted for Drury, will be applied to other areas of Auckland.[3] The Society seeks that the LTP be amended to provide that the new a 30 year approach for funding for development infrastructure be applied to the Carrington Residential Development immediately to ensure that MHUD and developers there pay or contribute their fair share to infrastructure, and open space funding.

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1 Supporting Information page 684.

2 Supporting Information page 114.

3 LTP Consultation Document pages 90-91.

22. The LTP contains proposal to change the basis of Local Board funding to an equitable funding model based on population numbers and needs.[4] The current population in Mt Albert is approximately 13,000 (over an area of 500 hectares). The Precinct is approximately 60 hectares and is proposed to accommodate at least another 12,000 people (i.e. doubling the population of Mt Albert). In addition the existing residential area is programmed for significant intensification around western line railway stations. The Society says that if the new local board funding model is pursued then proposed intensification in local board areas needs to be taken to account, with the funding for the Albert-Eden Local Board significantly increased to enable it to properly serve its growing community.

23. The Albert Eden Local Board Plan contained in the LTP incudes "*Reviewing community services and the open space required in response to growth, including the Carrington Developmen*t"[5]. The Society strongly supports this proposal and asks that additional funding be made available to the Albert-Eden Local Board fulfil this role.

Pedestrian connectivity and rail crossing closures

24. The LTP is proposing to remove rail level crossings to facilitate the CRL as follows:

> *Rail crossing removal Level crossings across the rail network will need to be removed to improve minimum safety requirements and enable more frequent trains to realise the full benefits of the City Rail Link (CRL). Decisions are required about the funding of the rail and surrounding transport networks. Frequent train services will require rail crossings to be closed more often with an associated reduction in the functioning of the surrounding transport network. Maintaining rail crossings will also limit the frequency of train services. Central government investigations for rail crossing removals (or alternatives such as grade separation) are currently in an early stage. In the meantime, Auckland Transport is removing a road crossing at Church Street East and will either close or improve some initial pedestrian-only level crossings to prepare for the planned frequency of CRL for opening services. It will take many years to 'fix' rail crossings. The earlier that this work begins the sooner we can enjoy the benefits and impacts of City Rail Link.*[6]
>
> …
>
> *Remove the level crossings including those to make the most of CRL to allow quick and easy access to town centres ($190 million).*[7]

25. The Society understands that Council's desired outcomes for urban areas include transport infrastructure which allows people to use alternative travel options easily and safely, whatever the weather, such as walking and cycling paths, bike parking and bike shelters, and bus shelters.[8]

26. However, the LTP proposals appear to have overlooked that there are significant challenges to maintaining even the existing level of pedestrian connectivity around the Mt Albert Town Centre.

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4 LTP Consultation Document page 110.

5 Supporting Information pages 573 and 574.

6 Supporting Information page 147.

7 Supporting Information at page [246].

8 Draft Local Board Plan, page 15, 30 and 31.

27. Auckland Transport (**AT**) has recently ignored public and local board feedback and decided to close the pedestrian level crossing at Lloyd Avenue without investigating or funding a grade separated replacement level crossing.

28. This is a well-used crossing that makes a positive contribution to pedestrian connectivity in the area and provides an alternative mode (walking) to short private vehicle trips around the area. The Society says that if Council wishes to achieve the goal of reducing private vehicle trips then upgrading the PT network should unreasonably degrade the pedestrian network. This particularly the case for crossings such as Lloyd Avenue that are close to destinations such as Town Centres.

29. Further there are a number of vehicle level crossings in Mt Albert that are potentially being investigated for closure (Asquith Avenue, Ross Grove Terrace, Woodward Road, St Judes Street). In recent community consultations,[9] AT has raised the potential for Carrington Road and the surrounding local road network to become gridlocked due to the railway vehicle crossings being closed for 45 minutes out of every hour and the as yet uncertain effects on the level of service of the Carrington Residential Development.

30. The Society considers that AT's planned road corridor improvements for Carrington Road[10] and grade separation of the above railway crossings are constructed are urgent priorities for Mt Albert.

31. The Society asks that the Council exerts control over AT, works closely with the Albert Eden Local Board, and CRL to ensure that changes to the existing network to accommodate the CRL do not result in reductions in pedestrian and vehicle connectivity. The Society seeks that the LTP be amended to provide funding for grade separation of the Asquith Avenue, Rossgrove Terrace, Woodward Road, and St Judes Street railway crossings will be prioritised and fully funded prior to the opening of the CRL. This should be seen as a priority and a necessary aspect of the CRL infrastructure project.

Next steps

32. The Society would be happy to meet with Council to discuss any questions regarding this submission on the LTP.

OPEN SPACE FOR FUTURE AUCKLANDERS INCORPORATED
28 March 2024

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10 Supporting Information at page 246.

Development Contributions Policy Review

#140

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): Personal

Local Board: Hibiscus and Bays

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   Too expensive already and a housing shortage!

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

   What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

At a time when there is a housing shortage we should be encouraging development

Development Contributions Policy Review

#141

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): SSJR Developments

Local Board: Waitākere Ranges

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   The increase in costs outweighs the profit margins and would inhibit funding which will inhibit the ability to build. This is in direct conflict with helping to remove the housing crisis.

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

   Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

   For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

This is an increase in the Northwest area of nearly 400% which is an exorbitant amount and hard to justify the return for the private developer.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

I don't know

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

Do not support

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Development Contributions Policy Review

#142

Note: this version of the feedback form has been created for the purpose of publishing submissions. As such, contact and demographic information has been removed and handwritten submissions have been transcribed.

Submitter details:

Organisation (if applicable): PD Homes

Local Board: Albert-Eden

Your feedback (all questions are optional)

1. **Updated spending over the next 10 years**

   For more information, see page 18 of the consultation document.

   Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

   Do not support

   Tell us why

   THIS IS CRAZY!!! THIS MUCH INCREASE MAKES HOUSING IN AUCKLAND EVEN MORE UNAFORDABLE AND EXPENSIVE! YEAR BY YEAR BUILDING HOUSES GETTING MORE AND MORE UNECONOMICAL AND EXPENSIVE IN NZ, ESPECIALLY AUCKLAND! TOO MUCH SCREAMING THAT HOUSING IS EXPENSIVE, THEN GIEVRMENT AND COUNCIL CRAZILY INCREASING COSTS DAY BY DAY!

   PLEASE STOP! STOP ! STOP!

   YOU CAN GET THOSE INCOME BY INCREASING YOUR PRODUCTIVITY RATHER THAN MAKING HOUSING EVEN MORE UNAFORDABLE!

2. **Spending in Investment Priority Areas over the next 30 years**

   We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

Do not support

Tell us why

AUCKLAND COUNCIL CAN EARN THAT $8.6B BY ENCORAGING MORE SMALLER UNIT AND APARMENT DEVELOPMENT IN THE AREA THAT HAVE INFRASTRUCTURE CAPACITY BY MAKING NEW BUILD HOUSE MORE AFFORDABLE SO COUNCIL GET FAIR DC FEES AS WELL AS RATES. THEN MORE NEW AND BETTER HOUSES WILL BE BUILD. HOUSING QUALITY IN NZ IS COMPARABLE TO 50 OR 60 YEARS AGO OF HOUSING QUALITY IN 3RD WORLD COUNTRIES, AND STILL COUNCIL GOVERNMENT PLANNING TO MAKE IT EVEN WORSE!

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

Do not support

Tell us why

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

I don't know

Tell us why

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

THIS IS CRAZY!!! THIS MUCH INCREASE MAKES HOUSING IN AUCKLAND EVEN MORE UNAFORDABLE AND EXPENSIVE! YEAR BY YEAR BUILDING HOUSES GETTING MORE AND MORE UNECONOMICAL AND EXPENSIVE IN NZ, ESPECIALLY AUCKLAND! TOO MUCH SCREAMING THAT HOUSING IS EXPENSIVE, THEN

Date: Wednesday 26 March 2025

Development Contributions Policy review 2025 submissions

Other, late or secondary submissions

The feedback below has been created for the purpose of publishing submissions. As such, names, contact information and signatures have been removed.

FEEDBACK ON AUCKLAND COUNCIL'S DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2025

To: **Auckland Council**

Private Bag 92300, Auckland 1142

Submission on: Draft Development Contributions Policy 2025

Name: Cabra Developments Limited

1. Introduction

1.1. Cabra provided feedback on Auckland Council's draft Development Contributions Policy on 14 November 2024. Since that time (on 22 November) Council made the DC models available for review, and Cabra has obtained further advice from Mr Derek Foy in order to understand and assess the appropriateness of the Policy and the Development Contribution Models from an economic perspective. Mr Foy has reviewed the models,[1] and data[2] provided by the Council, and has provided commentary on the model operation, which is set out below.

1.2. It is Mr Foy's opinion that there are five main matters that warrant Cabra providing feedback on:

1. Timeframe applied
2. Project costings
3. Growth projections
4. Interest treatment
5. Inflation treatment.

1.3. Those matters are addressed in the subsequent sections of this feedback. It is Cabra's position that all of those matters will require changes to be made to the DC models.

2. Development Contributions Timeframe

2.1. As noted in previous feedback, Mr Foy's replica calculation had determined that the Model and Policy appeared to apply a time horizon of more than 30 years, although Mr Andrew Duncan (in separate email correspondence) had advised that a 30-year horizon is applied.

