From: Brendon Hewett <brendon@chedworthproperties.co.nz>
Sent: Wednesday, 7 December 2022 3:01 pm
To: Have Your Say; Mark Davey
Cc: Andrew Cumberpatch; Lehi Duncan; Jon Webb
Subject: CPL - PC12 Further Submission
Attachments: Chedworth Properties Ltd PC12 Further Submissions (002).pdf

Follow Up Flag: Follow up
Flag Status: Completed

Categories: PLAN CHANGE 12

BHLF-KZG7-PRFP-U

Hi Mark

Good to see you at the HUGS submissions the other day.

Please find our further submission to PC12 attached.

Kind regards,
Brendon

Brendon Hewett **BRP (Hons)**
General Manager
Phone: 021608817
Email: brendon@chedworthproperties.co.nz

https://www.greenhillpark.co.nz/

7 December 2022

Mark Davey
City Planning Unit Manager
Hamilton City Council
E-mail: haveyoursay@hcc.govt.nz

Chedworth Properties Limited – further submission in support or opposition to submissions on notified Plan Change 12

To: Hamilton City Council
Private Bag 3010
Hamilton 3240

Submission on: Further submission on Plan Change 12

From: Chedworth Properties Limited

1. These further submissions are in support of, or in opposition to, submissions made on proposed Plan Change 12 to the Hamilton City Operative District Plan: Enabling Housing Supply (PC12).

2. As set out in our original submission on PC12 (submission reference 181), Chedworth Properties Limited (CPL) is a long standing, Hamilton based development company that has provided over 6,500 new sites over the past 30+ years. CPL is currently delivering the greenfield subdivision known as Greenhill Park.

3. Greenhill Park is a medium density residential subdivision with a portion of CPL's land also zoned for commercial and industrial development. The development has been underway since 2015 and is approximately half-way through delivering the total of 1,800 new residential sites.

4. At Greenhill Park, CPL provides all three waters infrastructure, power, telecom and gas infrastructure, all roads and footpaths, and all street plants and furnishings as required by the suite of resource consents. The aspects currently proposed by Hamilton City Council (HCC) under 24.2.1 a. (i-v) of PC12 that the proposed financial contributions rules relate to are therefore already paid for by the developer of a greenfield developments.

5. On this basis, CPL has a particular interest in the proposed financial contributions provisions, and CPL is a party that has an interest in PC12 that is greater than the interest of the general public.

6. CPL therefore makes the following further submissions pursuant to Clause 8, Schedule 1 of the Resource Management Act 1991 in the attached table.

7. CPL will not gain an advantage in trade competition through these further submissions.

8. CPL wish to be heard on this submission.

9. CPL would be prepared to consider presenting a joint case with others making a similar submission.

Yours Faithfully

Brendon Hewett
General Manager - Chedworth Properties
brendon@chedworthproperties.co.nz

