

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Council will be held on:

Date: Wednesday 15 May 2024
Time: 9:30 am
Meeting Room: Council Chamber and Audio Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
Chief Executive

Council Kaunihera OPEN AGENDA

Membership

Chairperson Mayor Paula Southgate
Heamana

Deputy Chairperson Deputy Mayor Angela O’Leary
Heamana Tuarua

Members	Cr Maxine van Oosten	Cr Geoff Taylor
	Cr Moko Tauariki	Cr Sarah Thomson
	Cr Ewan Wilson	Cr Emma Pike
	Cr Mark Donovan	Cr Anna Casey-Cox
	Cr Louise Hutt	Cr Kesh Naidoo-Rauf
	Cr Andrew Bydder	Vacancy
	Cr Tim Macindoe	

Quorum: A majority of members (including vacancies)

Meeting Frequency: Monthly – or as required

Amy Viggers
Mana Whakahaere
Governance Lead

6 May 2024

Telephone: 07 838 6699
Amy.Viggers@hcc.govt.nz
www.hamilton.govt.nz

Purpose

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Hamilton.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council¹:
 - a) The power to make a rate.
 - b) The power to make a bylaw.
 - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
 - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
 - e) The power to appoint a Chief Executive.
 - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the Council's Governance Statement.
 - g) The power to adopt a remuneration and employment policy.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council does not accept the recommendation.
 - n) The power to amend or replace the delegations in Council's *Delegations to Positions Policy*.
2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Approval of any changes to city boundaries under the Resource Management Act 1991.
 - d) Adoption of governance level strategies plans and policies which advance Council's vision and strategic goals.

¹ [Clause 32, Schedule 7, Local Government Act 2002](#)

- e) Approval of the Triennial Agreement.
- f) Approval of the local governance statement required under the Local Government Act 2002.
- g) Approval of a proposal to the Remuneration Authority for the remuneration of Elected Members.
- h) Approval of any changes to the nature and delegations of the Committees.
- i) Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO, CCTO or CO.
- j) Approval of city boundary changes, including in respect of Strategic Boundary Land Use Agreements.
- k) Approval of Activity Management Plans.
- l) Sister City relationships.

Oversight of Strategies, Plans and Reports:

- Long Term Plan
- Annual Plan
- Annual Report
- Shaping Hamilton Kirikiriroa Together
- Our Climate Future
- He Pou Manawa Ora

Oversight of Policies and Bylaws:

- *Corporate Hospitality and Entertainment Policy*
- *Delegations to officers specific to the Resource Management Act 1991*
- *Delegations to Positions Policy*
- *Elected Members Support Policy*
- *Significance and Engagement Policy*
- *Climate Change Policy*
- *Any Community Engagement Policies*

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies – <i>Tono aroha</i>	5
2	Confirmation of Agenda – <i>Whakatau raarangi take</i>	5
3	Declarations of Interest – <i>Tauaakii whaipaaanga</i>	5
4	Public Forum – <i>Aatea koorero</i>	5
5	2024-34 Long-Term Plan, Development Contributions and Growth Funding Policy Verbal Submissions Report	6
6	Development Contributions Policy 2024/25 Submission Summary Report	16
7	Growth Funding Policy 2024 Submission Summary Report	33

1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Council to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum – *Aatea koorero*

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Mayor.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6699.

Council Report

Committee:	Council	Date:	15 May 2024
Author:	James Clarke	Authoriser:	Blair Bowcott
Position:	Unit Manager Strategy and Planning	Position:	General Manager Strategy, Growth and Planning
Report Name:	2024-34 Long-Term Plan, Development Contributions and Growth Funding Policy Verbal Submissions Report		

Report Status	<i>Open</i>
----------------------	-------------

Purpose - *Take*

1. To inform the Council on the summary of submissions received on the 2024-34 Draft Long-Term Plan consultation.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) notes that:
 - i. feedback will be considered during the deliberations on the 2024-34 Draft Long-Term Plan at the 4-6 June 2024 Council meeting; and
 - ii. the 2024-34 Draft Long-Term Plan will be considered for adoption at the 4 July 2024 Council meeting, becoming retrospectively operative from 1 July 2024.

Executive Summary - *Whakaraapopototanga matua*

3. The engagement period for the 2024-34 Long-Term Plan, alongside the consultation on the Draft Development Contributions Policy and the Draft Growth Funding policy, was from 19 March 2024 until 21 April 2024.
4. 2931 formal submissions were received on the 2024-34 Long-Term Plan, and 73 submissions were received on the draft Development Contribution Policy and/or the Growth Funding Policy.
5. A separate survey, run by Nielsen alongside the formal Long-Term Plan consultation, received 419 responses.
6. The full list of submissions for the Long-Term Plan can be viewed at [Published responses for 2024-34 Long-Term Plan - Hamilton City Council - Citizen Space](#).
7. For details of the submissions to the draft Development Contribution Policy and/or the Growth Funding Policy, please refer to the separate report being considered at the deliberations meeting.

8. 294 respondents have indicated that they wish to make a verbal submission on the Long-Term Plan and 24 respondents have indicated that they wish to make a verbal submission on the draft Development Contribution Policy and/or the Growth Funding Policy.
9. The list of submitters who have indicated they wish to speak in support of their submissions to the Long-Term Plan, Development Contributions Policy and Growth Funding Policy is provided in **Attachment 1**.
10. Staff consider that the recommendations comply with the Council's legal requirements.

Discussion - *Matapaki*

11. On [14 March 2024](#), the Council approved the 2024-34 Long-Term Plan Consultation Document and the engagement approach for the 2024-34 Long-Term Plan consultation period.
12. The Council also approved the draft Development Contributions Policy 2024/25, draft Growth Funding Policy, and the draft Development Contributions Policy and Growth Funding Policy Consultation Document for community consultation at the same meeting.
13. Consultation opened on 19 March 2024, and closed on 21 April 2024.

Verbal submissions

14. 294 respondents have indicated that they wish to make a verbal submission on the Long-Term Plan and 24 respondents have indicated that they wish to make a verbal submission on the draft Development Contribution Policy and/or the Growth Funding Policy.
15. The list of verbal submitters and a hyperlink to their submission is provided in **Attachment 1**.
16. The submitters have been allocated either five minutes for individuals, or ten minutes for organisations, to speak to their submission.
17. At the time of writing this report, there are several submitters that staff are still contacting to confirm their request to speak to their submission.
18. The broad schedule for each day is as follows:

9.30am	Session commences
11.00am	Morning break (15 minutes)
1.00pm	Lunch (1 hour)
3.30pm	Afternoon break (15 minutes)
5.00pm	Session ends

19. The Submissions Insights Report will be provided as a late attachment, following a briefing with Elected Members on 7 May 2024.
20. The Submissions Insights Report will include details of engagement activities, including advertising activity and public engagements, as well as a summary of the key themes of submissions.
21. At the conclusion of verbal submissions, staff will seek direction from Elected Members as to what matters are to be addressed as a part of the deliberation report to be presented to the Council at its 4 June 2024 meeting.
22. Elected Members have been advised that feedback and direction based on submissions they have read can be provided to staff ahead of the hearings to optimise the hearings process.
23. The report from Nielsen on the results of the survey on issues related to the Long-Term Plan is due on around 17 May 2024, in time for Elected Members to consider ahead of the deliberations.

Financial Considerations - *Whaiwhakaaro Puutea*

24. This is a regular operating activity funded through the Long-Term Plan.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

25. Staff confirm that this report complies with the Council's legal and policy requirements of the [Local Government Act 2002](#) and specifically s82 Principles of consultation (b) which requires Council 'to allow persons who will or may be affected by, or have an interest in, the decision or matter to be encouraged to present their views...', and (c) which requires Council to provide that 'persons who wish to have their views on the decision or matter considered by the local authority should be provided by the local authority with a reasonable opportunity to present those views to the local authority in a manner and format that is appropriate to the preferences and needs of those persons'.

Climate Change Impact Statement

26. Staff have assessed there are no recommendations and resolved changes in this report so have not assessed the content against the Climate Change Policy for both emissions and climate change adaptation.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

27. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the four wellbeings').
28. The subject matter of this report has been evaluated in terms of the four wellbeings during the process of developing this report as outlined below.
29. The recommendations set out in this report are consistent with that purpose.

Risks - *Tuuraru*

30. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

31. Given the statutory requirement to consult, staff have not considered the key considerations under the Significance and Engagement Policy to assess the significance of the matter(s) in this report.
32. This report is part of the process for the community views and preferences to be provided to Council.