2.2. While the model reviewed does have capital expenditure only out to 2056 (actually year 32 of the model), there are large amounts of growth and expenditure in the last two years

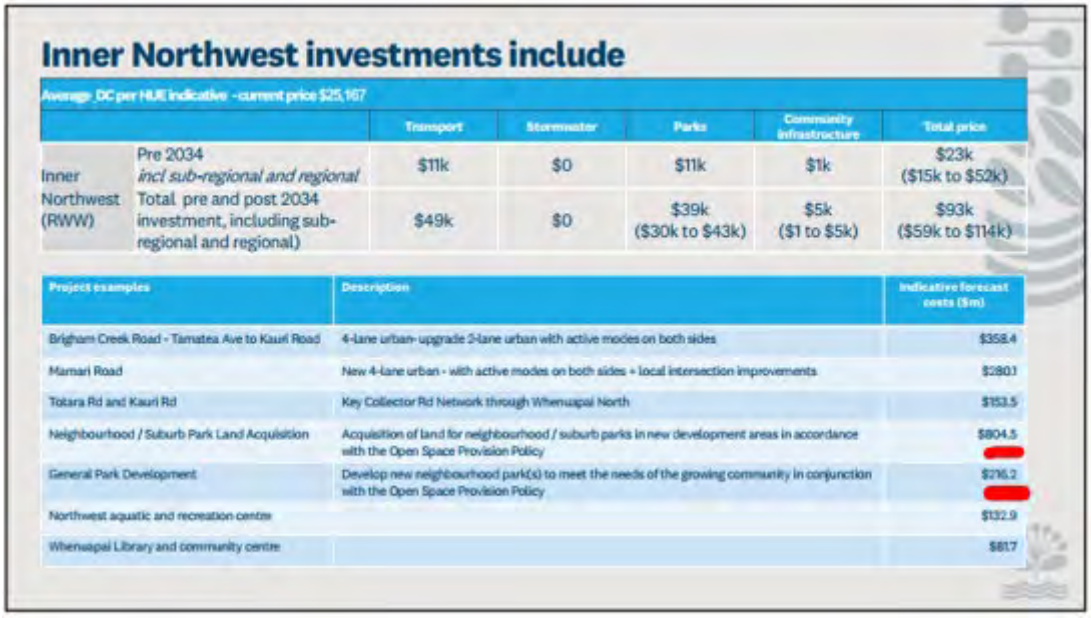
[1] Auckland Council (2024) "DC_consultation_for_2024-2034_LTP_period" and "DC_consultation_IPAs_beyond_2034".
[2] Minutes from the Draft Contributions Policy 2025 Workshop (11 September 2024), the Cost Allocation methodology report, and the Draft DCs Policy.

of the model that appear to represent the aggregation of growth and expenditure in many future years beyond year 30. That is discussed below in relation to the Project Costings, and Growth Projections.

3. Projects Costings

3.1. As noted in the previous feedback, there is a lack of information from the council on how the project costings are estimated. The model only provides annual expenditure estimates, and has no data on how the costings are derived. The methodology paper does not provide information from which Cabra can assess whether spending such large amounts of money is reasonable.

3.2. The information previously supplied by Council in its consultation (excerpt below) indicates that the cost to acquire reserve land and general park development of over $1B, with Neighbourhood and Suburban Parks in the Inner Northwest costed at $804.5m and General Park Development of $216.2m, and contributions are proposed to be levied at $39,000/HUE.



Inner Northwest investments include

Average DC per HUE indicative - current price $25,167

		Transport	Stormwater	Parks	Community infrastructure	Total price
Inner Northwest (RWW)	Pre 2034 *incl sub-regional and regional*	$11k	$0	$11k	$1k	$23k ($15k to $52k)
	Total pre and post 2034 investment, including sub-regional and regional)	$49k	$0	$39k ($30k to $43k)	$5k ($1 to $5k)	$93k ($59k to $114k)

Project examples	Description	Indicative forecast costs ($m)
Brigham Creek Road - Tamatea Ave to Kauri Road	4-lane urban- upgrade 2-lane urban with active modes on both sides	$358.4
Mamari Road	New 4-lane urban - with active modes on both sides + local intersection improvements	$280.1
Totara Rd and Kauri Rd	Key Collector Rd Network through Whenuapai North	$153.5
Neighbourhood / Suburb Park Land Acquisition	Acquisition of land for neighbourhood / suburb parks in new development areas in accordance with the Open Space Provision Policy	$804.5
General Park Development	Develop new neighbourhood park(s) to meet the needs of the growing community in conjunction with the Open Space Provision Policy	$216.2
Northwest aquatic and recreation centre		$132.9
Whenuapai Library and community centre		$81.7

3.3. The models provided by Council show two main projects that make up most of the $1B in projected spend:

1. Park Land Acquisition – Whenuapai: in total this project is costed as $456.5m over 32-year period. A small share (6.3%) of the total cost occurs in the coming 10 years, with expenditure of $28.7m for the period 2025-2034. Most of the cost occurs in the last few years in the assessment, with 32% of that $456.5m ($144.5m) in the last three years (years 30-32) peaking at $51.5million in 2056.
2. General Park Development (Whenuapai): in total this project is costed as $122.1m over 32-year period. A small share (1.4%) of the total cost occurs in the coming 10 years, with expenditure of $1.8m for the period 2025-2034. Most of the cost

occurs in the last few years in the assessment, with 35% of that $122.1m ($42.2m) in the last three years (years 34-36) peaking at $33.5million in 2059.

3.4. Figure 1 (below) shows the costings, which indicate very little spend in the early years (2025-2034) and then a large increase in spend (over $10m p.a.) with several large peaks. The peaks and scale of spend in the later parts of the time period will drive most of the Development Contribution.

Figure 1: Timing of capex for two largest park-related projects in Whenuapai

3.5. As noted in the previous feedback, Mr Foy was concerned that there may be large expenditures of over $50m towards the end of the evaluation period which would drive most of the development contribution that is payable. The data in the Council model confirms that is the case, with very large spend allocated in the final years (i.e. after 2050) for both the Park Land Acquisition and General Park development in Whenuapai (see figure above).

3.6. Mr Foy considers that these large costings in the final years will be driven largely by the high inflation rates applied. As an example, the Park Land Acquisition for Whenuapai has a costing of $51.5m to acquire park land in the year 2056. Using the Council's estimate of land costs, the starting value of land (in 2024) is $250/m^2,[3] and applying the Council's assumed inflation rates of 7.1% would result in projected land value of around $2,000/m^2 in 2056. If the Council land acquisition cost is $2,000/m^2 and the total spend is $51.4m, then the Council would be purchasing around 2.5ha of park land in that year. Because under an inflation rate of 7.1% the land cost will double about every ten years, if this land was bought 10 years earlier in 2046 then the land value would only be $1,000/m^2, and half the cost ($25.9m).

[3] Cost Allocation Report, paragraph 42.

3.7. The assumptions around the timing of projects (acquisition) and inflation values are critical to the development contribution.

3.8. It is Cabra's position that:

- There is no information around the needs assessment which must have informed the timings and costings of the projects within the model, and therefore it is not possible to establish whether the capital expenditure scheduled is warranted or appropriate, including as to both the timing and the quantum.
- It is not appropriate to apply 7.1% inflation to land costs when that is based on the average annual increase in the median house price in the period 1992-2022, not the increase in land value.[4] It is expected that greenfield land values will have grown at a much slower pace than regional house price inflation used by Council. This is important as the methodology effectively assumes that reserve land purchased in the Inner Northwest is subject to an inflation rate that is not related to the likely rate that will occur going forward.

4. Growth Projections

4.1. Growth projected in the models[5] in the Whenuapai catchment averages 66 households per year in the period 2024-2034 (years 1-10), 369 per year in the period 2035-2050 (years 11-26), then increases to 4,784 new households arriving in year 28 (2051) and another 6,970 arriving in year 29 (2052), with no new households in any future year (2053+).

4.2. This raises several issues for Cabra.

4.3. First, it is highly unlikely in Cabra's opinion that it would be possible to build 4,784 households in Whenuapai in a single year. That means that even if it is correct to apply that number in the DCs model in theory, it will not in Cabra's opinion be able to eventuate in practice.

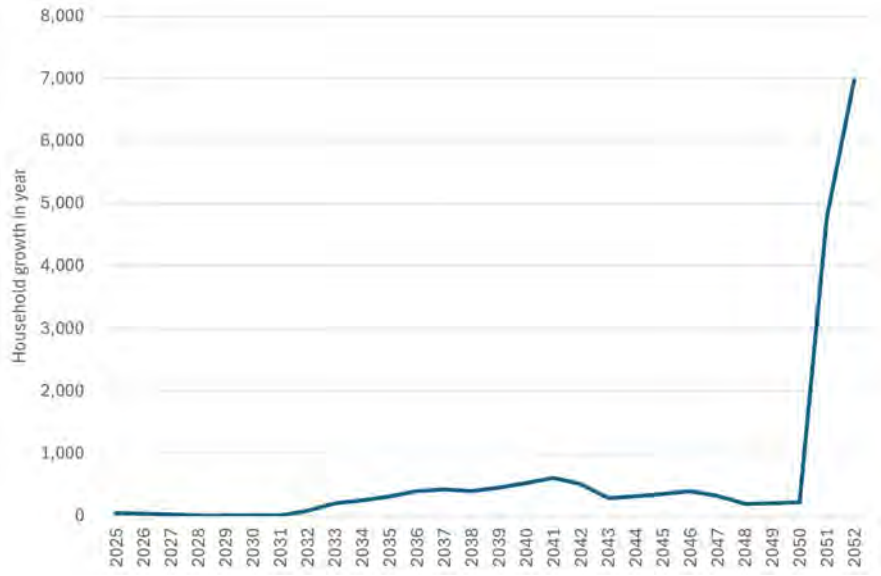
4.4. Second, the total new households applied in the model in the first 29 years is 18,321, which is close to the Council's estimated built-out capacity of Whenuapai (stated as 20,547 households)[6]. The DCs policy identifies 2080 as the full build-out date for Whenuapai, and there is no explanation that Cabra has seen as to why the model should be applying household growth that equates to Whenuapai being 90% fully built-out by 2052.

4.5. Third, there is no apparent reason why 57% of that full build-out capacity (11,754 households, comprised of 4,784 in year 28 and 6,970 in year 29) should be built in only two years (Figure 2), and those near the end of the 30 year model period.

[4] Cost Allocation Methodology, paragraph 74.
[5] "HUEs_by_funding_area" sheet
[6] Draft Contributions Policy Presentation to governing Body Workshop, 11 September 2024, slide 33

4.6. The late arrival of demand in the last two years is likely to drive Council's plans for land acquisition of land and spending on general parks in the years immediately after this. It would be preferable if a realistic growth projection was applied and the expenditure reduced to match the demand levels that could be reasonably be expected.