Jon Webb
Director – Chedworth Properties

Point	Submitter	Submission	Support or Oppose	Reasons
107.3	Bill Mitchelmore	*This formula for calculating financial contributions is highly problematic and unreasonable for the following reasons:* *• The city wide approach for the streetscape and Te Ture Whaimana purposes provide no recognition of the substantial costs that greenfield developments are now required to incur to satisfy resources consent conditions for adverse environment effect mitigation relative to comparable historical and/or brownfield development. As a consequence, greenfield developments will be paying proportionately higher costs to mitigate adverse environment effects and to provide for betterment than identical developments located in brownfield locations. This represents an administratively driven cost transfer from greenfield to brownfield development by the Council…* *The methodology for calculating FCs does not take account of changes in land uses such as conversions from commercial or retail land uses to residential in brownfield areas of Hamilton. In these situations, recognition of the existing PUDs needs to be taken into account. Otherwise, some brownfield developments will incur a FC as mitigation of an adverse environment effect that they do not create.*	Support	CPL concur that under the proposed provisions of Chapter 24, greenfield developments will be paying proportionately higher costs to mitigate adverse environment effects and to provide for betterment than developments located in brownfield locations.
107.4	Bill Mitchelmore	*Purpose of network infrastructure renewals:* *The proposed changes to Chapter 24 provide for a FC to fund the cost of capacity upgrades to existing network infrastructure that the Council has previously decided not to fund in accordance with its DC Policy. The capacity upgrades are deceptively referred to as "Network Renewals" in an attempt to distinguish the assumed costs of capacity upgrades from the costs allocated of growth identified in the DC Policy. The term "Network Renewals" is also defined in Chapter 24 in a manner that enables existing network components to be repaired and replaced in a manner that provides new and additional development to connect. The proposed definition of what constitutes a renewal defies common logic and general understandings of the term "renewal". It is also inconsistent with the definition for "renewal works" in the operative District Plan in respect to transport infrastructure.* *The Council is understood to have identified $5.7M of supposed renewal costs based on cost allocations to renewals in the Schedule of Assets supporting the DC Policy and then attributed 50% of these cost allocations to FCs. This rather arbitrary approach to cost allocation undermines the credibility of the very complicated cost allocation methodology used by the Council to allocate costs to growth in the DC Policy. In addition, the renewal costs are being recovered from developments located in greenfield areas where land developers either directly fund future growth capacity needs to the most up-to-date standards set by the Council (or they contribute via DCs) at the time of consent. As a consequence, the infrastructure renewal FC has been constructed to transfer costs from future infill development to greenfield development in a manner that is unrelated to the adverse environmental effects that can be attributed to greenfield development.* *Purpose of Te Ture Whaimana:* *In 2019, the Council has indicated it identified a total cost of $44.7M to meet Te Ture Whaimana objectives in gullies occupying 73.7 Ha of the City over a 10-year time period of the current LTP. The cost estimates have subsequently been raised to $47.2M to account for inflation in the last 3 years. The Council is now proposing to take advantage of the opportunity provided by a recent RMA amendment encompassing betterment (ie s77e.2) to recover 100% of these costs from all types of future development in Hamilton in the form of a FC. The cost estimates provided are understood to include the supply, planting and maintenance of vegetation and public access into and along gullies including construction of paths, stairs, boardwalks and bridges and the installation of signage and operational costs. These projects will clearly benefit all Hamilton residents (existing and future) yet the Council considers all of the costs should be borne by future development. It is* *obvious that the goal of the Council is to transfer the costs of its Te Ture Whaimana objectives from ratepayers to future development without reasonable regard to who will enjoy the benefits and what adverse environmental effects are being mitigated.* *Purpose of Streetscape Amenity:* *The Council is proposing to upgrade community parks and plant trees on existing road reserves using FCs levied on residential development. It anticipates it will incur costs of $36M over a 10 year period. As with the cost estimates for funding the purpose of the proposed Te Ture Whaimana FC, the Council does not appear to have attributed any benefits of the planned expenditure to existing residential development located in the existing brownfield areas of Hamilton. As a consequence,*	Support	CPL concur that Financial Contribution (FC) charges need to be revisited and targeted at developments that are demonstrably responsible for the adverse environmental effects justifying the FCs; logically excluding developments located in greenfield areas.