Attachments - *Ngaa taapirihanga*

Attachment 1 - List of verbal submitters

Attachment 2 - Submissions Insights Report (*Under Separate Cover*)

Long Term Plan Hearings Verbal Submission

Item 5

Attachment 1

15 May 2024

1. 9.40 – 9.45 [Phil Mackay](#)
2. 9.45 – 9.50 [Desileeanne Walker](#)
3. 9.50-9.55 [David Benson and Melody Benson](#)
4. 9.55 – 10.00 [Mark Laurence](#)
5. 10.00 -10.05 [Donna Barraclough](#)
6. 10.05 – 10.15 [Nicola Greenwell \(Hamilton and Waikato Tourism\)](#)
7. 10.15 – 10.20 [John Cameron](#)
8. 10.20. – 10.30 [Louise Keesing on behalf of John Simmons \(Taitua Arboretum Advisory Panel\)](#)
9. 10.30 -10.35 [Joe Dennehy](#)
10. 10.35 – 10.40 [Jitender Tomar](#)
11. 10.40 – 10.45 [Judy McDonald](#)
12. 10.45 – 10.50 [Mark Kilgour](#)
13. 10.50 – 11.00 John Kenel (Assured Construction Ltd) Funding Growth in Hamilton Kirikiriroa
[submission 1](#) [Submission 2](#)
14. 11.15 - 11.20 [Jill Masters](#)
15. 11.20 – 11.25 [Yvonne Mathews](#)
16. 11.25 -11.30 [Matt Stark](#)
17. 11.30 – 11.40 [Leon Da-Silva \(Da-Silva Builders Ltd\)](#)
18. 11.40 – 11.45 [John Purcell](#)
19. 11.45 – 11.50 [Ian Bridge](#)
20. 11.50 – 11.55 [Graeme Mead](#)
21. 11.55 – 12.00 [Amber Hamill](#)
22. 12.00 – 12.05 [Margaret Rogers](#)
23. 12.05 -12.10 [Hannah Palmer and Paul Curwood](#)
24. 12.10 – 12.15 [Niall Tierney](#)
25. 12.15 – 12.20 [Andre Schenk](#)

Attachment 1

Item 5

26. 12.20 – 12.30 [Chris Williams \(King St\)](#)
27. 12.30 – 12.35 [Edgar Wilson](#)
28. 12.35 – 12.40 [Alan Chew](#)
29. 12.40 – 12.45 [Mark Flyger](#)
30. 12.45 – 12.55 [Mark Morgan \(Waikato Regional Airport Ltd\)](#)
31. 12.55 – 1.00 [Anita Burton](#)
32. 2.00 - 2.05 [Martin Toop](#)
33. 2.05 – 2.10 [Brett Murphy](#)
34. 2.10 -2.15 [Stephen Leaper](#)
35. 2.15 - 2.20 [Rana Hay](#)
36. 2.20 - 2.25 [Sarah Hoefhammer](#)
37. 2.25 -2.30 [Ross MacLeod](#)
38. 2.30 - 2.35 [Patricia Gregory](#)
39. 2.35 - 2.40 [Lynne Holder](#)
40. 2.40 – 2.45 Andrew Chain 2024-34 Long-Term Plan [Submission 1](#) [Submission 2](#) [Submission 3](#)
41. 2.45 – 2.50 [Naomi Pocock](#)
42. 2.50 – 2.55 [Bobin Rachan](#)
43. 2.55 - 3.00 [Geoff Kreegher](#)
44. 3.00 – 3.05 [Mitchell Horan](#)
45. 3.05 -3.25 Colin Jones (Commercial & Industrial Consultants Ltd) 2024-34 Long-Term Plan [Submission 1](#) [Submission 2](#) Funding Growth in Hamilton Kirikiriroa [Submission 1](#) [Submission 2](#)
46. 3.25 – 3.30 [Richard Cocks](#)
47. 3.45 – 3.50 [John Smulders](#)
48. 3.50 – 3.55 [Charlotte Chuen](#)
49. 3.55 – 4.00 [Amber Hammill](#)
50. 4.00 - 4.05 [Carla Shailer](#)
51. 4.05 - 4.10 [Stacey Shailer](#)

- | | | |
|-----|-------------|---|
| 52. | 4.10 – 4.20 | <u>Sarah Murray and Sam Newton (New Zealand Recreation Association t/a Recreation Aotearoa)</u> |
| 53. | 4.20 – 4.25 | <u>Athuryann</u> |
| 54. | 4.25 – 4.30 | <u>Daniell Marks</u> |
| 55. | 4.30 – 4.35 | <u>Lance Mccaughan</u> |
| 56. | 4.35 – 4.40 | <u>Margaret Evans</u> |
| 57. | 4.40 – 4.45 | <u>Maureen Reed</u> |
| 58. | 4.45 – 4.50 | <u>Liam Carter</u> |
| 59. | 4.50 – 5.00 | <u>Emma Brookes (Turn and Gymnastic Circle)</u> |
| 60. | 5.00 – 5.05 | <u>Dujon Cullingford</u> |

16 May 2024

1. 9.40 – 9.45 [Thomas Andrews](#)
2. 9.45 – 9.50 [Diane Andrews](#)
3. 9.50 – 10.00 [Leonard Gardner \(Foster Construction Group\)](#)
4. 10.00 – 10.10 [Nic Greene \(Habitat for Humanity Central\)](#)
5. 10.10 – 10.15 [Oliver Boyd \(Summerset Group Holdings Limited\)](#) Funding Growth in Hamilton Kirikiriroa
6. 10.15 – 10.20 [Carol Jarman \(Friends of Hamilton public Libraries\)](#)
7. 10.20 -10.30 [Vanessa Williams \(Hamilton Central Business Association\)](#)
8. 10.30 – 10. 35 [Raymond Mudford](#)
9. 10.35 – 10.40 Kiri Goulter (Regional Tourism New Zealand) [Submission 1](#) [Submission 2](#)
10. 10.40 – 10.45 [Alison Campbell](#)
11. 10.45 -10.50 [John Walker](#)
12. 10.50 – 10.55 [Gus Sharp \(Waikato Regional Theatre\)](#)
13. 10.55 – 11.00 [Mark Bunting](#)
14. 11.15 – 11.20 [James Hughes](#)
15. 11.20 – 11.30 [Robert Dol](#) (Colliers Project Leaders on behalf of the SL1 Owners Group)
16. 11.30 – 11.35 [Jen Palmer \(Bridge Housing Charitable Trust\)](#)
17. 11.35 – 11.40 [Maxine Campbell](#)
18. 11.40 – 11.45 [Craig Stephen](#)
19. 11.45 – 12.00 [Logan Rainey \(Property Council New Zealand Central Region\)](#)
20. 12.00 – 12.05 [Jimileen Tamaki \(Te Papanui Enderley Community Trust\)](#)
21. 12.05 – 12.15 [Susanne Rowse \(Te Rongopai Community Trust\)](#)
22. 12.15 – 12.25 [Deborah Nudds \(One Victoria Trust/ Meteor Theatre\)](#)
23. 12.25 – 12.40 [Mike Doesburg \(The Adare Company Limited\)](#) Funding Growth in Hamilton Kirikiriroa
24. 12.40 – 12.45 [Des Ratima](#)
25. 12.45 – 12.50 Benny Marama (IĒNA PASIFIKA) [Individual Submission](#) [Organisation Submission](#)