Figure 2: Timing of growth arriving in Whenuapai catchment

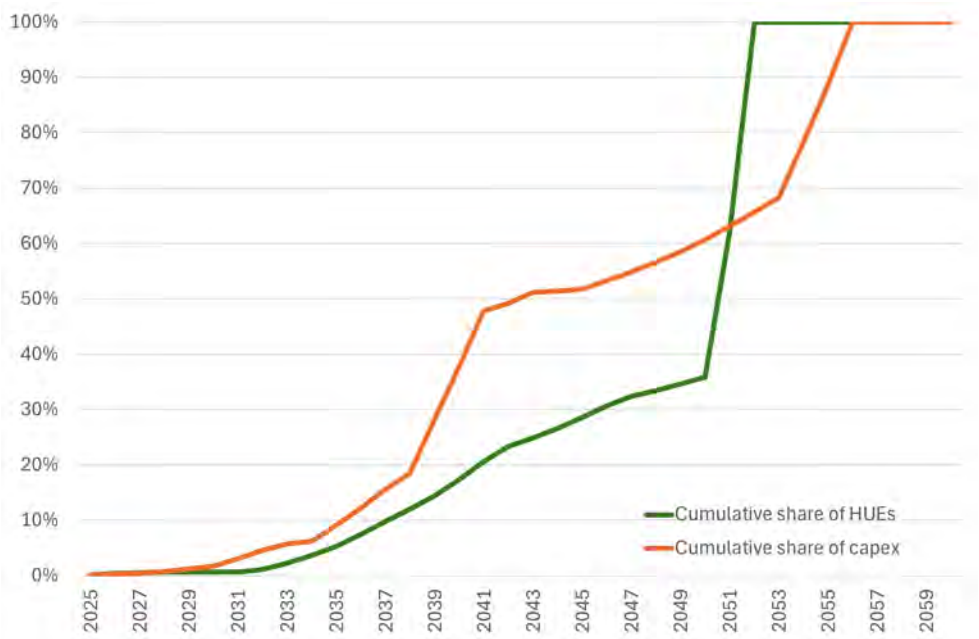


4.7. The arrival of growth often does not seem to be well related to when capital is intended to be spent. That also has implications for the modelled DCs, because if capital expenditure is spent in advance of growth arriving, it will have the effect of increasing development contributions.

4.8. Consider the project Park Land Acquisition – Whenuapai again. Modelled capital expenditure on that project is well in advance of growth arriving, and by year 15 28% of the capital expenditure is modelled to have occurred while only 14% of growth has arrived, and by year 25 the relative shares are 58%:35%. The large amount of growth in years 27 and 28 (2051 and 2052) sees the cumulative share of growth overtake the cumulative share of capital expenditure at that time, and remain ahead for the rest of the modelled period.

4.9. Because this park acquisition would seem to be a relatively simple category to undertake, it is not clear why capital expenditure would need to be so far in advance of growth arriving, and why the two lines in Figure 3 below are not closer together in each year. It is accepted that capital works will need to be undertaken in advance of growth arriving, but in many parts of Figure 3 spend leads growth by a decade.

Figure 3: "Park land acquisition – Whenuapai" timing of growth and capex



5. Interest Treatment

5.1. In the previous feedback it was noted that because the interest rate applied is high, Council will achieve a significant return on development contributions that are paid well in advance of the start of capital works for the project they are funding.

5.2. The Council model shows that this is the case, with most capital works in Park Land Acquisition and General Park Development occurring in the long term (2050 onwards), which means that interest earned by the Council on development contributions paid by HUEs that arrive in the earlier period (2025-2034) would be a very large amount. This large pool of interest earned would be used to offset the costs of other (post-2034) growth households who for the most part arrive at the end of the assessment period (as seen in Figure 2).

5.3. An alternative way of structuring the model is to have the assessment undertaken for two groups, early HUEs (who arrive 2025-2034) and late HUEs (who arrive 2035 onwards). The early HUEs would receive a discounted rate that accounts for the interest that will accrue on their early payment. Conversely, the late HUEs will pay a higher rate to account for the interest that Council must incur for the assets built before their arrival.

5.4. Mr Foy has used the Council Model to apply two separate DC rates, using the same methodology for each but having two groups, (earlier and later arrivals).

5.5. Using the Park Land Acquisition - Whenuapai project, the Council model calculates a DC of $25,469 per HUE which both early and late HUE pay. In Mr Foy's alternate two group model the rates would be as follows:

- Early HUEs (2025-2034): would pay $11,079 per HUE, which accounts for the $8.1m of interest earnt by the Council on the early payment of DC before the expected expenditure.
- Late HUEs (2025-2054): would need to pay $27,783 per HUE, which accounts for the $62.7m in interest incurred by Council because of later payment of DC, which is generally after expected expenditure.

5.6. The total recovery from the two groups would be the same as achieved from the $25,469 per HUE the Council's model calculates.

5.7. The same logic would apply to the other development contribution projects. Further examples are:

- General Park – Whenuapai, which would see the DC decrease from the Council assessment of $6,152 per HUE for all growth, to $2,676 per HUE for early HUEs (if Mr Foy's two group method is adopted).
- Northwest aquatic/rec, which would see the DC decrease from the Council assessment of $2,890 per HUE for all growth, to $1,559 per HUE for early HUEs.

5.8. As noted in the previous feedback, it is Mr Foy's, and Cabra's position that there should be some discount included in the development contributions methodology that recognises the interest that will accrue to development contributions collected in early years. If development contributions are collected well in advance of capital expenditure being made, the contribution will accrue interest until it is required to be spent, meaning that the dwelling unit that made that contribution will have effectively contributed more than a dwelling unit that contributes towards that expenditure in the year (or after) that expenditure occurs. This means that the draft development contributions methodology will result in inequitable recovery of fees, with short term growth subsidising longer term growth.

6. Development Contribution Inflation

6.1. The Council model has the functionality to include "Annually increase DC price" and it notes that it "may not be required".[7] All of the calculations in the model use the setting that assumes that development contributions will not change in 30 years.

6.2. Mr Foy considers that this is very unlikely, and that the model should include inflation for development contributions. It is not reasonable to include inflation for all other aspects of the model and then to exclude them from this aspect.

6.3. Turning this one assumption from 'off' to 'on' creates a large difference in the development contributions calculated. As an example, taking the Park Land Acquisition - Whenuapai project, the Council model has a DC fee of $25,469 per HUE with no

[7] "DC_price_calc" sheet, row 14

inflation for development contributions. Toggling this assumption 'on' within the model results in the DC fee changing as follows:

- in 2025 a fee of $8,199 per HUE.
- in 2034 a fee of $12,750 per HUE.
- in 2044 a fee of $22,174 per HUE.
- in 2052 a fee of $34,549 per HUE.

6.4. This outcome would also apply to other projects. Mr Foy considers that it is common practice in economic modelling to include all elements as inflation adjusted, and that it is incorrect to model only applying adjustments to some elements and not others. It would be inequitable to run the council model without including inflation for the DC payments.

6.5. The review of the models that has been summarised in this document shows that the development contributions calculated in the models are significantly affected by several key assumptions and data inputs. It is Cabra's position that revisions are required to the models to account for issues to do with the timeframe applied, specifics relating to project costings, growth projections and how interest and inflation are treated in the models. The aggregate effects of those issues is material, and in Cabra's opinion the development contributions assessed in the models is inequitable and require significant amendments.

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Registered Master Builders Association of New Zealand Incorporated

Submission on Auckland Council's Draft Contributions Policy 2025

December 2024

Building a Better New Zealand

The Registered Master Builders Association submission on Auckland Council's Draft Contributions Policy 2025

The Registered Master Builders Association (Master Builders) welcomes the opportunity to submit to the Ministry of Business, Innovation & Employment (MBIE) on *Auckland Council's Draft Contributions Policy 2025.*

About Master Builders

The Master Builders represents over 3,000 commercial and residential builders and are the leading sector advocates on the built environment. Our members have been building the places where New Zealanders live, work, and play, since 1982.

Our sector is a key contributor to the New Zealand economy. For the year ended March 2024, the construction sector contributed 6.2 per cent of the country's real Gross Domestic Product (GDP) accounting to over $17.2 billion[1]. It also employed 294,100 people (or 10 per cent of the country's total workforce) in the year ended September 2024[2].

We are working hard to lead the change our sector needs by ensuring we have the regulatory systems and processes in place to build faster and better. We are supporting our members to grow their capability and business acumen to ensure a strong and healthy sector; to innovate and make the most of new technologies so we meet the climate change challenge; and to attract, train and retain skilled talent. We are proud to be New Zealand's best builders.

At Master Builders we are committed to transforming the sector and rebuilding our economy. We are focused on building better homes, communities and workplaces, and ultimately better lives for all New Zealanders. We want to ensure that the houses that we build now are well-built, accessible, affordable, and appropriate to the needs of our ever-changing society. We are building a better New Zealand.

Our members are supported on the ground by 23 branches across 6 regional hubs:

Branch hub	Serving
Auckland	Auckland, Northland, Coromandel
Midlands	Waikato, Tauranga, Whakatāne, Rotorua, Taupō
Central North Island	Taranaki, Whanganui, Hawke's Bay, Manawatū, Gisborne
Cook Strait	Wellington, Wairarapa, Nelson, Marlborough, West Coast
Canterbury	Canterbury, Ashburton, South Canterbury
Southern	Otago, Central Otago, Gore, Southland

[1] Statistics New Zealand – Infoshare: Gross domestic product – March 2024

[2] Statistics New Zealand – Infoshare: Household Labour Force Suvey – September 2024

1. Introduction

1.1 The Registered Master Builders Association (Master Builders) appreciates the opportunity to provide feedback on Auckland Council's Draft Development Contributions Policy 2025. As a leading representative of the building and construction sector, we recognise the importance of development contributions (DCs) in funding essential infrastructure to support Auckland's growth.

1.2 However, we hold concerns about the potential impacts of the proposed policy, particularly in terms of housing affordability, development feasibility, and the sustainability of the construction sector.

2. Concerns About the Proposed Increases

2.1 Master Builders are concerned about the magnitude of the proposed increases in DCs, which in some areas rise as high as 289%.

2.2 These increases, such as the $119,000 DC charge in Tāmaki, are disproportionately high and could significantly impact housing affordability.

2.3 The resulting costs are likely to be passed on to homebuyers, further exacerbating existing affordability issues.

2.4 Moreover, these elevated costs threaten to make residential and commercial development financially unviable, leading to project delays, cancellations, and a reduction in overall housing supply.

Table 1: Current and Proposed DC's per household

Area	Current DC	Proposed DC	Percent Increase
Inner Northwest	$25,167	$98,000	289%
Tāmaki	$31,157	$119,000	282%
Mt Roskill	$20,406	$52,000	155%
Māngare	$18,123	$29,000	60%
Drury	$70,000	$80,000	19%

3. Issues with Long-Term Funding Approach

3.1 Master Builders is concerned about policy's reliance on a 30-year funding horizon, which adds further complexity and uncertainty.

3.2 Accurately forecasting long-term projections of infrastructure costs, population growth, and inflation over such an extended period is inherently challenging. This approach risks over-collection and inefficient allocation of funds, which can undermine trust in the system.

3.3 The lack of clarity around the allocation of contributions, particularly for stormwater and other critical infrastructure, exacerbates these concerns. Significant discrepancies between initial estimates and actual costs could further burden developers and ratepayers.

3.4 We recommend scaling back the proposed DC increases to ensure fairness and sustainability. Phased implementation of the increases would mitigate abrupt impacts on project feasibility. Replacing the 30-year funding model with a more manageable 10-year incremental funding approach would allow for periodic adjustments aligned with international best practices.