		the Council is essentially using FCs to generate additional revenue in the first instance and then to transfer costs to future residential development for the benefit of existing ratepayers.		
109.6	Jennylee Godwin	*The submitter does not support rate payers covering development costs.*	Oppose	As outlined in our original submission, CPL provides all three waters infrastructure, power, telecom, and gas infrastructure, all roads and footpaths, and all street plants and furnishings as required by the suite of resource consents as part of their greenfield development at Greenhill Park. CPL oppose the proposed FC provisions of Chapter 24, and oppose the relief sought of making developer's financial contributions bigger.
163.5	Boffa Miskell Limited - Nick Pollard Hamilton Homezone Limited	*The Enabling Housing Act and NPS-UD are concerned primarily with intensification of residential activity. The proposed financial contribution provisions disproportionally impact on commercial and retail activities in comparison with other categories of activities because of the use of vehicle movements as a proxy for demand, which wrongly assumes that vehicle traffic that visits commercial and retail outlets is generated (in wholly or in part) by those activities, rather than by the residential growth that the activities have been developed to serve. There is no rationale for assuming vehicle movements equate to the level of effect which may be generated on the Waikato River and/or the need for renewal of local infrastructure networks.* *The financial contributions provisions cannot duplicate the matters addressed in the development contributions policy and doing so effectively amounts to double charging.* *No feasibility analysis has been undertaken regarding the impact of the financial contribution provisions on the development of non-residential activities. A non-retail commercial development of a building of the size consented on the HS4 site would attract a significant financial contribution which would negatively impact on the commercial feasibility of development.* *New non-residential activities should not be subject to the financial contribution provisions as they:* *• Provide goods and services that are required to meet demand from incoming residential development; and* *• Do not themselves generate the adverse effects that have been identified as requiring mitigation through financial contributions.*	Support	While Greenhill Park is primarily a residential development, some commercial/retail activities are proposed there in accordance with Ruakura Structure Plan. CPL concur that the proposed FC provisions cannot duplicate the matters addressed in the DC policy, and in doing so effectively amounts to double charging.
167.3	William Courtney McMaster	*The submitter supports the proposed financial contributions.*	Oppose	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.
175.1	The Base Te Awa Limited - Alex Devine	*The submitter opposes the financial contributions provisions in their entirety because the provisions:* *• Disproportionately impact on commercial and in particular retail activities in comparison with other categories of activity.* *• With respect to non-residential activities, are identified as being required primarily to give effect to the Council's strategy for the Waikato River.* *• Use vehicle movements as a proxy for demand, which wrongly assumes that vehicle traffic that visits retail outlets is generated, either wholly or in large part, by those retail outlets rather than by the residential growth that the retail outlets have been developed to serve.* *The submitter considers that :* *• New retail, food and beverage and entertainment facilities do not themselves generate increased traffic across the city, although they can cause localised traffic effects.* *• The FCC Provisions should not seek to duplicate the matters addressed in the DC Policy and doing so effectively amounts to double charging.* *• No adequate feasibility analysis has been undertaken regarding the impact of the FC Provisions on the development of non-residential activities.* *New retail, food and beverage and entertainment activities should not be subject to the FC Provisions as they:* *• Provide goods and services that are required to meet demand from incoming residential development; and* *• Do not themselves generate adverse effects that require mitigation through financial contributions*	Support	CPL concur that the proposed FC provisions cannot duplicate the matters addressed in the DC policy, and in doing so effectively amounts to double charging.
191.3	Miriam Teresa Monk	*That financial contributions be required for the extra demand on amenities, infrastructure, open spaces and streetscape.*	Oppose	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.
205.2	Simon and Michelle Lawrence	*Seek that the council ask for greater financial contributions per PUD to develop increased community amenities.*	Oppose	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.

