

Planning Report

Plan Change 57 – Additional Dwellings Recreation and Leisure Financial Contributions

1.0 Introduction

- 1.1 The purpose of this report is to provide recommendations on submissions to Plan Change 57 – Additional Dwellings Recreation and Leisure Financial Contributions.
- 1.2 Plan Change 57 looks to correct an oversight from a reconfiguration of the District Plan under the First Review, which limits the charging of recreation and leisure financial contributions on discretionary and non-complying activities to accommodation facilities only.
- 1.3 For a full background to the Plan Change and the proposed provisions please refer to the Section 32 Report. For a list of the proposed provisions only, please refer to the document titled 'Summary of Recommendations – All Section 32 Reports'.
- 1.4 Any recommended amendments to rules in this report will be shown as follows; existing District Plan text in black, proposed changes as included in the Section 32 Report in red, and recommendations as a result of this Planning Report in blue.

2.0 Topic 1: Rule 11.3.2 (b) (iv)

2.1 Background

Rule 11.3.2(b)(iv) applies financial contributions to all land use applications that are discretionary or non-complying. Rule 11.3.4.2(a) then makes provision for charging the contribution the same way it is charged for controlled or restricted discretionary activities but applies it only to accommodation facilities. This means that all other discretionary or non-complying land use activities such as additional dwellings and non-complying minor dwellings are unable to be charged the contribution. To allow the recreation and leisure financial contribution to be charged on all applicable discretionary and non-complying activities Rule 11.4.3.2(a) is proposed to change as follows;

“(a) Recreation and Leisure

This will be charged in accordance with 11.3.3 (a) for *accommodation facilities—only all activities (but excluding seasonal worker accommodation).*”

2.2 Submission Points

2.2.1 Stratum Consultants Ltd believe that charging a recreation and leisure financial contribution for a non-complying activity is unjust and does not relate directly to an effect created by the activity. They say for example there is no certainty that the occupants of an additional dwelling would utilise recreation and leisure facilities in the District.

2.2.2 The Ministry of Education supports the Plan Change but are of the view that given their requirement to provide outdoor recreational and leisure areas within their facilities, they should not be required to pay the financial contribution.

2.3 Option 1 – Status Quo – No change to Rule 11.3.2 (b) (iv) – Recreation and Leisure Financial Contribution not payable for Discretionary and Non-Complying Activities

Benefits	<ul style="list-style-type: none"> For some individuals, they avoid paying the financial contribution for recreation and leisure.
Costs	<ul style="list-style-type: none"> Council receives less funding for recreation and leisure than it otherwise should for the level of development. The anomaly may result in some people intentionally making their proposed activity non-complying to avoid the fee.
Effectiveness/ Efficiency	<ul style="list-style-type: none"> Not effective at meeting the District Plan's objectives because it results in some development avoiding paying their fair share of contributions towards funding of recreation and leisure activities. Not efficient as it allows some development to freeload and Council will not receive sufficient funding to cover the additional pressure placed on recreation and leisure facilities.
Risks of Acting/ Not Acting if there is uncertain or insufficient information about the subject matter	<ul style="list-style-type: none"> N/A – sufficient information is available.

2.4 Option 2 – Amend Rule 11.3.2 (b) (iv) to require recreation and leisure financial contributions to be payable on all discretionary and non-complying activities

Benefits	<ul style="list-style-type: none"> Ensures that Council receives financial contributions from those developments that use recreation and leisure facilities but which currently avoid having to make the payment.
Costs	<ul style="list-style-type: none"> For some individuals (i.e. those currently benefiting from the oversight in the rule), they will be required to pay more for their development. Stratum Consultants Ltd argue that there is no

	<p>certainty that occupants of additional dwellings will use recreation and leisure facilities and therefore should not have to pay a financial contribution.</p> <ul style="list-style-type: none"> ▪ Applying the rule to all discretionary and non-complying activities will capture a number of activities that are <u>not</u> intended to have to pay a recreational and leisure financial contribution, such as education facilities. Council receives more funding for recreation and leisure than needed.
Effectiveness/ Efficiency	<ul style="list-style-type: none"> ▪ The change is partly effective at meeting the objectives and policies of the District Plan to provide an equitable financial contribution regime to cover the cost of providing infrastructure. It requires financial contributions to be paid on additional dwellings etc where previously this could be avoided, however it requires financial contributions to be paid on activities that should be exempted such as education facilities. ▪ Efficient as it uses established procedures for the collection of the financial contribution. Inefficient as it results in unnecessary payments of financial contributions as well as extra time and process.
Risks of Acting/ Not Acting if there is uncertain or insufficient information about the subject matter	<ul style="list-style-type: none"> ▪ N/A – sufficient information is available.