4. Public – Private Collaboration

4.1 Master Builders advocates for greater collaboration between Auckland Council and the private sector. Meaningful engagement with developers and other stakeholders can foster a more balanced and equitable approach to funding Auckland's growth.

4.2 We recommend exploring alternative funding mechanisms such as targeted rates, contributions from Crown Infrastructure Partners, and support from the National Infrastructure Agency. These measures would help distribute the funding burden equitably among developers, future property owners, and existing ratepayers.

4.3 By adopting such measures, Auckland Council could equitably distribute the burden of infrastructure funding among developers, future property owners, and existing ratepayers.

5. Conclusion

5.1 In conclusion, while Master Builders recognises the importance of DCs in supporting Auckland's growth, we believe the current draft policy imposes unsustainable costs on residential and commercial developers, homebuyers, and the wider construction industry.

5.2 We urge Auckland Council to adopt a more balanced and collaborative approach to ensure that infrastructure funding does not hinder the deliver of affordable and sustainable housing.

5.3 We remain committed to working with Auckland Council and other stakeholders to achieve these goals.

5.4 We thank you for the opportunity to make this submission.

20 December 2024

Contributions Policy Team

Auckland Council

Via email: Contributions.PolicyTeam@aucklandcouncil.govt.nz

ADDENDUM TO SANZ LTD:

POLICY REVIEW (DC) DATED 15 NOVEMBER 2024

Following our 15 November 2024 submission, we have undertaken a review of selected cost schedules and calculation methodologies.

We thank the Council for providing the excel based dataset. We have been able to see that the costs are assigned over thirty years. However, we are concerned that some of the costs are assigned at the end of the thirty years yet charged from the first year. This seems to be unfair.

As a small and voluntary team, reviewing the proposal is a task of significant magnitude, as a result we have chosen to focus on selected items. Concerns found in these should raise significant warning that there will, more than likely, be far more problems present.

This addendum corroborates our original concerns regarding methodology and alignment with the Local Government Act 2002.

The Proposal contains flawed assumptions:

- Incorrect growth HUE numbers that deviate significantly and concerningly from the growth data set and the actual report consent numbers
- Inadequately justified 90% ISA coverage for Tamaki
- Seemingly preposterous escalation factors

Remediations required prior to the Policy being accepted in any form:

- Full independent audit of proposed projects, their timings and council ‘treatments’
- Justification or communication validating Healthy Water’s ‘investigation’ into 80% ISA and validation of a 90% coverage assumption
- Transparency on the Awakeri Wetland’s cost attribution to growth demand from in-fill housing versus the purpose being heavily linked to greenfield

development[10]. SANZ opinion is that this should not be an in-fill stormwater demand linked assignment and should more appropriately be targeted at the greenfield development.

(1). Compounding Cost Methodology Issues

Our original submission raised concerns about transparency in calculations. Further analysis of the cost schedules reveals systematic issues in how base costs are converted to final development contribution charges:

(a). Layered percentage additions

Using a basic intersection upgrade as an example[11]:

Physical works base cost:	**$180,256**

Construction Phase:

What's Added	**Cost**
Site overheads (20%)	$36,051
Off-site costs & profit (10%)	$21,631
Running total	**$237,938**

Project Phases:

	Extra Cost
Development (18%)	$42,829
Pre-Implementation (16%)	$38,070
Implementation (11%)	$26,173
Running total	**$345,010**

[10] https://businessdesk.co.nz/article/infrastructure/two-fast-track-projects-collide
[11] Cost Schedules Brownfield page 3.

Add p50 at 70%	**$241,507**
Total	**$586,518**

We are not in disagreement with the logic of the thinking process[12] rather; the application of layered percentages, the scale of consultancy fees, the applied on-site costs and finally the extremely high contingency that has been added (we believe that this contingency is also assigned as a cost to the development contributions).

It is preposterous that a project should be forecast so inaccurately that a 70% contingency is required and that this inaccuracy should be assigned to the contributions. This indicates management issues with high cost swings.

(b). Time-based cost escalation

Analysis of project RWW_26a (Brigham Creek Road)[13] demonstrates how delayed implementation compounds costs:

Original estimate:	$4.8M
After initial adjustments:	$6.0M
After standard percentage additions:	$16.1M
After time-based escalation to 2039:	$25.3M

While the total does not reflect the proportion allocated to the development contribution due to adjustments, the principle is that the costs are too theoretical and too inflated to be borne by any project whether council initiated or not.

This represents a 5.3x increase over the base estimate, primarily due to pushing implementation out to 2039.

We contend this creates intergenerational inequity by requiring today's new homes to pay for infrastructure that they may never benefit from either due to time or through potential cancellation. It should not be included at the end of the contribution period.

[12] In general agreement with the BERL report comment referencing the 'logic', not in agreement with quantums or the application of linear percentages.
[13] Final_RWW_Transport_Capex_Redacted_Model_Consultation_20241011.xlsx

This project would seem to be unjust and not followings s197AA of the Local Government Act 2002.

197AA Purpose of development contributions

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.

Section 197AA: inserted, on 8 August 2014, by section 50 of the Local Government Act 2002 Amendment Act 2014 (2014 No 55).

(2). Project Cost Recovery Issues

Our November submission questioned whether demand increases were genuinely linked to contributions required. The cost schedules provide concern:

(a). Awakeri Wetlands Cost Recovery Structure

Total project cost:	$130 million
Currently recovered:	$57 million
Remaining to recover:	$74 million
Proposed recovery timeline:	Extended to 2054
Assumed annual HUE[14] contributions:	100 per year (adjusted to ISA?)

This structure raises concerns:

- Previous contributions were set at $24,000 per HUE portion
- New proposed 2025 contributions rise to $58,000 per HUE portion

The reduced HUE assumption (now less than 100 p.a) appears to be based on data from AGSv1.1. When was that dataset last updated as it shows a significant drop in numbers. Is this due to the near collapse of new building in Papakura?

Used for Payment timing TOTAL - HUEs per activity and funding area. This information is from the growth model

Lookup ref: 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

Table not required for 2024-2034 LTP. Will update when we consult on revised DC policy post the adoption of the 2024-2034 LTP

Payment timing summary - total HUEs by infrastructure type and funding area

					Payment timing TOTAL - HUE																	
Activity co	Area cod		Infrastructure type	Funding Area	2024/25	2025/26	2026/2	2027/2	2028/2	2029/3	2030/3	2031/3	2032/3	2033/3	2034/3	2035/3	2036/3	2037/3	2038/3	2039/4	2040/4
STW	A6	STW A6	Stormwater	Manurewa Papakura GPA	144	96	94	91	83	83	85	84	78	80	80	81	80	77	77	77	79
STW	A7	STW A7	Stormwater	Greater Takapuna GPA	110	95	87	78	75	79	79	77	68	69	72	73	70	64	65	65	67

Is this a case of the 'last one standing' pays?

We note released information shows that Kainga Ora paid a significantly lower contribution in previous years. It is claimed they upgrade public infrastructure therefore don't need to contribute further. Please note that private developers are required to do

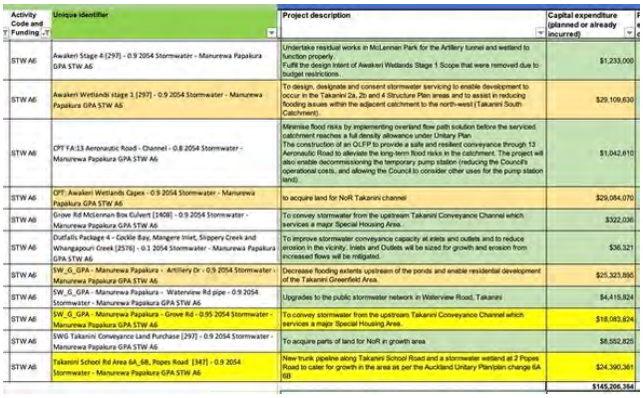
[14] Noting these are HUEs and not rateable units. Possibly, council has adjusted due to the 'learning' that an affordable townhouse does not cover 292 m^2 of surface area?

the same even with very small projects at significant cost (e.g. Papakura with Veolia and upgrades in other parts of Auckland at Watercare's discretion).

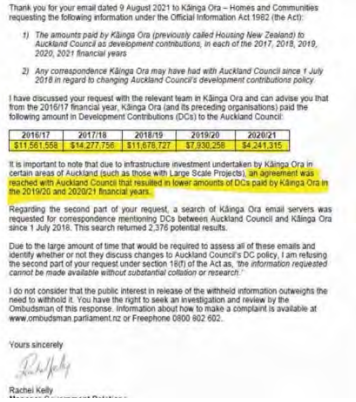
By taking significantly lower contributions from Kainga Ora, there are less new HUEs to share the total cost. This is significant when the HUE numbers are so few.

This is not fair, nor equitable, nor proportionate and could be viewed as a social housing tax for other purchasers. Are they aware of the subsidy they are unwittingly paying?

Graphic: left side: project list 2024-2034, right side OIA letter re KO DCs



Activity Code and Funding ..T	Unique identifier	Project description	Capital expenditure (planned or already incurred)
STW A6	Awakeri Stage 4 [297] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	Undertake residual works in McLennan Park for the Artillery tunnel and wetland to function properly. Fulfil the design intent of Awakeri Wetlands Stage 1 Scope that were removed due to budget restrictions.	$1,233,000
STW A6	Awakeri Wetlands stage 3 [297] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	To design, designate and consent stormwater servicing to enable development to occur in the Takanini 2a, 2b and 4 Structure Plan areas and to assist in reducing flooding issues within the adjacent catchment to the north-west (Takanini South Catchment).	$29,109,630
STW A6	CPT FA:13 Aeronautic Road - Channel - 0.8 2054 Stormwater - Manurewa Papakura GPA STW A6	Minimise flood risks by implementing overland flow path solution before the serviced catchment reaches a full density allowance under Unitary Plan The construction of an OLFP to provide a safe and resilient conveyance through 13 Aeronautic Road to alleviate the long-term flood risks in the catchment. The project will also enable decommissioning the temporary pump station (reducing the Council's operational costs, and allowing the Council to consider other uses for the pump station land).	$1,042,610
STW A6	CPT: Awakeri Wetlands Capex - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	to acquire land for NoR Takanini channel	$29,084,070
STW A6	Grove Rd McLennan Box Culvert [2408] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	To convey stormwater from the upstream Takanini Conveyance Channel which services a major Special Housing Area.	$322,036
STW A6	Outfalls Package 4 - Cockle Bay, Mangere Inlet, Slippery Creek and Whangapouri Creek [2576] - 0.1 2054 Stormwater - Manurewa Papakura GPA STW A6	To improve stormwater conveyance capacity at inlets and outlets and to reduce erosion in the vicinity. Inlets and Outlets will be sized for growth and erosion from increased flows will be mitigated.	$36,321
STW A6	SW_G_GPA - Manurewa Papakura - Artillery Dr - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	Decrease flooding extents upstream of the ponds and enable residential development of the Takanini Greenfield Area.	$25,323,880
STW A6	SW_G_GPA - Manurewa Papakura - Waterview Rd pipe - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	Upgrades to the public stormwater network in Waterview Road, Takanini	$4,415,824
STW A6	SW_G_GPA - Manurewa Papakura - Grove Rd - 0.95 2054 Stormwater - Manurewa Papakura GPA STW A6	To convey stormwater from the upstream Takanini Conveyance Channel which services a major Special Housing Area.	$18,083,824
STW A6	SWG Takanini Conveyance Land Purchase [297] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	To acquire parts of land for NoR in growth area	$8,552,825
STW A6	Takanini School Rd Area 6A_6B, Popes Road [347] - 0.9 2054 Stormwater - Manurewa Papakura GPA STW A6	New trunk pipeline along Takanini School Road and a stormwater wetland at 2 Popes Road to cater for growth in the area as per the Auckland Unitary Plan/plan change 6A 6B	$24,390,361
			$145,206,364