	and Challies			
223.1	Wendy Hampton	*Greater financial contribution from developers to improve community green spaces, and streetscapes.*	Oppose	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.
236.19-23	Waikato Tainui (Te Whakakitenga o Waikato Incorporated) - Alana Mako	*Waikato-Tainui support the inclusion of 24.2.1 to recover from developers a contribution in the form of money, or land, or a combination of both money and land, which gives effect to Te Ture Whaimana…* *The proposed contribution for this charge is ~$1700 per additional dwelling or ~$555 per additional bedroom.* *Waikato-Tainui are concerned that the financial contributions will not be commensurate to the development and the adverse effects it may potentially have on the awa or demonstrate improvement in water quality. Waikato-Tainui do not think the financial contributions will be enough to offset the effects as well as providing for betterment.*	Oppose	As outlined in our original submission, greenfield developers currently provide stormwater mitigation and treatment measures to manage effects on the downstream network, and in this context the Vision and Strategy for the Waikato River is already a consideration. For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.
240.1	Foodstuffs North Island Limited (FC Provisions) – Alex Devine	*The submitter opposes the financial contribution provisions in its entirety, stating that unless the relief sought submission is granted, PC12 will:* *• Not comply with the Council's obligations under the RMA as amended by the Enabling Act.* *• Not promote the sustainable management of natural and physical resources.* *• Be otherwise inconsistent with the purpose and principles in Part 2 RMA.* *• Be inappropriate in terms of section 32 RMA.* *The submitter highlights that PC 12 introduces new FC's pursuant to sections 77E and 77T of the Enabling Act, noting that these FC provisions will disproportionately impact on commercial and retail activities in comparison with other categories of activity. Retail activities do not generate adverse effects on the Waikato River. Using vehicle movements to establish demand is inappropriate given the blurred relationship between use for retail outlets vs residential growth. The Enabling Act and NPS-UD are concerned primarily with intensification of residential activity. Retail activities will not compromise achievement of the Council's strategy for the river. Retail facilities do not themselves generate increased traffic across the city.* *The FC Provisions also incorporate a local network infrastructure component. The Submitter understands that those costs may already be recovered through the Council's Development Contributions Policy. The FCC Provisions should not seek to duplicate the matters addressed in the DC Policy and doing so effectively amounts to double charging. New retail activities should not be subject to the FC provisions as they provide goods and services that are required to meet demand from incoming residential development and do not generate adverse effects that require mitigation through financial contributions.*	Support	CPL concur that the proposed FC provisions cannot duplicate the matters addressed in the DC policy, and in doing so effectively amounts to double charging.
241.36	Rotokauri North Holdings Limited – Gary Noland	*Chapter 24 – in its entirety.* *The submitter opposes any financial contributions applying to Rotokauri North as all effect resulting from the development of the greenfield site have been addressed by either Development Contributions and/or the private development agreement. No further contributions are warranted.*	Support	CPL also oppose the proposed FC provisions, as all effects resulting from the development of the greenfield sites, like Greenhill Park, are addressed by either by DCs and/or the private developer agreement with HCC.
243.9	The Adare Company Limited – Mike Doesburg	*The proposed new financial contribution regime is targeted at managing effects from intensification in urban areas on three waters / transport, parks / reserves / open space, streetscape amenity and giving effect to Te Ture Whaimana. In contrast, development in greenfield areas will be designed to accommodate anticipated densities in accordance with best practice requirements (including under ICMPs, the RITS, Stormwater Guidelines etc). Parks / reserves / open space and streetscape amenity is also planned and provided for. If such infrastructure is not developer-funded, it is funded by development contributions.* *The proposed new financial contribution regime fails to recognise this distinction. Instead, it appears to expect a financial contribution from all new development. It is unreasonable to expect financial contributions from greenfield development, which has not contributed to the effects that the regime seeks to manage. The regime should be amended to exclude greenfield areas or at least the Peacocke Precinct.*	Support	CPL concur that greenfield developments should be excluded from the FC provisions of Chapter 24.
245.4	Robert Hermann	*The submitter believes developers should pay for developments and that operational costs should be factored into any financial contributions.*	Oppose	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.
257.1	Sarah Josephine and Zoe Georgina Yzendoorn	*The submitter opposes the requirement for developers to pay both financial AND development contributions because this will drive up the price to buy new homes.*	Support	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24.
266.36	Bloxam Burnett and Olliver -John Olliver Waikato	*The submitter opposes in part Chapter 24 because PC12 financial contribution amendments appear to go beyond the scope of an IPI. Where these do not relate to residential intensification the amendments should be subject to the standard RMA Schedule 1 process. While chapter 24.1 Background states that a financial contribution is for a*	Support	CPL are also concerned that under the proposed provisions of Chapter 24, HCC are effectively 'double-dipping' under dual FC and DC regimes.