26. 12.50 – 1.00 [Ben Tyson \(Te Awa Lakes\)](#) 2024-34 Long-Term Plan and Funding Growth in Hamilton Kirikiriroa
27. 2.00 – 2.10 [Ilaisaane Siua \(Living Wage Movement Aotearoa - Hamilton Community\)](#)
28. 2.10 – 2.15 [Michael Law](#)
29. 2.15 – 2.20 [Tayla McHardie](#)
30. 2.20 – 2.25 [Tony Dixon](#)
31. 2.25 – 2.30 [Riikka Anderson](#)
32. 2.30 – 2.40 [Ron McKinnon and Selwyn Wilson \(Iwi hapu Ngamurikaitaua\)](#)
33. 2.40 – 2.50 [Kelli Pike](#)
34. 2.50 – 2.55 [Alec Forbes](#)
35. 2.55 – 3.00 [John McDonald-Wharry](#)
36. 3.00 – 3.05 [Paul Knox](#)
37. 3.05 – 3.15 [John Dobson \(Hamilton Gardens Development Trust\)](#)
38. 3.15 – 3.25 [Bruce Clarkson \(People, Cities and Nature programme, University of Waikato\)](#)
39. 3.25 – 3.30 [Joe Koti](#)
40. 3.45 – 3.50 Russell Armitage [Submission 1](#) [Submission 2](#)
41. 3.50 – 3.55 [Robin Ratcliffe](#)
42. 3.55 – 4.00 [Chris Field](#)
43. 4.00 – 4.10 [Holly Snape \(Community Waikato\)](#)
44. 4.10 – 4.20 [Dr Amy Marfell and Matthew Cooper \(Sport Waikato\)](#)
45. 4.20 – 4.30 [Phil Evans \(Bike ACTION Hamilton\)](#)
46. 4.35 – 4.40 [Cara Paterson \(Arts Council of New Zealand Toi Aotearoa \(Creative New Zealand\)\)](#)
47. 4.40 – 4.50 [Jeremy Mayall and Sam Cunnane \(Creative Waikato\)](#)
48. 4.50 – 5.00 [Julian Dawson \(on behalf of BB Syndicate Limited\)](#) Funding Growth in Hamilton Kirikiriroa

17 May 2024

1. 9.40 – 9.50 [Ilana Frost \(Waikato Community Lands Trust\)](#)
2. 9.50 – 10.00 [Russelle Knaap \(Hamilton Roller Skating Club\)](#)
3. 10.00 – 10.05 [Steve Atkins](#)
4. 10.05 – 10.10 [Graham Pollard \(Friends of Hamilton Zoo\)](#)
5. 10.10 – 10.20 [Jahvaya Wheki \(Seed Waikato\)](#)
6. 10.20 – 10.30 [Melissa Smith](#)
7. 10.30 -10.35 [Kelli Pike](#)
8. 10.35 – 10.40 [Stephen Stirling](#)
9. 10.40 – 10.45 [Clare McDonald](#)
10. 10.45 – 10.55 [Erin Griffiths \(Waikato Screen NZ\)](#)
11. 10.55 – 11.00 [Rimu Bhooi](#)
12. 11.20 – 11.25 [Roderick Aldridge](#)
13. 11.25 – 11.30 [Neil Curgenvan](#)
14. 11.30 – 11.35 [David Douglas \(Hamilton Wanderers\)](#)
15. 11.35 – 11.40 [Kevin Collins](#)
16. 11.40 – 11.45 [Sam Scott \(Hamilton Arts Festival Toi Ora ki Kirikiriroa\)](#)
17. 11.45 – 11.50 [Bryce Weal](#)
18. 11.50 – 12.00 [Grayson Bell \(Grafraell Enterprises Ltd\)](#) Funding Growth in Hamilton Kirikiriroa
19. 12.00 – 12.05 [Ron Pengelly](#)
20. 12.05 – 12.15 [Jon Webb \(Chedworth Properties Ltd\)](#) Funding Growth in Hamilton Kirikiriroa
21. 12.15 – 12.20 [Blair McAlister](#)
22. 12.20 – 12.30 [Stephen Black](#) Funding Growth in Hamilton Kirikiriroa
23. 12.30 – 12.40 [Ben Preston \(Living System Developments\)](#)
24. 12.40 – 12.45 [Marie-Claire Lepina](#)
25. 12.45 – 12.50 [Anne Bell](#)
26. 12.50 – 12.55 [Debbie Brister](#)
27. 12.55 – 1.00 [Michael Walmsley](#)

28. 2.00 – 2.05 [T Fothergill](#)
29. 2.05 – 2.15 [Mark Rawson](#) (Kainga Ora – Homes & Communities)

Item 5

Attachment 1

Council Report

Committee: Council **Date:** 15 May 2024

Author: Greg Carstens **Authoriser:** Blair Bowcott

Position: Growth, Funding & Analytics Unit Manager **Position:** General Manager Strategy, Growth and Planning

Report Name: Development Contributions Policy 2024/25 Submission Summary Report

Report Status	<i>Open</i>
----------------------	-------------

Purpose - *Take*

1. To inform the Council of the submissions received on the draft Development Contributions Policy 2024/25 and to hear the verbal submission on the matter.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) notes that:
 - i. feedback will be considered during the deliberations on the draft Development Contributions Policy 2024/25 at the 4-6 June 2024 Council meeting; and
 - ii. the Development Contribution Policy 2024/25 will be considered for adoption at the 4 July 2024 Council meeting, becoming operative on 5 July 2024.

Executive Summary - *Whakaraapopototanga matua*

3. At the [14 March 2024](#) Council meeting, Council adopted the draft Development Contributions (DC) Policy for consultation alongside the Long-Term Plan. Consultation ran from 19 March to 21 April 2024.
4. A total of 73 submissions were received through the *Funding Growth in Hamilton Kirikiriroa* consultation, with a combination of feedback received on the Draft Development Contributions Policy and Draft Growth Funding Policy. Three submissions were duplicated and are not included in the analysis for this report but remain available to read online.
5. Many of the submissions addressed only the issues of interest to the respondent. Response rates to individual questions ranged from 55% to 86%. Many respondents provided their submission as an attachment rather than completing the online submission form. Where the submission clearly indicated their view of a proposed update, we have included this in the submission analysis.

6. Overall, respondents supported:
 - i. extending the CBD remission for a further three years to 30 June 2027 but were divided on whether to reduce the percentage remission from 50% to 33%;
 - ii. extending the 100% CBD high-rise remission for a further three years to 30 June 2027;
 - iii. amending the non-residential capped charges provisions to narrow their scope to include only commercial and retail neighbourhood centres as zoned in the District Plan (with caps increased to \$50,000 and \$60,000 respectively (excl. GST) per 100m² of gross floor area;
 - iv. amending the social housing remission criteria to ensure that developments receiving the remission will remain social housing in perpetuity;
 - v. amending the calculation basis for stormwater development contribution charges for all residential dwellings to be 1 Household Unit Equivalent (HUE); and
 - vi. updates to the bedroom definition.
7. Overall, respondents did not agree with:
 - i. introducing a 100% Te Ture Whenua Maaori Act 1993 remission for Maaori customary and freehold land, and papaakainga on any land;
 - ii. the updates in the Policy relating to the milestones at which DCs are required;
 - iii. the Draft DC charges and proposed increases; and
 - iv. the validity of the Schedule Of Assets (SOA).
8. The full submissions are available [here](#).
9. The opportunity to present a verbal submission to Council on *Funding Growth in Hamilton Kirikiriroa* at the 15 May 2024 hearing was requested by 19 respondents from a range of organisations and two individuals.
10. Staff consider the decisions in this report have low significance and that the recommendations comply with Council's legal requirements.

Background - *Koorero whaimaarama*

11. Staff engaged with Elected Members on the DC policy review process in Elected Member briefings on 3 May 2023, and on 31 May 2023 when Mayor Paula Southgate established the DC Working Group (with Cr Sarah Thomson, Cr Maxine van Oosten, Cr Anna Casey-Cox, Deputy Mayor Angela O'Leary and Cr Mark Donovan).
12. At the [28 November Council meeting](#), the Council considered the recommendations of the DC Working Group and resolved a number of changes for the purposes of preparing the draft DC policy 2024/2025.
13. At the 13 February 2023 Development Contributions (DC) Long-Term Plan workshop, staff presented updated recommendations and received feedback on unresolved changes from Members, including on the Te Ture Whenua Maaori Act remission.
14. At the [14 March 2024](#) Council meeting, Council resolved changes from the 28 November 2023 Council meeting and adopted the draft Development Contributions Policy and consultation document alongside the Long-Term Plan.
15. The key changes to the existing Policy, approved by the Council at the 28 November 2023 and 14 March 2024 meetings for inclusion in the draft Policy were:
 - i. *introduce a 100% Te Ture Whenua Maaori Act 1993 remission for Maaori customary and freehold land, and papaakainga on any land;*