Thank you for your email dated 9 August 2021 to Kāinga Ora – Homes and Communities requesting the following information under the Official Information Act 1982 (the Act):

1) *The amounts paid by Kāinga Ora (previously called Housing New Zealand) to Auckland Council as development contributions, in each of the 2017, 2018, 2019, 2020, 2021 financial years*

2) *Any correspondence Kāinga Ora may have had with Auckland Council since 1 July 2018 in regard to changing Auckland Council's development contributions policy.*

I have discussed your request with the relevant team in Kāinga Ora and can advise you that from the 2016/17 financial year, Kāinga Ora (and its preceding organisations) paid the following amount in Development Contributions (DCs) to the Auckland Council:

2016/17	2017/18	2018/19	2019/20	2020/21
$11,561,558	$14,277,756	$11,678,727	$7,930,258	$4,241,315

It is important to note that due to infrastructure investment undertaken by Kāinga Ora in certain areas of Auckland (such as those with Large Scale Projects), an agreement was reached with Auckland Council that resulted in lower amounts of DCs paid by Kāinga Ora in the 2019/20 and 2020/21 financial years.

Regarding the second part of your request, a search of Kāinga Ora email servers was requested for correspondence mentioning DCs between Auckland Council and Kāinga Ora since 1 July 2018. This search returned 2,376 potential results.

Due to the large amount of time that would be required to assess all of these emails and identify whether or not they discuss changes to Auckland Council's DC policy, I am refusing the second part of your request under section 18(f) of the Act as, *'the information requested cannot be made available without substantial collation or research.'*

I do not consider that the public interest in release of the withheld information outweighs the need to withhold it. You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

Yours sincerely

Rachel Kelly

(b). Project Timing Effects on Total Cost

Analysis of one transport project (Brigham Creek Road - Tamatea Ave to Kauri Road) shows how timing affects final costs:

Beca base estimate (2024?):	**$30.2M**
Allowances:	$25.9M
Client costs:	$11.2M
Contingency:	$33.7M
Escalation to 2054:	$149.1M
Total project cost:	**$250.1M**

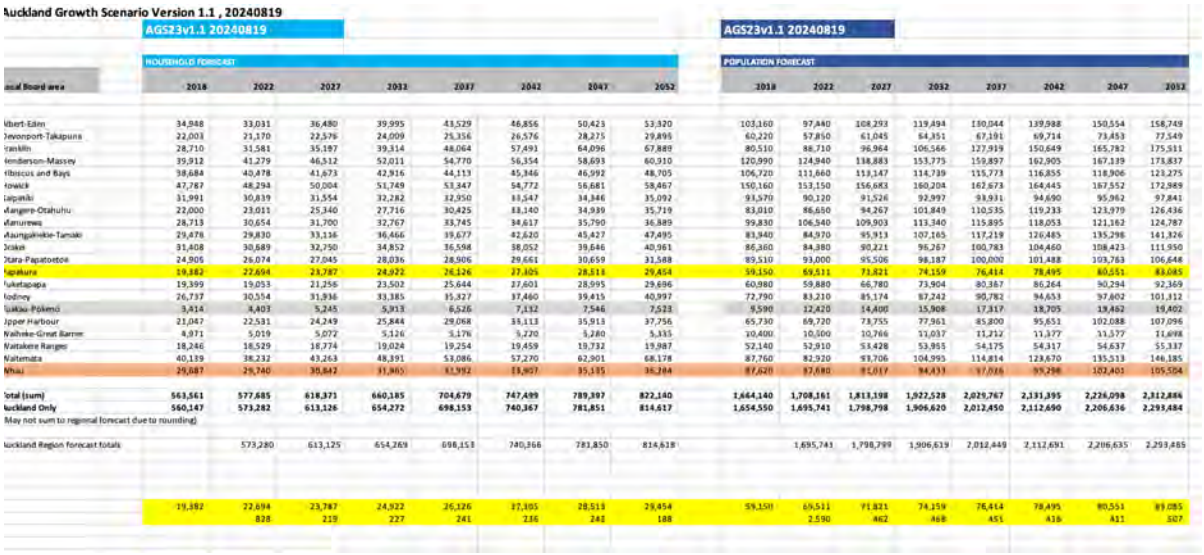
The escalation component ($149.1M) represents 60% of the total project cost, or 5 x the original physical works. This raises serious questions about whether today's new homes should fund such extensively delayed projects that they will likely never benefit from – preposterous.

(c). Allocation and Number of HUE

Projects appear to have a surge of HUEs applied at the end of the timespan. These are unexplained and do not figure within the *'agsv1_1_20240819_release_values'*. There is no explanation of how the surge has been derived.

Table taken from: agsv1_1_20240819_release_values (no surge)

The figures do not look like they are consistent using "Whau" as an example. No surge is evident when the numbers are 'eye-balled'.