2.5 Option 3 – Amend Rule 11.3.2 (b) (iv) to require recreation and leisure financial contributions to be payable on the following discretionary and non-complying activities which utilise such facilities;

- **additional dwellings**
- **minor dwellings**
- **retirement villages**
- **accommodation facilities (excluding seasonal worker accommodation)**

Benefits	<ul style="list-style-type: none"> ▪ Development that will use recreation and leisure facilities will fund it. ▪ Provides an equitable system for charging of the financial contributions.
Costs	<ul style="list-style-type: none"> ▪ For some individuals (i.e. those currently benefiting from the oversight in the rule), they will be required to pay more for their development.
Effectiveness/ Efficiency	<ul style="list-style-type: none"> ▪ The change is effective at meeting the objectives and policies of the District Plan to provide an equitable financial contribution regime to cover the cost of providing infrastructure. ▪ Efficient as it uses established procedures for the collection of the financial contribution.

Risks of Acting/ Not Acting if there is uncertain or insufficient information about the subject matter	<ul style="list-style-type: none"> ▪ N/A – sufficient information is available.
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2.6 Discussion

2.6.1 The current oversight in the District Plan preventing the taking of recreation and leisure financial contributions from a number of activities which put pressure on this infrastructure needs to be corrected. The proposed plan change sought to correct this by requiring the contribution from all discretionary and non-complying activities.

2.6.2 However, in response to submissions, only those activities that should be required to pay the financial contribution are recommended to be caught by the rule. This includes additional dwellings as there is no evidence to suggest that such activities will not result in use of recreation and leisure infrastructure. It excludes however education facilities as these are not activities that typically use such infrastructure.

2.7 Recommendation

That Rule 11.3.2 (b) (iv) is amended as follows;

“(a) Recreation and Leisure

This will be charged in accordance with 11.3.3 (a) for *dwellings, minor dwellings, retirement villages and accommodation facilities* ~~accommodation facilities only~~ *all activities (but excluding seasonal worker accommodation).*”

The following submissions are therefore:

Accepted

Submission	Point Number	Name
10	1	Ministry of Education

Rejected

Submission	Point Number	Name
5	4	Stratum Consultants Limited

2.8 Reasons

2.8.1 Additional dwellings have not been exempted from the payment of financial contributions as requested because the creation of additional dwellings leads to more people in the District who will utilize recreational and leisure activities. Additional dwellings are deemed to have the same effect as the creation of a new lot.

- 2.8.2** Amendments to Rule 11.3.2 (b) (iv) have been made to ensure that the payment of recreation and leisure activities only apply to those discretionary and non-complying activities which will utilise recreational and leisure facilities. These have been specifically listed and include additional dwellings, minor dwellings, retirement villages and accommodation facilities (excluding seasonal accommodation facilities). The likes of education facilities have been excluded so that the financial contribution does not apply.

3.0 Plan Change 57 - Recommended Changes to the District Plan First Review

- 3.1** The purpose of this part of the report is to show the Proposed Plan Change in full including any recommended changes in response to the submissions and further submissions.
- 3.2** Recommended changes to the District Plan First Review are shown as follows; existing District Plan text in black, proposed changes as included in the Section 32 Report in red, and recommendations as a result of this Planning Report in blue.
- 3.3 Amend Rule 11.3.2 (b) (iv) as follows;**

“(a) Recreation and Leisure

This will be charged in accordance with 11.3.3 (a) for *dwellings, minor dwellings, retirement villages and accommodation facilities* ~~*accommodation facilities only*~~ *all activities* ~~*(but*~~ excluding *seasonal worker accommodation*).”