- ii. *extend the CBD remission for a further three years to 30 June 2027 but reduce the percentage remission from 50% to 33%;*
 - iii. *extend the 100% CBD high-rise remission for a further three years to 30 June 2027;*
 - iv. *amend the non-residential capped charges provisions to narrow their scope to include only commercial and retail neighbourhood centres as zoned in the District Plan (with caps increased to \$50,000 and \$60,000 respectively (excl. GST) per 100m² of gross floor area);*
 - v. *amend the social housing remission criteria to ensure that developments receiving the remission will remain social housing in perpetuity;*
 - vi. *amend the calculation basis for stormwater development contribution charges for all residential dwellings to be 1 Household Unit Equivalent (HUE);*
- 16. Several other changes that were made to the draft Policy adopted on the 14 March 2024 included:
 - i. providing more detail in the Policy about the milestones at which DCs are required;
 - ii. updated model inputs;
 - iii. refining the gross floor area and bedroom definitions;
 - iv. updating the special assessment detail;
 - v. grammatical/sentence changes; and
 - vi. updated map designs.
- 17. Consultation ran from 19 March to 21 April 2024. Prior to and during consultation, staff met with a number of key stakeholder groups to explain the changes and discuss their views prior to making a submission, including:
 - i. the Waikato branch of the Property Council;
 - ii. Tainui Group Holdings;
 - iii. Waikato Tainui;
 - iv. Te Runanga o Kirikiriroa;
 - v. Hamilton Central Business Association;
 - vi. Fosters;
 - vii. The Adare Group;
 - viii. local iwi;
 - ix. Keith Clapson; and
 - x. Pragma.
- 18. **Attachment 1** is the further insights and our engagement approach used leading up to and during the consultation period for the *Funding Growth in Hamilton Kirikiriroa* consultation.
- 19. Staff have read all submissions to the proposed Development Contributions Policy and have identified key aspects from these submissions discussed in this report.

Discussion - *Matapaki*

Submission themes

- 20. A total of 73 submissions were received through the *Funding Growth in Hamilton Kirikiriroa* consultation, with a combination of feedback on the Draft Development Contributions Policy and Draft Growth Funding Policy.

21. 34 documents were submitted, with many raising issues not in response to questions asked in the consultation document. Where the submission clearly indicated the submitter's view of a proposed update, we have included this in the submission analysis.
22. 41 organisations and 32 individuals responded, including 39 members of the development community (both individuals and organisations).
23. The opportunity to present a verbal submission to Council on Funding Growth in Hamilton Kirikiriroa at the 15-17 May 2024 hearing was requested by 19 respondents from a range of organisations and two individuals.
24. Submissions on the proposed Policy were varied. 45% of respondents provided feedback on only some of the proposed changes.
25. This report is not intended to provide detailed summaries, which may detract from the content of the full submissions, but instead provide a reference to help understand how an individual submission fits within the broader feedback received.

Change 1 – Te Ture Whenua Maaori Act 1993 Remission

26. We asked submitters whether Council should provide a remission of up to 100% to development on Maaori land, and for the development of purpose built papakaainga on any land. This question was not answered by 42% of submitters. Another 34% of submitters did not agree that Council should provide a remission of up to 100% to development on Maaori land and for the development of purpose built papakaainga on any land and 23% (17) agreed.
27. Of those that did not agree with this remission, the most common comment was that all developments should all be treated the same and everyone should pay DCs regardless.
28. Those who agreed with the introduction of the remission said it would encourage investment in housing on Maaori land and that it would be an enabler to develop Maaori land. Some respondents stated that the wording 'up to 100%' was unclear and provided uncertainty.

Change 2 – Central city remission

29. We asked the community two questions –
 - i. whether Council should extend the existing central city remission for a further three years; and
 - ii. whether the percentage of the remission should be reduced from 50% to 33%.
30. Thirty-two respondents (44%) agreed with extending the existing central city remission for a further three years. Whether to reduce the percentage of the remission from 50% to 33% was less decisive with 29% saying yes, 33% saying no and 38% not responding.
31. Those who agreed with extending the CBD remission indicated that the CBD needs investment and the remission will incentivise central city growth.
32. Those who disagreed with extending the CBD remission were concerned about subsidising central city developments at the expense of ratepayers and other developers.

Change 3 – Central city high-rise remission

33. We asked the community whether Council should extend the existing 100% CBD High-rise remission for a further three years. Submitters generally agreed to extend the 100% CBD high rise remission with 40% (29 submitters) saying yes, 27% opposing and 33% not answering the question.

34. Overall, those that supported the extension agreed that the remission will stimulate economic growth and vitality in the central city. Some who supported also suggested variations to the remission, such as:
- i. reducing the remission percentage;
 - ii. reducing the height eligibility from 6 stories or more to 4 storeys; or
 - iii. changing the remission based on the number of storeys.
35. Those that disagreed with extending the remission said that ratepayers and other developers will be burdened. They also raised environmental and infrastructural concerns about the impact of high-rise developments.

Change 4 – Non-residential capped charges

36. We asked the community two questions on changes to our existing non-residential caps criteria:
- i. whether Council should revise the non-residential capped charges to only include commercial and retail development in neighbourhood centres; and
 - ii. whether Council should increase the level of the proposed capped charges by \$20,000 to reflect the increased cost of funding growth.
37. This question had the lowest response rate with 55% of submitters answering it. Overall, respondents (32%) agreed with the proposal to narrow the non-residential caps criteria and increase cap levels.
38. Those who disagreed with narrowing the caps criteria were concerned about the exclusions from the criteria (such as industrial developments and other district plan zones) and believed that excluding other areas would slow down development and hinder economic activity.
39. Others who agreed with the reduced scope recommended that cap levels were reduced so that more future developments could be included.

Change 5 – Social housing remission

40. We asked the community whether the Council should retain the existing social housing remission but renamed as a community housing remission and with amended eligibility criteria to secure long term benefits for Hamilton.
41. Overall, 41% of respondents agreed with the changes to the social housing remission (30 submitters). Some supported the remission in part but wanted Council to extend the eligibility criteria to include affordable housing and charitable trusts.
42. Those who disagreed (21%) were concerned about the potential loopholes, fairness in contribution and impact on infrastructure funding. 38% of submitters did not answer this question.

Change 6 – Calculating stormwater charges

43. We asked the community whether the Council should charge residential development a uniform flat stormwater charge for all dwellings, regardless of bedroom numbers or size of dwelling. Overall, 32% (23 respondents) agreed with the change, 30% disagreed and 38% did not answer.
44. Some submissions requested that Council relooks at charging residential stormwater DC charges using impermeable surface area, which would more accurately reflect stormwater demand.

Change 7 – Milestones at which DCs are required

45. We asked submitters whether Council should outline the factors it considers when determining when to require a DC within the policy. This question garnered a strong response from the development community and had the highest response rate of all questions asked (86%).
46. Overall, 45% (33 respondents) supported the change and 41% (30) did not. Those that supported the change agreed it would make the Policy more transparent and remove any ambiguity over when Council may make decisions on when to charge DCs.
47. While more respondents agreed with making determining factors clearer, a large number of submissions raised concerns over Council's discretion to choose which milestone to require DCs on. They were concerned over the legality of this discretion and about the uncertainty of future costs endured during the development phase.

Other key matters raised

48. We received 34 submissions with attachments that covered an array of submission points. The following are the points raised in multiple submissions.

Concern over level of Draft DC charges

49. A large proportion of respondents (over 50%) expressed concern at the high level of draft DC charges and strongly opposed the increases. Most stated that the high charges would impact affordability and supply, make Hamilton less attractive for new housing developments and would see developers move to neighbouring regions.
50. Concerns were raised that the current economic climate has seen the costs to develop soar and high DCs would add further strain and prevent economic growth. 27% of respondents recommended phasing charges or deferring the implementation of the new policy.

Concern over Schedule of Assets (SOA)

51. The SOA is a growth-related projects subset of the Council's capital program, and is not specific to or generated by the DC team. Several submitters raised concerns that the SOA lacked transparency, that Council could not deliver the extent of the infrastructure included, and the extent to which secondary infrastructure that could be delivered by a private developer was included in greenfield.
52. They expressed that the SOA should be realistic and affordable. Several submitters requested that Council pause the DC Policy review and review the SOA in collaboration with the development community.

Bedroom definition

53. Most of those who commented on updates to the bedroom definition supported the changes to simplify its application.
54. One submission raised issues with the inclusion of secondary living spaces as bedrooms.

Gross floor area definition

55. Those who commented on the changes to the gross floor area definition did not agree with charging DCs on canopies and did not want the explicit exclusion of loading zones to be removed from the definition.

DC Revenue projections

56. Some submitters stated that Council should review its DC revenue projections in light of the broader economic outlook and because the increased charges will lead to a significant reduction in development activity.