Auckland Growth Scenario Version 1.1 , 20240819

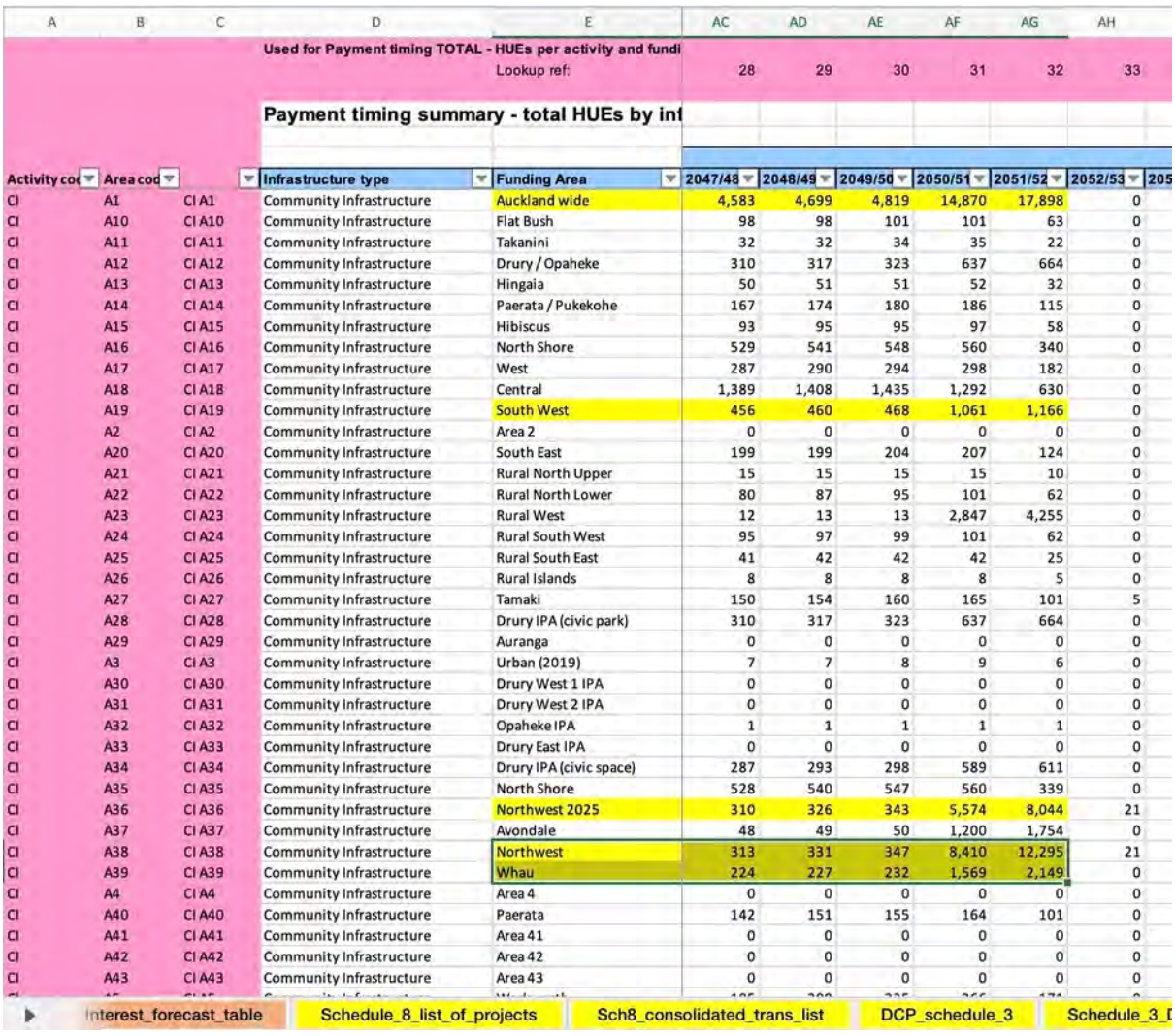
AGS23v1.1 20240819 — HOUSEHOLD FORECAST

Local Board area	2018	2022	2027	2032	2037	2042	2047	2052
Albert-Eden	34,948	33,031	36,480	39,995	43,529	46,856	50,423	53,920
Devonport-Takapuna	22,003	21,170	22,576	24,009	25,356	26,576	28,275	29,895
Franklin	28,710	31,581	35,197	39,314	48,064	57,493	64,096	67,889
Henderson-Massey	39,912	41,279	46,512	52,011	54,770	56,354	58,693	60,910
Hibiscus and Bays	38,684	40,478	41,673	42,916	44,113	45,346	46,992	48,705
Howick	47,787	48,294	50,004	51,749	53,347	54,772	56,681	58,467
Kaipatiki	31,991	30,839	31,554	32,282	32,950	33,547	34,346	35,092
Manurewa	22,000	23,011	25,340	27,716	30,425	33,140	34,939	35,719
Maungakiekie-Tamaki	28,713	30,654	31,700	32,767	33,745	34,617	35,790	36,889
Orakei	29,478	29,830	33,116	36,466	39,677	42,620	45,427	47,495
Otara-Papatoetoe	31,408	30,689	32,750	34,852	36,594	38,052	39,646	40,961
Papakura	24,906	26,074	27,045	28,036	28,906	29,661	30,659	31,588
Puketapapa	19,382	22,694	23,787	24,922	26,126	27,305	28,513	29,454
Rodney	19,399	19,053	21,256	23,502	25,644	27,601	28,995	29,696
Tamaki Makaurau	26,737	30,554	31,936	33,385	35,327	37,460	39,415	40,997
Upper Harbour	3,414	4,403	5,245	5,913	6,526	7,132	7,546	7,523
Waiheke-Great Barrier	21,047	22,531	24,249	25,844	29,068	33,113	35,913	37,756
Waitakere Ranges	4,971	5,019	5,072	5,126	5,176	5,220	5,280	5,335
Waitemata	18,246	18,529	18,774	19,024	19,254	19,459	19,732	19,987
Whau	40,139	38,232	43,263	48,391	53,086	57,270	62,901	68,178
	29,687	29,740	30,842	31,965	33,992	34,957	35,185	36,284
Total (sum)	563,561	577,685	618,371	660,185	704,679	747,499	789,397	822,140
Auckland Only	560,147	573,282	613,126	654,272	698,153	740,367	781,851	814,617
May not sum to regional forecast due to rounding)								
Auckland Region forecast totals		573,280	613,125	654,269	698,153	740,366	781,850	814,618
	19,382	22,694	23,787	24,922	26,126	27,305	28,513	29,454
		828	219	227	241	236	242	188

AGS23v1.1 20240819 — POPULATION FORECAST

Local Board area	2018	2022	2027	2032	2037	2042	2047	2052
Albert-Eden	103,160	97,440	108,293	119,494	130,044	139,988	150,554	158,749
Devonport-Takapuna	60,220	57,850	61,045	64,351	67,101	69,714	73,453	77,549
Franklin	80,510	88,710	96,964	106,566	127,919	150,649	165,782	175,511
Henderson-Massey	120,990	124,940	138,883	153,775	159,897	162,905	167,139	173,837
Hibiscus and Bays	106,720	111,660	113,147	114,739	115,773	116,855	118,906	123,275
Howick	150,160	153,150	156,683	160,204	162,673	164,445	167,552	172,989
Kaipatiki	91,570	90,120	91,526	92,997	93,931	94,690	95,962	97,841
Manurewa	83,010	86,650	94,267	101,849	110,535	119,233	123,979	126,436
Maungakiekie-Tamaki	99,830	106,540	109,903	113,340	115,895	118,053	121,162	124,787
Orakei	83,940	84,970	95,913	107,165	117,219	126,485	135,296	141,326
Otara-Papatoetoe	86,360	84,380	90,221	96,267	100,783	104,460	108,423	111,950
Papakura	89,510	93,000	95,506	98,187	100,000	101,488	103,763	106,646
Puketapapa	59,150	69,511	71,821	74,159	76,414	78,495	80,551	83,085
Rodney	60,980	59,880	66,780	73,904	80,387	86,264	90,294	92,369
Tamaki Makaurau	72,790	83,210	85,174	87,242	90,782	94,653	97,602	101,312
Upper Harbour	9,590	12,420	14,400	15,908	17,317	18,705	19,462	19,402
Waiheke-Great Barrier	65,730	69,720	73,755	77,961	85,800	95,651	102,088	107,096
Waitakere Ranges	10,400	10,500	10,766	11,037	11,212	11,377	11,577	11,698
Waitemata	52,140	52,910	53,428	53,955	54,175	54,317	54,637	55,337
Whau	87,760	82,920	93,706	104,995	114,814	123,670	135,513	146,185
	87,620	87,680	91,017	94,433	97,026	99,298	102,401	105,504
Total (sum)	1,444,140	1,708,161	1,813,198	1,922,528	2,029,767	2,131,395	2,226,098	2,312,886
Auckland Only	1,654,550	1,695,741	1,798,798	1,906,620	2,012,450	2,112,690	2,206,636	2,293,484
Auckland Region forecast totals		1,695,741	1,798,799	1,906,619	2,012,449	2,112,691	2,206,635	2,293,485
	59,150	69,511	71,821	74,159	76,414	78,495	80,551	83,085
		2,590	462	468	451	416	411	507

Table taken from: Copy of DC_consultation_IPAs_beyond_2034 (a surge is evident on eye-balling)



A	B	C	D	E	AC	AD	AE	AF	AG	AH
			Used for Payment timing TOTAL -	HUEs per activity and fundi						
				Lookup ref:	28	29	30	31	32	33
			Payment timing summary - total HUEs by int							
Activity co	Area cod		Infrastructure type	Funding Area	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53
CI	A1	CI A1	Community Infrastructure	Auckland wide	4,583	4,699	4,819	14,870	17,898	0
CI	A10	CI A10	Community Infrastructure	Flat Bush	98	98	101	101	63	0
CI	A11	CI A11	Community Infrastructure	Takanini	32	32	34	35	22	0
CI	A12	CI A12	Community Infrastructure	Drury / Opaheke	310	317	323	637	664	0
CI	A13	CI A13	Community Infrastructure	Hingaia	50	51	51	52	32	0
CI	A14	CI A14	Community Infrastructure	Paerata / Pukekohe	167	174	180	186	115	0
CI	A15	CI A15	Community Infrastructure	Hibiscus	93	95	95	97	58	0
CI	A16	CI A16	Community Infrastructure	North Shore	529	541	548	560	340	0
CI	A17	CI A17	Community Infrastructure	West	287	290	294	298	182	0
CI	A18	CI A18	Community Infrastructure	Central	1,389	1,408	1,435	1,292	630	0
CI	A19	CI A19	Community Infrastructure	South West	456	460	468	1,061	1,166	0
CI	A2	CI A2	Community Infrastructure	Area 2	0	0	0	0	0	0
CI	A20	CI A20	Community Infrastructure	South East	199	199	204	207	124	0
CI	A21	CI A21	Community Infrastructure	Rural North Upper	15	15	15	15	10	0
CI	A22	CI A22	Community Infrastructure	Rural North Lower	80	87	95	101	62	0
CI	A23	CI A23	Community Infrastructure	Rural West	12	13	13	2,847	4,255	0
CI	A24	CI A24	Community Infrastructure	Rural South West	95	97	99	101	62	0
CI	A25	CI A25	Community Infrastructure	Rural South East	41	42	42	42	25	0
CI	A26	CI A26	Community Infrastructure	Rural Islands	8	8	8	8	5	0
CI	A27	CI A27	Community Infrastructure	Tamaki	150	154	160	165	101	5
CI	A28	CI A28	Community Infrastructure	Drury IPA (civic park)	310	317	323	637	664	0
CI	A29	CI A29	Community Infrastructure	Auranga	0	0	0	0	0	0
CI	A3	CI A3	Community Infrastructure	Urban (2019)	7	7	8	9	6	0
CI	A30	CI A30	Community Infrastructure	Drury West 1 IPA	0	0	0	0	0	0
CI	A31	CI A31	Community Infrastructure	Drury West 2 IPA	0	0	0	0	0	0
CI	A32	CI A32	Community Infrastructure	Opaheke IPA	1	1	1	1	1	0
CI	A33	CI A33	Community Infrastructure	Drury East IPA	0	0	0	0	0	0
CI	A34	CI A34	Community Infrastructure	Drury IPA (civic space)	287	293	298	589	611	0
CI	A35	CI A35	Community Infrastructure	North Shore	528	540	547	560	339	0
CI	A36	CI A36	Community Infrastructure	Northwest 2025	310	326	343	5,574	8,044	21
CI	A37	CI A37	Community Infrastructure	Avondale	48	49	50	1,200	1,754	0
CI	A38	CI A38	Community Infrastructure	Northwest	313	331	347	8,410	12,295	21
CI	A39	CI A39	Community Infrastructure	Whau	224	227	232	1,569	2,149	0
CI	A4	CI A4	Community Infrastructure	Area 4	0	0	0	0	0	0
CI	A40	CI A40	Community Infrastructure	Paerata	142	151	155	164	101	0
CI	A41	CI A41	Community Infrastructure	Area 41	0	0	0	0	0	0
CI	A42	CI A42	Community Infrastructure	Area 42	0	0	0	0	0	0
CI	A43	CI A43	Community Infrastructure	Area 43	0	0	0	0	0	0

Interest_forecast_table | Schedule_8_list_of_projects | Sch8_consolidated_trans_list | DCP_schedule_3 | Schedule_3_D

(d). Further concern with the allocation of stormwater demand to the Awakeri Wetlands project.

Project descriptions within the datasets do not provide enough information to show a clear demand link for stormwater relating to the Awakeri Wetlands project.

It looks like it is greenfield development that has been incorrectly linked to stormwater.

This would appear to not be consistent with the LGA (2002) and allocation of demand:

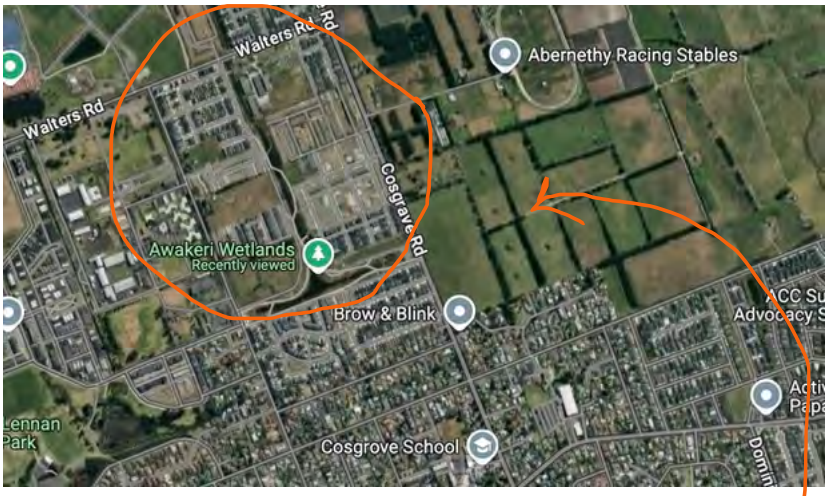
“Auckland Council is investing around $100 million in unlocking what was once flood-prone, flat, peaty rural land around Takanini and transforming the area into an eco-friendly urban community”.

