



**WHANGANUI
DISTRICT COUNCIL**
Te Kaunihera a Rohe o Whanganui

Statement of Proposal

Proposed Development Contributions Policy 2024

1. Summary of information

Whanganui District Council ('the Council') is seeking feedback on proposed changes to the Development Contributions Policy. The change in the policy extends Development Contributions across the district, updates the growth-related capital projects, updates the demand measures and adds criteria for remission for certain types of development.

2. Introduction and Background

In 2018, Council adopted the first Development Contributions Policy to cover the growth areas of Springvale Expansion Areas and Northwest Growth Area.

Since 2018, growth within Whanganui has increased and over the next 10 years the population of Whanganui is expected to grow by 4,000 people. This growth will result in approximately 1160 additional residential dwellings across the district in both greenfield development within urban expansion areas, and infill development within existing suburbs.

To support this growth, Council needs to provide infrastructure including new pipes, roads and community facilities. To fund this infrastructure, Council is proposing to extend the development contributions across the district so that developers, and future residents, who benefit from growth pay a fair, equitable and proportionate level of the infrastructure cost required to provide for growth.

3. Main changes to the Policy

The biggest change to the Development Contributions policy will be the extension of the areas covered by development contributions. The existing Development Contributions policy only applies to the Springvale and Northwest growth and Council is proposing to extend this to the whole of Whanganui District, including Mill Road Industrial Area and existing suburbs. This has resulted in substantive changes to the capital projects covered by the policy and the demand measures.

The list of Capital Projects has been updated to reflect those supporting growth in the wider district, and includes eligible Community infrastructure and Reserves projects. The costs have also been updated to reflect the current costs as included in the Long-Term Plan. The final figures will be subject to the consultation process.

Demand measures are used for calculating the level of demand a new development creates on Council infrastructure. For residential development, Council is proposing to move from a site-based demand measure to an occupancy-based demand measures which is tied more closely to the actual demand a new dwelling or new additions to dwelling places on Council infrastructure.

Council is also proposing to include a remission policy with criteria for community groups, social housing and actual demand remissions.

Analysis of practicable options

Option 1: Amend the current Development Contributions Policy (Preferred)

Under this option, Council would amend the Development Contributions Policy to better reflect the capital cost of growth-related projects within Whanganui District. Amendments to the policy would include the extension of area subject the development contributions, changes to the capital projects, changes to the demand measures and the inclusions of remissions.

Advantage	Disadvantage
<ul style="list-style-type: none">• Development contributions fairly and equitably recovered for the cost of capital expenditure required for growth in Whanganui.• Ratepayers do not have to pay for the growth, reducing the burden on ratepayers.	<ul style="list-style-type: none">• Changes could cause slowdown in development in the short-term.• Different levels of development contributions may incentivise development within unintended areas.

Option 2: Retain the current Development Contributions Policy (Status-quo)

Under this option, Council would retain its existing Policy with associated planned projects.

Advantage	Disadvantage
<ul style="list-style-type: none">• Lower levels of development contributions required for development could encourage more growth in the district.	<ul style="list-style-type: none">• The capital cost of infrastructure for growth within Whanganui isn't fairly and equitably recovered.• Ratepayers will have to pay for the growth-related capital projects.• Growth costs are under-recovered as they are based on out-of-date project costs

4. Consultation and Submission

In making, amending, or revoking the policy, Council must use the Special Consultative Procedure set out in section 83 of LGA 2002. Council has prepared and adopted the proposed policy for public consultation. Any person can make a submission on the proposed policy as set out in section 82 of LGA 2002.

A copy of the Statement of Proposal, including proposed Development Contributions Policy and information about making a submission can be obtained from the Council website www.whanganui.govt.nz.

Submissions can be made online at [Have Your Say](#) alternatively submission forms are available from the Whanganui District Council Customer Service counter at the main municipal building located at 101 Guyton Street, the Davis Central City Library and Gonville Library.

The period for making submissions is from **2 April – 2 May 2024**.

5. Have your say.

Submitters can indicate whether they would like to speak to their submissions and include contact details. People who wish to be heard by Council will be given the opportunity to do so. The venue for the hearing of submissions is yet to be confirmed.

For any queries, please contact **Justin Walters, Principal Policy Planner on (06) 349 0001**

6. Attachments

Attachment 1- Proposed Development Contributions Policy (2024)