Financial Considerations - *Whaiwhakaaro Puutea*

57. There are no financial implications to the decision sought by the report.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

58. Staff confirm that this report complies with the Council's legal and policy requirements of the Local Government Act 2002 and specifically s82 Principles of consultation.
59. Staff confirm that the draft DC Policy 2024/25 complies with the Council's legal and policy requirements and that legal review has been sought confirming that the changes are lawful and appropriate for consultation.

Climate Change Impact Statement

60. Staff have assessed there are no recommendations and resolved changes in this report so have not assessed the content against the Climate Change Policy for both emissions and climate change adaptation.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

61. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
62. The subject matter of this report does not impact the 4 wellbeings as there is no recommended action.

Risks - *Tuuraru*

63. The recommended amendments to the Draft DC Policy were legally reviewed and are considered lawful.
64. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

65. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.
66. There is a statutory requirement to consult as per legislation outlined below.
67. In accordance with the requirements of section 82 of the Local Government Act 2002, Council is required to consult on the draft DC Policy 2024/25.
68. Consultation on the draft DC Policy 2024/25 took place between 19 March and 21 April 2024.
69. Consultation was sent out to the key stakeholder groups on Council's list of developers and organisations and all those who previously engaged with DC Policy reviews. There was also information on the Council website, media releases and social media post on LinkedIn aimed at the wider community.

70. During the consultation period, staff actively met with key stakeholders such as representatives from the Waikato branch of the Property Council, Tainui Group Holdings, Waikato Tainui, Hamilton Central Business Association, Fosters, The Adare Group, local iwi, Keith Clapson and Pragma to explain the changes and offer the opportunity to discuss their views prior to making a submission.
71. On 20 March 2024, staff also attended the Council event 'Growing our City/Developers Forum' where staff presented alongside a Long-Term Plan presentation, the opportunity for attendees to engage and ask questions on DCs and the Policy out for consultation.
72. Council staff also attended gatherings at Hukanui Marae and Te Papa o Rotu Marae to discuss the draft policies, answer questions and encourage attendees to make a submission.
73. Pre-engagement with representatives from Tainui, Te Runanga o Kirikiriroa, Maangai Maaori and local iwi on supporting principles of the Te Ture Whenua Maaori Act 1993 was also completed prior to consultation.
74. Refer to **Attachment 1** for further insights and our engagement tactics used leading up to and during the consultation period for the Funding Growth in Hamilton Kirikiriroa consultation.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Funding Growth engagement and submission insights 2024 .

FUNDING GROWTH IN HAMILTON KIRIKIRORA

Draft Development Contributions Policy and Draft Growth Funding Policy consultation engagement and insights report

Overview

Public consultation on the draft Development Contributions (DC) Policy and draft Growth Funding Policy opened on Tuesday 19 March 2024 and closed on Sunday 21 April. During this period, key stakeholders and the community were able to give feedback on proposed changes to both policies. A consultation document was published, outlining the proposed changes and explaining the submission process.

There were several key changes proposed to Council's DC policy:

- Change 1: Te Ture Whenua Maori Act 1993 remission
- Change 2: Central city remission
- Change 3: Central city high-rise remission
- Change 4: Non-residential capped charges
- Change 5: Social housing remission
- Change 6: Calculating stormwater charges
- Change 7: Milestones at which DCs are required

Council's draft DC changes were also updated and other changes that were proposed related to updating the gross floor area definition, bedroom area definition, and clarification about Council initiated special assessments. Updates were also made to maps, references, information, dates and grammar.

Key amendments were also made to the Growth Funding Policy including:

- reference to the principles for out-of-boundary development as set out in the Hamilton Urban Growth Strategy
- clarifying considerations relating to the value accruing to landholdings created by Council decisions
- simplifying the benefits recognition provisions
- removing or amending several redundant or outdated provisions.

A total of 73 submissions were received through the Funding Growth in Hamilton Kirikiroroa consultation, with a combination of feedback on the Draft Development Contributions Policy and Draft Growth Funding Policy.

The opportunity to present a verbal submission to Council on Funding Growth in Hamilton Kirikiroroa at the 15-17 May 2024 hearing was requested by 21 respondents representing 19 organisations and two individuals.

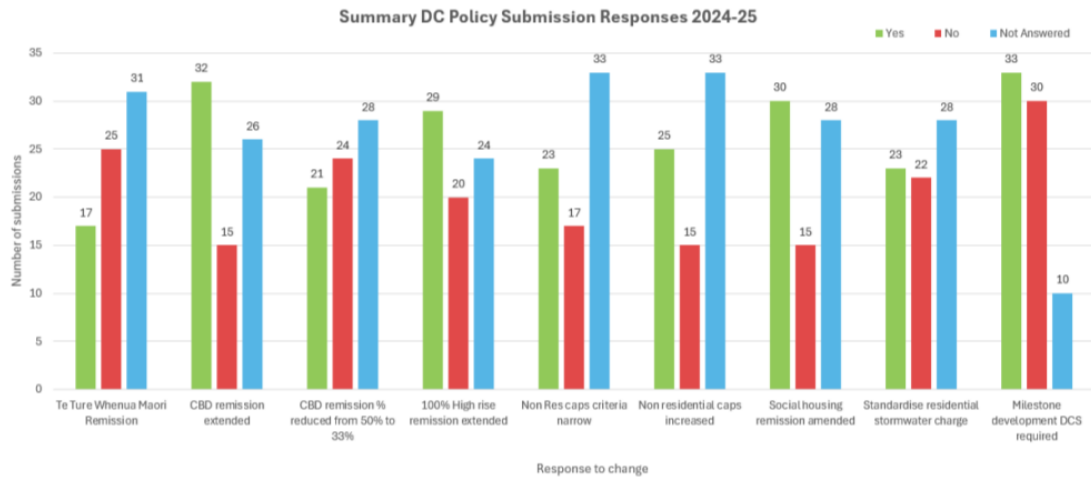
Submissions Insights

41 organisations responded and 39 members of the development community responded (both individuals and organisations).

The following businesses or organisations made submissions on the Development Contributions policy and Growth Funding Policy:

Assured Property	Grafraell Enterprises Ltd	Qestral Corporation Ltd
BB Syndicate Limited	Habitat for Humanity Central Region Ltd	SkyCity Hamilton
BCD Group	J&G Gallagher Management Ltd	SL1 Owners Group
BDL Land Limited	Kahikatea Investments GP Limited	Summerset Group Holdings Limited
Newell Road Partnership and Next Construction Limited	Living Streets Kirikiriroa / Hamilton	Tainui Group Holdings Limited (TGH)
Black & Orange Property Limited	MG Solutions Ltd	Te Awa Lakes
Bridge Housing Charitable Trust	Native Bird Drafting Ltd	Te Rapa Gateway Ltd (owned by Chalmers Properties Ltd)
Chedworth Properties Ltd	NCL	Te Runanga o Kirikiriroa Charitable Trust Inc
CKL NZ Ltd	Ngaa Uri o Maahanga Trust on behalf of Ngaati Maahanga	The Adare Company Limited
Clapson Construction Ltd	Everton Heights Ltd	The Hamilton Roller Skating Club
Commercial & Industrial Consultants Ltd	Peter Findlay & Associates Ltd	Waikato Community Lands Trust (WCLT)
Cornerstone Developments Waikato Ltd	Porter Group	Waikato Thoroughbred Racing Incorporated
Engas Developments	Pragma Property Group	Walker Residential Development
Foster Construction Group	Property Council New Zealand Central Region	