Auckland Council is investing around $100 million in unlocking what was once flood-prone, flat, peaty rural land around Takanini and transforming the area into an eco-friendly urban community.

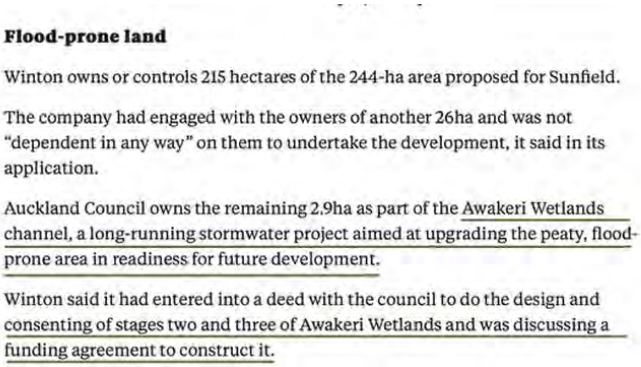
As developers construct thousands of modern homes, the environment is being revitalised as part of the three-stage Awakeri Wetlands Project. The project comes under the council's strategy to protect people and property from the dangers of flooding and preserve and enhance the health and value of Auckland's waterways and harbours for future generations.

The Awakeri Wetlands Project is a signature project, creating healthy and connected waterways, shared cycleways and pathways and open green spaces to support restored natural habitats and resolve flooding and stormwater problems in the Takanini area.

Photo shows the Awakeri Wetlands, in a 'new' area that looks more like greenfield development and the proposed Sunfield development location to the East.



Business Desk, December 19, 2024



Flood-prone land

Winton owns or controls 215 hectares of the 244-ha area proposed for Sunfield.

The company had engaged with the owners of another 26ha and was not "dependent in any way" on them to undertake the development, it said in its application.

Auckland Council owns the remaining 2.9ha as part of the Awakeri Wetlands channel, a long-running stormwater project aimed at upgrading the peaty, flood-prone area in readiness for future development.

Winton said it had entered into a deed with the council to do the design and consenting of stages two and three of Awakeri Wetlands and was discussing a funding agreement to construct it.

(3). Additional Recommendations

Based on this addendum, we request that:

The 2025 Auckland Development Contributions draft proposal is immediately withdrawn due to the significant concerns that have been identified.

This review selected only a handful of items to deep dive into, with the concerns raised in these items, we cannot begin to speculate the cost impact on the full project set.

SANZ requires:

(a). Full market-based review of all cost: the use of percentage additions, 'client costs', and contingencies. Independent Quantity Surveyors experienced within the private market should be engaged.

(b). Project timing reforms

- Establish maximum escalation periods for DC calculations
- Consider alternative funding mechanisms for projects beyond 10 years
- Require explicit justification for any project timing beyond LTP period

(c). Cost recovery structure

- Review and justify HUE assumptions
- Require independent review of large projects

(d). Review of the demand allocation apportioned to the Awakeri Wetlands project.

This deeper review reinforces our original submission's conclusion that the policy requires substantial revision to meet the "fair, equitable, and proportionate" requirement of the Local Government Act 2002.

SANZ Ltd wishes to be heard in support of this submission and our original submission dated 15 November 2024.

[redacted]

Directors

Subdivision Advocacy NZ Ltd

Development Contributions Policy Review

Feedback must be received by **midday 15 November 2024**

Development contributions are a fee we charge developers. We use this money to help pay for new assets that are needed to support the new households or business properties that have been, or will be, developed. These assets include activities and services like:

- transport, footpaths, roads and intersections
- parks, park facilities and sports grounds
- drainage and stormwater systems
- community facilities.

We regularly review our contributions policy to account for updates to expected growth, current budgets, and any relevant policy changes.

The last review was in 2022 under the Development Contributions Policy 2022 - Variation A. Since then, we have adopted the Long-term Plan 2024-2034 (LTP).

What we are proposing

We are proposing a new policy to take effect from March 2025, which includes information to reflect:

- spending and investment decisions over the period of the Long-term Plan 2024-2034
- expected growth in population and interest rates
- updates to project costs
- updates to long-term (30 years) investments in the Drury Investment Priority Area.

We also propose to spend and invest in other Investment Priority Areas (IPAs) over the next 30 years, like:

- Inner Northwest areas at Red Hills, Westgate and Whenuapai
- the Auckland Housing Programme (AHP) areas at Tāmaki, Māngere and Mt Roskill.

We strongly encourage you to read the proposed approach and accompanying information before answering any of the following questions.

Give feedback online at akhaveyoursay.nz, or you can:

Scan and Email your completed form to:
contributions.policyteam@aucklandcouncil.govt.nz

Post your completed form to:
Auckland Council Contributions Policy team
Freepost Number 182382
Private Bag 92300
Victoria Street West
Auckland 1142.

Your details

Your name and feedback will be included in public documents. All other personal details will not be made available to the public.

[redacted]

Are you providing:

- ☐ Your **personal** feedback
- ☑ Feedback as the official representative of an **organisation**

Organisation name: MEA Holdings Ltd franchisee for GJ Gardner Homes Manukau Residential

These questions are optional but will help us understand which groups of the community are engaging with us.

[redacted]

Would you like to subscribe to any of the following? (tick all that apply)

- ☐ People's Panel – to take part in council surveys
- ☐ OurAuckland – your weekly guide to what's happening in Auckland
- ☐ Auckland Conversations - free public events offering ideas, inspiration and action for world-class cities

You can also visit AK Have Your Say at akhaveyoursay.nz to find out about, or register to receive regular updates on, consultation activities happening across Auckland

Important privacy information

The personal information that you provide in this form will be held and protected by Auckland Council in accordance with our privacy policy (available at **aucklandcouncil.govt.nz/privacy** and at our libraries and service centres) and with the Privacy Act 2020. The privacy policy explains how we can use and share your personal information in relation to any interaction you have with the council, and how you can access and correct that information. You should familiarise yourself with this policy before submitting this form.

Your feedback (all questions are optional)

1. Updated spending over the next 10 years

For more information, see page 18 of the consultation document.

Considering our proposed investments over the next 10 years, and the impacts of those investments, what do you think of our proposed changes to the Contributions Policy 2025?

- ☐ Support
- ☑ Do not support
- ☐ Other
- ☐ I don't know

Tell us why

Council needs to consider the impacts of DC charge increases on families trying to provide additional warm, healthy housing for extended family. Many of our South Auckland families are living in overcrowded, poor housing, increasing the DC makes the prospect of building additional dwelling on the vacant front or rear of a familiy property significantly more expensive and potentially unaffordable.

2. Spending in Investment Priority Areas over the next 30 years

We propose to continue implementing our strategy to recover the longer-term costs (30 years) of growth in the Investment Priority Areas (IPAs) from the Inner Northwest (at Red Hills, Westgate and Whenuapai) and the Auckland Housing Programme (AHP) areas at Māngere, Mt Roskill and the Tāmaki Regeneration area.

Having assessed the investment requirements for the IPAs at the Inner Northwest and the AHPs at Tāmaki, Māngere and Mt Roskill, we believe an additional $8.9 billion of investment is required in these areas over 30 years. This will raise the average price for developments contributions.

For more information see page 18 of the consultation document.

What do you think of our proposal to add projects to the Investment Priority Areas beyond the next 10 years?

- ☐ Support
- ☑ Do not support
- ☐ Other
- ☐ I don't know

Tell us why

An unfair burden is placed on existing suburbs.

The view taken is an attitude that all developments are funded by "commerical developers or wealthy people" disadvantage many Aucklanders trying to provide healthy, new homes.

We believe an increase in DCs will directly relate to an increase in the cost of build and the end user, making healthy more unaffordable and unachieveable.

3. Development contributions in Drury

We have assessed requirements for stormwater infrastructure in Drury and reviewed the level of investment needed in this area over the next 30 years. This will raise the average price for developments contributions in Drury.

For more information see page 23 of the consultation document.

What do you think of our proposed changes for the Drury area?

- ☐ Support
- ☑ Do not support
- ☐ Other
- ☐ I don’t know

Tell us why

An unfair burden is placed on existing suburbs.

4. Other proposed changes

We are proposing funding area changes to ensure fair allocation of growth-related infrastructure costs between ratepayers and developers, and between developers in different locations.

These changes include:

- new sub-regional funding areas at Paerata, Whau and the Northwest
- new local funding area at Avondale
- changes to neighbouring funding areas have been adjusted to accommodate these new areas.

We have also made changes to local funding areas, including to reflect the distribution of benefits of investments proposed in the Investment Priority Areas (IPAs).

For more information see page 25 of the consultation document.

What do you think of our other proposed changes?

- ☐ Support
- ☑ Do not support
- ☐ Other
- ☐ I don't know

Tell us why

An unfair burden is placed on existing suburbs.

5. Other feedback

Do you have any other feedback on the proposed Contributions Policy 2025?

Differentiation should be made between commerical developers and "owner occupiers".

Suggest a sliding scale is introduced where by larger developments pay proportionately a larger DC contribution than single additional "brownfield"developments.

Fundamentally we feel the need to propose such significant DC increases come from poor fiscal management and prioritisation of spending to this point.

Need more room? You can attach extra pages.

Sentinel Planning meeting 13 February 2025

Development Contributions Discussion – Policy, Methodology, Assumptions

Concern from development community – early communication led people to believe that there were going to be changes for 4 areas - the IPAs, it was not clear that in doing this would raising the Auckland Average by $20K.

Issues:

1. Item 12 of the agenda: did not include the impact on the Auckland Wide charge for everyone.

   The approval based on the table that showed the increase in the 4 key areas, it was not showing the increase in the Auckland Wide charge. (Need to check what was included or not).