Summary of submission responses

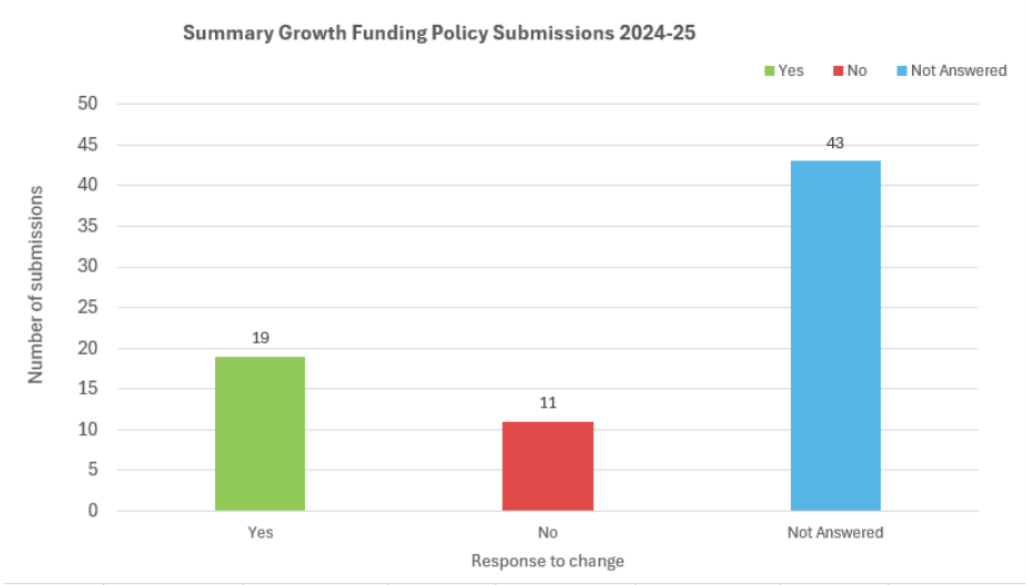


Development Contributions Policy

Change		Yes		No		Not Answered		Majority
1	Te Ture Whenua Maori Remission	17	23%	25	34%	31	42%	No 34% (25)*
2	CBD remission extension	32	44%	15	21%	26	36%	Yes 44% (32)
2	CBD remission % reduction from 50% to 33%	21	29%	24	33%	28	38%	No 33% (24)
3	100% High rise remission extension	29	40%	20	27%	24	33%	Yes 40% (29)
4	Non-Residential caps criteria narrow	23	32%	17	23%	33	45%	Yes 32% (23)*
4	Non-residential caps increase	25	34%	15	21%	33	45%	Yes 34% (25)*
5	Social housing remission amendments	30	41%	15	21%	28	38%	Yes 41% (30)
6	Standardise residential stormwater charge	23	32%	22	30%	28	38%	Yes 32% (23)*
7	Milestone DCs are required	33	45%	30	41%	10	14%	Yes 45% (33)

*after 'not answered'

Growth Funding Policy



Feedback through emails

Staff fielded more than 50 technical questions through email about the draft DC Policy, Council’s DC model, the schedule of assets, growth projections and proposed charges.

Engagement Tactics

Goal

To get informed feedback from key stakeholders and interested Hamiltonians on proposed changes to the Development Contributions Policy and Growth Funding Policy.

Objectives

The general public, stakeholders and identified groups who are most affected by the proposed changes:

1. are aware of the proposed changes.
2. feel informed enough to provide considered feedback.
3. have the opportunity to provide formal feedback.

Engagement Outcome

By the end of the public consultation period (19 March to 21 April 2024), Council received 72 submissions.

Engagement Campaign Review

A Funding Growth Consultation Document covering both the Development Contributions (DC) Policy and Growth Funding Policy, together with a submission form, were produced and made available on Council's Have Your Say page. Hard copies were distributed to Council's front reception and the city's seven public libraries.

Council issued a media release on the draft DC Policy and Growth Funding Policy on 14 March. A public notice notifying the public consultation period was published in the Hamilton Press on 20 March 2024. Social media posts encouraging people to make a submission on the proposed policy changes was published on LinkedIn.

On 20 March, Council hosted members of Hamilton's business community at its Growing our City event. Staff gave a broad outline of proposed changes to its growth funding policies.

Targeted emails to key stakeholder groups inviting them to view the proposed policies and make submissions were sent out on 19 March and 15 April 2024.

Council staff met with developer groups and key stakeholders during and leading up to public consultation, including the Waikato Branch of the Property Council of New Zealand, Tainui Group Holdings, Waikato Tainui, Hamilton Central Business Association, Fosters, The Adare Group, Keith Clapson, Pragma.

Council staff also attended gatherings at Hukanui Marae (5 April) and Te Papa o Rotu Marae (10 April) to discuss the draft policies, answer questions and encourage attendees to make a submission.

Engagement Results

Website

We had 2206 views on our Have Your Say: Funding Growth in Hamilton Kirikiriroa page, between 18 March and 21 April.

Our media release “Council seeks feedback on proposed changes to funding growth” attracted 336 views as of 21 April 2024.

We sent out four stakeholder emails during the consultation period and had open rates of between 33.82% and 51.72%.

Media

Waikato Times, 18 March 2024

New build fees set to soar

Development
Stephen Ward

New fees to build a cash-strapped council's coffers are set to add tens of thousands to new homes and commercial builds, sparking "shock" from developers and home buyers who could stifle growth in the tough economic environment.

Hamilton developers face steep rises for development contributions (DCs) to the city council – that includes hikes of well over 100% and tens of thousands of dollars in some cases.

Higher DCs, which pay for infrastructure like water services, can add substantially to the cost of commercial, housing, industrial and retail projects. But the council says it needs more to cover its own significantly higher infrastructure costs for developments.

The highest suggested residential DCs increase to dollar rates for 2024-25 compared to this year to more than \$60,000 – \$800 per three-bedroom housing unit, and up to \$20,000 for part of the city, while other areas increase of up to \$20,000 (25%) are suggested.

Council data for areas where a lot of the industrial, commercial and retail development occurs also show water log jumps in suggestions for new use.

Industrial changes in Te Kōwhiri are generally due to about double – that'll be 30%, higher in Buxton and 20% higher in Buxton, the council said.

One table comparing next year's proposed and 2022-23 showed industrial DCs per 100sqm in Te Kōwhiri at more than \$5000 – more than \$5000.

Commercial changes in the central city and broader inner-city areas are up by around 10% and are 20% higher in some cases. Another table showed two Pascoe areas are due to have DCs of more than \$40,000 more per 100sqm compared to 2022-23.

But changes in the central city and broader inner-city areas are due to be up by around 10% and 10% in Buxton.

The data indicated that areas in Chartwell and St Andrew could have DCs of more than \$6,000 more per 100sqm compared to 2022-23.

Clayton Construction owner Keith Clayton said higher DCs would add to pressures on developers but said of the council's move "it doesn't surprise me – they're trying to scrape money together from anywhere and everywhere."

Higher proposed DCs come on top of the council's suggested 10% residential rate rise for the next five years and big new commercial increases for fees and charges in 2024-25.

The DCs and rates rises are covered in new consultation documents approved by council officers last Thursday.

Planning and analysis manager Craig Cameron said the meeting proposed DCs, they were primarily driven by an increased programme for three water services under new rules, higher industrial costs (up to 10%), and water treatment on sewerage.

He acknowledged that higher charges could potentially stifle development, but housing, supply, and economic and job growth.

Recent discussions with the Property Council about the proposed changes had provoked some "shock" and a "yuck" factor, Cameron said.

Steve Puck, developer and the DCs increase would also come as a bit of a shock to some smaller developers, the council leader's office said.

He was concerned about a "tipping point" where higher DCs could significantly affect growth.

Ecological growth committee chairperson David Thomson warned higher DCs could affect building project feasibility, particularly for those who'd recently bought land at high prices.

DCs needed to reflect the cost of infrastructure, as much as possible, but the council didn't necessarily support all the suggested changes.

Economic development committee chairperson David Wilson – involved in trying to get a \$120 million hotel development in the CBD – said the council needed to avoid discouraging central developments with higher DCs.

"The reality that such moves could affect major hotel projects (and) could negatively impact significant developments in the CBD."

Clayton believed higher DCs would definitely hit residential building activity.

Some developers were finding it tricky to build because of reduced buyer interest in the current economic climate.

Any higher DCs – as well as higher fees and charges – would add pressure.

"It will further slow the recovery down a bit and increase the price of houses."



There are commercial higher DCs could hurt new business development and bump up their prices.

Waikato Times, 19 March 2024

Read online at waikatotimes.co.nz

Waikato Times Tuesday, March 19, 2024

News 3

Developer fee hike would hit house prices - Property Council

Property
Stephen Ward

A property industry group that includes many of Waikato's largest developers is deeply concerned about Hamilton City Council's plan to crank up development fees.

As reported in the *Waikato Times* on Monday, a draft development contributions policy could see a rise of more than 100% and tens of thousands of dollars in some cases, potentially impacting house prices and development feasibility.

The central regional chair of the Property Council, Morgan Jones, said in a statement on Monday that he had serious concerns about the scale of the new charges, which help fund growth.

"If we are serious about our commitment to ensuring all Hamiltonians are well-housed and that Hamilton is a city that attracts new businesses, we need to work together to find a better solution to Hamilton City Council's funding gap, rather than relying on proposed development contribution increases."

He said raising these fees by up to 131 per cent is a "hefty addition" to the cost of building a home or planning a development.

"The math is simple - the higher the cost to develop and build, the higher the cost of purchasing a home."

"Worse still, this proposal could stop



High density housing under development in Hamilton last year - there are Property Council concerns that big proposed increases in city council development contributions could act as a brake on growth.

KELLY HODGE/AAKATO TIMES

new developments from getting off the ground across Hamilton, which has greater flow on effects for both our housing supply [and] the local economy."

He said development in Hamilton is already "an uphill battle", with high interest rates, increasing construction costs,

falling demand from home buyers and ongoing regulatory uncertainty.

Increasing DCs while expecting the property sector to still be able to deliver new projects to keep up with demand was wishful thinking.

"The development community is happy

to pay its fair share of infrastructure costs, and we empathise with the council's funding and financing difficulties.

"But the determination of what 'fair' looks like needs to be considered alongside the need for the private sector to provide housing and commercial developments that support the future growth of the city."

Hamilton, like much of New Zealand, was facing an infrastructure deficit, Jones said.

Local authorities were trying to plug this gap with fee and rate increases when alternative approaches needed to be looked at.

"Given the cost pressure on development contributions, and proposed increases to city rates, there needs to be a wider conversation on what we want the future of Hamilton to look like, and how we plan to pay for infrastructure moving forward."

Earlier, local developers also raised concerns.

While he didn't have exact details of what's being suggested, Leonard Gardner, director at construction firm Foster Group, said: "DCs are just a component but it is an important part of costs."

Additional costs just make it harder to make things happen."

Clapson Construction owner Keith Clapson said some developers were finding it tricky to build because of reduced buyer interest in the current economic climate. Higher DCs - as well as higher fees and charges - would add pressure.

"It will further slow the recovery down a bit and increase the price of houses."

Waikato Times, 23 March 2024

Waikato Times Wednesday, March 23, 2024
A4 News

Council developer fee hike could add 'millions' to projects

Development
Stephen Ward

The city's proposed development contribution increases could add thousands of thousands of dollars more to projects across a leading Hamilton development.

The comments from the developer, who requested anonymity for contractual reasons, follow the news of the council's plan to raise DCs by up to 131 per cent.

Developers pay the fees to help provide for the infrastructure required to support growth.

Some of the higher suggested increases in other areas include an extra \$40,000 to \$100,000 per lot for some residential projects in the city, and an extra \$40,000 per lot for some commercial projects.

Using these figures, a 10-lot residential project could see an extra \$400,000 to \$1,000,000 in DCs, while a 10-lot commercial project could see an extra \$400,000 to \$1,000,000 in DCs.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.

The developer's comments follow a report in the *Waikato Times* that the council's plan to raise DCs by up to 131 per cent could add millions of dollars more to projects across the city.



Future development contributions could add hundreds of thousands of dollars - or even millions - to developer costs for large projects, according to the council's plan to raise DCs by up to 131 per cent.

of a development's costs. "It's not a big number but it's a number that adds up," said Gardner, but added that it was more about the scale of the increase than the amount. "If DCs increase, it's not just a one-off cost, it's a recurring cost that could impact on the viability of a project."

"It will also impact on the council's ability to fund infrastructure, which is a long-term issue for the city."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

"The DCs will add to the overall cost of the project, which could impact on the viability of the project."

Hamilton City Council
Te kaunihera o Kirikiriroa

Subscribe for digital access at waikatoimes.co.nz/subscribe Tuesday, March 26, 2024 \$3.20

EST. 1872 TE REO O WAIKATO

WAIKATO TIMES

It's getting 'harder and harder to build'

Housing
Stacey Rangitonga

A Hamilton developer who's been listed to pull the pin on a townhouse development says anything that streamlines building consents is "a good thing", but resource consents are the "real kicker".

Councils are now required to share building consent and code of compliance certificates (CCCs) data with central government every quarter, in a bid by the Government to speed up processing times.

Building and Construction Minister Chris Peck made the announcement recently, saying feedback from the sector indicated that consents and CCCs often took a lot longer than the statutory 20 day time frame, causing frustration and costly delays for builders.

But Assured Property Investments chief executive John Kenel, who has been developing homes in the Waikato for 20 years, says processing times aren't the issue.

"Anything that the Government can do to help streamline consents is a good thing as long as it's not just another burden for councils, because while I'm often very frustrated with councils, I also understand that they are under a lot of pressure from a lot of different stakeholders."

Kenel said he didn't have any issue with building consents and CCCs, as consent "just about always" went through within 20 working days.

"What I have an issue with is the resource consent process, the engineering consent process. Those are where the difficulties lie, and it is getting harder and harder every year."

Kenel is taking a \$1 million "hit" to the pocket after being forced to scrap a 22-townhouse development in Dinsdale because of Hamilton City Council's new flood mapping, which predicts that the 770sqm site will be affected by one-in-100-year flooding.

The developer says he did his due diligence when he bought the site but was later told he could only build on 500sqm of it.

After a lot of back-and-forth, he says the flood level was raised by another 5m, and he had no choice but to take the financial hit, as he could no longer build on the site at all.

"It's the uncertainties, the changes in policy just from one day to the next. It's that resourcing consent process which is the real kicker."

The council's regulatory services unit director, Cory Lang, said the council welcomed moves by central government to improve the building consent process.

"In 2022-23, our average processing time for building consents was 27.8 working days, and code compliance 12.6 working days, well within statutory limits. We report these figures to council every six months, and hold ourselves accountable to our results."

A 2022 MBIE evaluation of the building consent process found that while most consents were processed within the 20-day time frame, many went on hold pending further information, which meant the actual processing time was much longer.

It was "very common" for building consents to be placed on hold while the applicant provided further information, Lang said. "The length of time these consents are on hold varies greatly depending on the specific information being requested, due to the complexity of the consents and level of information requested."

"As these time frames are dictated by the applicant and the variables involved, we do not currently report this to council as a performance measure."

Kenel also took aim at the upcoming rises in Development Contributions, which are set to add tens of thousands of dollars to the cost of new developments, warning that those costs will ultimately be passed on to buyers and tenants.

"Currently, we're paying about \$88,000 per townhouse development contribution in Hamilton East. It's going to \$41,000, and Hamilton West to \$47,000."

"We're officially in a recession, which means people are suffering, businesses are suffering, you know everyone's struggling, and the council is raising the fees by more than 1,00% when people are already on their knees."

"Builders are doing less in Hamilton now than any time I can remember. Personally, I'm building six houses at the moment in Hamilton East – that's it. That's all I have, and I don't know what else I'm going to do next."

His team really had the capacity to build, on average, 60 to 80 units per year, he said.

"We build simple, affordable housing. Everything is for rent, so we keep the cost down."

"We do smaller sites, but built well. But we're not building because the interest rates are too high, the costs are too high. Everything's too hard, and then council came along and just jack up fees like this."

"It's really bad timing, and there's no mitigation – and it's right on top of the rates increase as well."

Data from Statistics NZ show consents for new homes in the Waikato were down 25% to 3546 in the year ending December 2023. Nationally, there were 47,239 new homes consented in the year, down 25% compared with the year ended December 2022. There were 49,538 homes consented in 2022, the highest number in a calendar year since records began.

According to Hamilton City Council data, there were 1207 new homes consented last year. This was made up of 644 townhouses, flats or units, 36 houses and 47 apartments.

Kenel has also taken aim at the upcoming rises in Development Contributions, which are set to add tens of thousands of dollars to the cost of new developments, warning that those costs will ultimately be passed on to buyers and tenants.

Assured Property Investments chief executive John Kenel supports streamlining building consents but says that's not the issue.

Building and Construction Minister Chris Peck says builders are facing frustration and costly delays.



Hamilton City Council
Te kaunihera o Kirikiriroa

Waikato Times, 26 March 2024

Council expects 40% lift in building fees

COUNCIL
Stacey Ranganhe
and Stephen Ward

The city council is budgeting for development contributions to increase nearly 40% over the next five years to just under \$130 million, despite concrete higher proposed fees from 2024/25 could hit growth.

A 30% lift in a charge on developers to help meet the cost of infrastructure networks such as for water, wastewater, sewerage, roading, community infrastructure and transport activities.

Figures revealed in response to an official information request show the council received more than \$117 million in revenue from DCs between 2019 to 2023.

That compares to a budgeted \$28 million collectively over the next five financial years, outlined in the 2024/25 long-term plan which is currently out for consideration. In 2023 the council received \$15.3 million, slightly higher than the \$14.8 million it received in 2022.