   - We need to make sure that the Auckland Wide increase was included in the discussion/documentation that council approved
2. Some of the comments made did not match what the documentation stated.
   - This is around the increase of $8K on the Transport Auckland Wide charge which was assumed to be changes in the way AT included projects; the actuality of the information was different from a different perspective and what big ticket item means
3. You are applying a greenfield DC concept to brownfield (30 year view)
   - Conceptually, the greenfield DC is appropriate, you have vacant land and adjustments to development typology and timing change be changed. However, when you come to brownfield you have a fundamental different starting position. You have a much smaller parcel of land, it has a bottom value.
   - The DCs will affect the large portions of vacant land, but not brownfield, it may stifle growth because you would not get the purchase price to include future development. There is a house on a site, that already has an intrinsic value that has not been considered.
   - There is a view that people will intensify just outside the area as the price will be significantly different from inside the areas.
4. The increased in charges will be affecting the ability to delivery housing
5. Watercare is currently restricting the ability to delivery new housing due to lack of connection availability
   - Some of the areas are being told to come back and see us in 15 years
   - This is around the red zones (consideration around the growth numbers in the red zone areas even if they are not the IPA)
6. 10 year vs 30 years
   - The 10 year changes are easier to include in development feasibility
   - The 30 year plan scares developers and limits what they think they will be able to include in development plans
7. There is no acknowledgement about detention tanks within the document. This would fail S79 because of this. (The LG Water Services bill)
   - This is around the peak flow discharge (Andrew Chin provide a washy answer – need to get this fleshed out and more refined – there was a paper created which included pictograph to some point)

- The assumption is that there is no additional need to additional piped assets
- The DC needs to reflect this
- If I have one house and a pool and develop 8 new houses on the site, there is no increase in ISA and have included detention tanks that reduce the impact at peak flow on councils network a DC is still being sought.

8. Some of the key assumptions, assumes 90% impermeable area; this is an issue and this does not align with the underlying unitary plan rules, and the development usually under delivers ISA max levels
    - Developers use impermeable pavers which complies with ISA limitations
    - Developers pay for monitoring in consents – this should cover the need to only use the max rules instead of the higher 90%
9. Climate change assumptions stated 2.1 degrees council assumption current sets at 3.8
10. No increase in habitable floor flooding in a 10 year event – this doesn't make sense
    - The unitary plan won't let you add displacement of stormwater is a flood area on site. A post house does not add to displacement much. This would not increase the floodable area within a site.
    - You can still change overland flow paths on site
    - Again there is a compliance monitoring requirement that needs to be considered
11. The NBR had an article – Greenhithe road was in the NBR at $30M from Beca as priced for construction. The DCs included this in the policy at $250M based on all the escalation that were applied.
    - Things to be built within 10 years will be cheaper to build than the same piece of infrastructure outside the 10 years
    - A request to check that things are priced appropriately
    - The big Watercare blow out is assumed to have led to the red zones and other areas delay or stop works temporarily
12. Things in the development environment are getting messy at the moment – they will challenge this
    - Double check all the assumptions
    - Make sure documents are correct and provide a full answer rather than wishy washy responses
13. Developers agree with DC, they just want council to make sure all the efficiencies that can be achieved are. This includes having funding available early to reduce the overall costs; user charges vs DCs, ensuring delivery aspects are affordable;
    - There is very little maintenance going on across the city at the moment and that is an issue
    - Andrew notes that some of the issues are where developers are focused on their local impact and ignore the cumulative impact on the wider network
14. If the 30 years issue would go ahead you should only include the big ticket items and leave the rest of the local works to the 10 year LTP updates.
    - This is around the causal nexus to a footpath being delivered in 20 years to a build being done now. There does see a link in a busway being provided later but not a crossing or something that is very local.

WINTON

DATE:	**2 December 2024**
TO:	**Auckland Council Contributions Policy Team** **By email: contributions.policyteam@aucklandcouncil.govt.nz**
FROM:	**Winton Land Limited and its subsidiaries, including Sunfield Developments Limited**
SUBJECT:	**SUBMISSION ON AUCKLAND COUNCIL'S DRAFT CONTRIBUTIONS POLICY 2025**

1. Introduction

1.1 To the extent necessary for Council processes, this document is a submission on the draft Development Contributions Policy, proposed to be effective from March 2025 (the **Draft Policy**) issued by Council.

1.2 However, Winton is submitting this document to Council to set out the reasons why it cannot in fact submit on the Draft Policy in a sensible, comprehensive and fully informed manner, due to the deficiencies in the process and the information provided by the Council to date.

1.3 As Council may be aware, Winton's subsidiary company, Sunfield Developments Limited, owns a large land holding at Takanini, within the Manurewa Papakura GPA funding area, to be known as "Sunfield". Winton is currently progressing part of the Sunfield land to create a master planned community of approximately 1,500 dwellings and associated community facilities. It is clear that Winton is a significantly affected party to the Draft Policy and must be consulted with in the appropriate manner.

1.4 Winton and Council have worked collaboratively over the past 2 years around the provision of stormwater infrastructure to this project. This is now reflected in the Design and Consenting Deed which the parties entered into in March 2024.

2. Deficient Information

2.1 The Draft Policy and initial associated information provided by Council is deficient. It does not contain basic information to allow us sufficient detail to make a proper assessment, and in turn, informed feedback.

2.2 This lack of information is no better summed up than Auckland Council issuing the Development Contribution Financial Models on 22 November, being 7 days after the initial consultation period ended. These Financial Models are significant in size and complex and go to the very basis of the information required to be reviewed to form appropriate consultation on the Draft Policy.

2.3 Early in the consultation period, Winton sought further information to ensure not only that it was able to provide comprehensive feedback, but also to ensure that Council was complying with its public law obligations as a decision maker to act lawfully, fairly and reasonably.

2.4 We attach a summary of our requests for information, together with copies of those requests and responses. We have included further details and highlighted where Council have failed to provide requested information in a timely manner, once again contributing to an inability for Winton to form appropriate consultation.

2.5 It is clear that the initial information provided by Council publicly, and the subsequent specific responses received by Winton from Council, are wholly inadequate.

3. The Effect on Winton

3.1 The proposed development contributions set out in the Draft Policy will have a material financial impact on Winton, and its Sunfield development.

3.2 Given the substantial impact such development contributions would have on Winton, coupled with the fundamental principles of natural justice, Council must pause the Draft Policy review (and implementation) and engage with Winton, and the wider private sector, to robustly test the financial implications and appropriate alternative mechanisms to resolve funding issues.

3.3 Winton is a member of the Property Council of New Zealand (**PCNZ**) and supports PCNZ's submission dated 15 November 2024. Winton supports the general concerns expressed in the PCNZ submission, and in particular, clause 4.5 of that submission. For ease of reference, clause 4.5 is set out below:

> *4.5 Auckland Council also claims that increasing DCs will lower land values, and therefore reduce development costs. In 2018, Insight Economics completed an independent study for Hamilton City Council on Likely Developer Reactions to Increased DC Charges. They noted several issues with DCs, which align with our concerns. In particular:*
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> > *"**As DCs increase, the cost of land development rise, and thus its profitability falls…**In other words, land developers (who physically pay the DC) will seek to share some of the cost with raw landowners by paying them less for their land…it is unlikely that the resulting fall in land prices will be sufficient to fully compensate them. **As a result, the increase in DCs will also increase the total cost of land development…**"*
> >
> > *"**In summary,** economic theory predicts that the imposition of **higher DCs will impact most, if not all, participants in the wider property market**."*

3.4 As noted elsewhere in this document, Winton is not in a position to either support or argue against the specifics of the Draft Policy without the appropriate level of information.

4. Council's Obligations

4.1 Winton wishes to reiterate that Council has legal obligations as a decision maker. The decision making must be meaningful and requires:

(a) the consultee to be provided with sufficient relevant information, and with such further information as they request, in order to be able to make an intelligent and useful response; and

(b) the decision-maker must have an open mind and take due notice of the consultee's fully informed response before making a decision.

4.2 Based on the above, and Council's wider obligations, it is incumbent on the Council to ensure clarity around the relevant funding areas, including in particular funding received to date and future funding requirements. This obligation is for the benefit of not only the public and private developers, but to ensure that Council is compliant with its obligations under the Local Government Act and its inherent requirement to act in the principles of natural justice.

4.3 Councils are accountable to their communities for the decisions they make and what they deliver. They must be open and transparent about how they conduct themselves and make decisions.

Please contact me with any queries. Otherwise, we look forward to a reconsideration by the Council to pause the process and engage appropriately.

Yours sincerely

SUMMARY OF INFORMATION REQUESTS AND INFORMATION PROVIDED

	Date	***Item***	***Summary of Content***	***Commentary/Outstanding Issues***
1.	30 September 2024	Council Draft DC Contribution Policy Issued	Feedback required by 15 November 2024.	The information issued with the Draft Policy was deficient, including being unclear in respect of location of area in funding maps, HUEs used to calculate development contributions, no development contribution financial models provided. As noted above, this is a significant disadvantage to Winton to be able to carry out assessment and appropriate consultation.
2.	10 October 2024	LGOIMA 1 Request (issued by Russell McVeagh on behalf of Winton)	Request for number of HUEs allocated to Cosgrave Block re stormwater and reserves, and total HUEs.	-
3.	10 October 2024	RMV LGOIMA 2 Request (issued by Russell McVeagh on behalf of Winton)	Request for location of all stormwater and reserve projects/ activities in relevant areas, historical DCs invoiced, business case for each project with cost breakdown.	-
4.	21 October 2024	Letter from Winton to Andrew Chin at Council	Duplicate requests of 1 and 2 above. Additional request for details of levies collected and capex expenditure for Awakeri Stages, HUE count and status of projects in Takanini areas,	-

			clarification for HUE number discrepancies.	
5.	31 October 2024	Letter to Andrew Chin at Council (issued by Mike Colson KC on behalf of Winton)	Follow up/concern on process.	-
6.	5 November 2024	Council response to LGOIMA Request 2	Stormwater only response.	Winton is unable to get comfort based on a response of "[o]ver time funding area boundaries have changed, project scopes have moved, and costs estimates have also been changed". No response received on reserve area queries to date.
7.	13 November 2024	Letter to Helen Wild (issued by Mike Colson KC on behalf of Winton)	Follow up/concern on process.	-
8.	14 November 2024	Council response from Andrew Chin	Confirmation that it will provide LGOIMA responses by 18 November, and extension to submission by Winton to 2 December.	-
9.	15 November 2024	Council response to LGOIMA Request 1	Confirmation that all titles are within the relevant areas. Response to HUE calculations.	
10.	20 November 2024	Email from Winton to Joanne Kearney at Council	Request for Council to clarify how it intends to deal with land that may be consented for circa 1,500 dwellings	No response received to date.

			where Council has used on 25 HUEs to calculate development contributions in the relevant area.	
11.	22 November 2024	DC Financial Models issued by Council	Allowance for additions to submissions based on the models by 20 December 2024.	It is not reasonable, fair or evidence of a proper process that complex and partially indecipherable information is issued after the date of final submission has passed. Notwithstanding an extension was granted for updates to submissions, submitters have been significantly disadvantaged by Council's actions.
12.	25 November 2024	Email from Winton to Joanne Kearney at Council	Follow up on email in 10.	No response received to date.