2023's revenue was significantly lower at \$23.6 million, while 2020 saw the council receive \$34.1 million. In 2019, it received \$26.9 million.

By contrast, DCs of \$26.4 million were budgeted for next year, followed by annual sums of \$21.9 million, \$41.2 million, \$51.3 million and \$56.8 million, funding and services manager Craig Carson said. That means total over \$228 million in total.

The council's plans to hike DCs by more than 40% in some instances has left developers shocked by the fee increase, with a warning it could add hundreds of thousands of dollars, more millions, to project costs. It raised questions about whether the higher DCs could hurt developers and new growth.

Failure to achieve budgeted DCs revenue could theoretically affect the ability to pay within the council's key debt to revenue ratio – a measure which can affect creditworthiness.

Carson said it was proposed that for every \$10 million in DC's below budget there could be a one percentage point reduction in the headroom between debt and the top of the ratio.

The Property Council – an industry group including many of Waikato's largest developers – has said it was "highly concerned" about the proposed DCs rise saying a better solution was needed to address the council's "funding gap".

Hamilton developer John Keady warned DC increases would ultimately be passed on to buyers and tenants.

"Currently we're paying about \$10,000 per residential development contribution in Hamilton City. It's going to \$40,000 and Hamilton West to \$47,000."

"We're effectively in a recession, which means people are suffering, businesses are suffering, you know everyone's struggling and the council is raising the fees by more than 40%, when people are already on their knees."

Now, a recent report to the council's strategic task and measuring a developer has noted lower than anticipated development costs in the short term could have a material impact on DCs revenue.

There has been a significant drop in both residential and non-residential developments this financial year, with the report predicting another 30% drop in the next 12 months.

Long-term revenue, infrastructure funding and services manager



The council received close to \$100 million from developers in the past five years and is budgeting to get nearly \$130 million over the next five years, despite higher fees.

What's Next

Verbal submissions on the draft DC Policy and Growth Funding Policy will take place between 15 and 17 May 2024. Elected Members will discuss and review the feedback from the community between 4 and 6 June 2024. Elected Members are scheduled to adopt the 2024/25 Development Contributions Policy and Growth Funding Policy on 4 July 2024.

Council Report

Item 7

Committee: Council

Date: 15 May 2024

Author: Greg Carstens

Authoriser: Blair Bowcott

Position: Growth, Funding & Analytics
Unit Manager

Position: General Manager Strategy,
Growth and Planning

Report Name: Growth Funding Policy 2024 Submission Summary Report

Report Status	Open
----------------------	------

Purpose - *Take*

1. To inform the Council of the submissions received on the draft Growth Funding Policy 2024 and to hear verbal submissions on the matter.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) notes that:
 - i. feedback will be considered during the deliberations on the draft Growth Funding Policy 2024 at the 4-6 June 2024 Council meeting; and
 - ii. the Growth Funding Policy will be considered for adoption at the 4 July 2024 Council meeting, becoming operative on 5 July 2024.

Executive Summary - *Whakaraapopototanga matua*

3. At the [14 March 2024](#) Council meeting, the Council adopted the draft Growth Funding Policy for consultation alongside the Long Term Plan. Consultation ran from 19 March to 21 April 2024.
4. The *Funding Growth in Hamilton Kirikiriroa* consultation covered both the Draft Growth Funding Policy and the Draft Development Contributions Policy. A total of 73 submissions were received with a combination of feedback on the two policies. As expected, most of the feedback related to the Draft Development Contributions Policy, which is covered in a separate report on this agenda.
5. Many of the submissions addressed only the issues of interest to the respondent. Thirty submissions (41%) answered the question on the Growth Funding Policy. Several respondents provided their submission as an attachment rather than completing the online submission form. Where the submission clearly indicated their view of the proposed updates, we have included this in the submission analysis.
6. Overall, majority of the respondents that answered the question agreed with the proposed changes to the Growth Funding Policy.

7. The opportunity to present a verbal submission to Council on Funding Growth in Hamilton Kirikiriroa at the 15-17 May 2024 hearing was requested by 19 respondents from a range of organisations and two individuals.
8. The full submissions are available to view [here](#).
9. **Attachment 1** to the Development Contributions Policy – Submissions summary report on this agenda for insights and engagement tactics used leading up to and during the consultation period for the *Funding Growth in Hamilton Kirikiriroa* consultation.
10. Staff consider the decisions in this report have low significance and that the recommendations comply with Council’s legal requirements.

Background - *Koorero whaimaarama*

11. The Growth Funding Policy sets out the criteria for allowing unfunded growth projects to occur. It is reviewed every three years, as is best practice. It was last reviewed in 2021 alongside the 2021–31 Long-Term Plan.
12. Staff informed Members of the Growth Funding Policy review at the [28 November 2023 Council meeting](#) and later discussed the proposed changes and requested feedback from Elected Members at the Long-Term Plan Workshop on 13 February 2024.
13. At the [14 March 2024](#) Council meeting, the Council approved the following amendments to the Draft Growth Funding Policy to go out for consultation:
 - i. *include reference to the principles for out-of-boundary development in accordance with the Hamilton Urban Growth Strategy;*
 - ii. *clarify considerations relating to the value accruing the landholdings created by Council decisions;*
 - iii. *simplify the benefits recognition provisions; and*
 - iv. *remove or amend several surplus provisions.*
14. Consultation took place from 19 March to 21 April 2024.

Discussion - *Matapaki*

Submission overview

15. A total of 73 submissions were received through the *Funding Growth in Hamilton Kirikiriroa* consultation, with a combination of feedback on the Draft Development Contributions Policy and Draft Growth Funding Policy. Three submissions were duplicated and are not included in the analysis for this report but remain available to read online.
16. 34 documents were submitted as attachments, with many raising issues not in response to questions asked in the consultation document. Where the submission clearly indicated the submitter’s view of a proposed update, we have included this in the submission analysis.
17. The opportunity to present a verbal submission to Council on *Funding Growth in Hamilton Kirikiriroa* at the 15-17 May 2024 hearing was requested by 19 respondents from a range of organisations and two individuals.
18. 41 organisations and 32 individuals responded, including 39 members of the development community (both individuals and organisations).
19. Submissions on the Draft Growth Funding Policy were varied, with comments broad and not directly related to the amendments to the Policy.
20. The full submissions are available [here](#).

21. We asked submitters whether they agreed with the proposed changes to the Growth Funding Policy. 60% (43) of submitters did not answer the question, 26% (19) submitters agreed with the proposed changes and 15% (11) submitters did not agree.
22. Of those that supported the proposed changes, only one person provided additional feedback saying that the changes would provide direction and impetus to build better communities.
23. Submitters who did not support the amendments had varied comments including that:
 - i. the Growth Funding Policy is unnecessary;
 - ii. it creates an impediment to growth;
 - iii. it discourages partnering with Council to share the costs and risks of growth.
24. One submitter also said that the wording of Section 11b implies that the Council is proposing to introduce some form of value capture scheme through Private Developer Agreements, which they do not support in the Hamilton context.
25. Five submitters said that consultation on the Growth Funding Policy should have been through a separate policy submission process to the Development Contributions Policy as there was too much to consider.

Financial Considerations - *Whaiwhakaaro Puutea*

26. There are no financial implications to the decision sought by the report.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

27. Council staff have sought a legal review, which concludes that the draft Growth Funding Policy amendments are lawful and that the draft Policy is in a form appropriate for public consultation.

Climate Change Impact Statement

28. Staff assessed the amendments against the Climate Change Policy for both emissions and climate change adaptation and have determined that no adaptation assessment is required and that no emissions assessment is required.
29. If and when unfunded or unplanned developments come to the Council for consideration, they will be managed through other Council processes and policies, including those that related to environmental policy and associated considerations.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

30. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
31. The subject matter of this report does not impact the 4 wellbeings as there is no recommended action.

Risks - *Tuuraru*

32. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

33. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.
34. Given the low level of significance determined, the engagement level is low. No engagement is required.
35. Consultation on the draft Growth Funding Policy 2024 took place between 19 March and 21 April 2024.
36. See **Attachment 1** of the Development Contributions Policy – Submissions summary report for insights and engagement tactics used leading up to and during the consultation period for the *Funding Growth in Hamilton Kirikiriroa* consultation.

Attachments - *Ngaa taapirihanga*

There are no attachments for this report.