	Racing Club Incorporated	*different purpose to a development contribution, there is no clear differentiation between what is "effects" mitigation (FCs) and what is providing for growth (DCs).* *Regarding effects, the section 32 evaluation does not provide an evidential basis for what the effects will be that are required to be mitigated and therefore subject to FCs. Chapter 24.2.1 General purpose of financial contributions refers to effects associated with a list of matters which should be funded through DCs-three waters/transport network improvements; three waters/transport capacity upgrades; parks/reserves/open space network enhancement/improvement.* *It is not clear why and how FCs are required to give effect to Te Ture Whaimana.* *It is unlawful to "double dip" across FCs and DCs. However, the FC chapter reads like a DC policy, despite the statement at 24.4.2 that costs "shall exclude any infrastructure works otherwise funded via Council' DC policy.* *Need to provide explanation of how the relationship between FCs and DCs will be managed and implemented.* *The section 32 evaluation for chapter 24 does not consider an appropriate range of options.*		
270.3	Hamilton City Council – Mark Davey	*The submitter notes that operative provisions enable Council to utilise its discretion when applying the rules. This should be carried through to the proposed rules so that flexibility in terms of the amount of contribution required is provided in the Plan. Chapter 24 could be clearer in articulating its application to greenfield development areas. Greenfield developments generally have high development contribution fees, and it is not Council's intention to create barriers to development by imposing unrealistic development fees. To this extent, more thought should be given to how Chapter 24 applies to greenfield development areas.*	Support	For the reasons outlined in our original submission and in this further submission, CPL oppose the proposed FC provisions of Chapter 24. CPL are encouraged that HCC recognise the high development contributions already paid by greenfield developers, and support revisions to Chapter 24.
278.1	Steve Burgess The Porter Group - Murray Porter	*The submitter opposes the introduction of financial contributions from greenfield development to subsidise brownfield development. The way the FC charges have been constructed suggests that HCC does not consider growth resulting from intensification in brownfields areas as growth. HCC's methodology to mitigate the effects of intensification therefore seeks to share the costs of intensification in these brownfields areas with the greenfield areas of Hamilton, despite greenfield areas receiving little or no benefit from these works. The proposed Citywide approach to these charges provides no recognition of the substantial costs that greenfield developments are now required to incur to satisfy resources consent conditions to mitigate adverse environmental effects relative to comparable historical and/or brownfield development.*	Support	CPL concur that under the proposed provisions of Chapter 24, greenfield developments will be paying proportionately higher costs to mitigate adverse environment effects and to provide for betterment than developments located in brownfield locations.
281.14	Bloxam Burnett and Olliver -John Olliver Peter John Findlay & Donna Margaret Findlay	*The submitter opposes in part Chapter 24 because:* *PC12 financial contribution amendments appear to go beyond the scope of an IPI. Where these do not relate directly to residential intensification the amendments should be subject to the standard RMA Schedule 1 process. While Chapter 24.1 Background states that a financial contribution is for a different purpose to a development contribution, there is no clear differentiation between what is 'effects' mitigation (FCs) and what is providing for growth (DCs).* *The section 32 evaluation does not provide an evidential basis of the effects of intensification that are required to be mitigated and therefore subject to FCs.* *Chapter 24.2.1 General purpose of financial contributions refers to effects associated with a list of matters which should be funded through DCs - three waters/transport network improvements; three waters/transport capacity upgrades; parks/reserves/open space network enhancement/improvement.* *It is not clear why and how FCs are required to give effect to Te Ture Whaimana.* *It is unlawful to 'double dip' across FCs and DCs. However, the FC chapter reads like a DC policy, despite the statement at 24.4.2 that costs 'shall exclude any infrastructure works otherwise funded via Council' DC policy.* *There is a need to provide an explanation of how the relationship between FCs and DCs will be managed and implemented.* *The s32 evaluation does not address alternative sources of funding for infrastructure upgrades such as the Nature in the City Programme or the Infrastructure Acceleration Fund. These sources should be considered alongside FCs to avoid "double dipping"*	Support	CPL are also concerned that under the proposed provisions of Chapter 24, HCC are effectively 'double-dipping' under dual FC and DC regimes.
325.1	Robert Dol Golden Ridge Park Limited, Golden Ridge Farm Limited,	*The submitter considers that the way financial contributions have been constructed suggests that HCC does not consider growth resulting from intensification in brownfields areas as growth. HCC's methodology to mitigate the effects of intensification therefore seeks to share the costs of intensification in brownfields areas with the greenfields areas of Hamilton, despite greenfields areas receiving little or no benefit from these works. The proposed Citywide approach provides no recognition of the substantial costs that greenfield developments are now required to incur to satisfy resource consent conditions to mitigate adverse environmental effects relative to comparable historical*		CPL are also concerned that under the proposed provisions of Chapter 24, HCC are effectively 'double-dipping' under dual FC and DC regimes, and concur that greenfield developments will be paying proportionately higher costs to mitigate adverse environment effects and to provide for betterment than developments located in brownfield locations.

	Golden Valley Farm Limited, Dart Holdings Limited and Glass Investments Limited (Selwyn Mexted)	*and/or brownfield development. This is achieved either directly through the provision of infrastructure or indirectly through the payment of DCs.* *The result of the proposed FCs in Plan Change 12 is a subsidisation by greenfields development of intensification in brownfields areas of Hamilton. We are concerned that there is a real risk of HCC unreasonably penalising developers with risk of double dipping and in some cases council also introducing value capture discussions in greenfield area.*		
330.134	Chapman Tripp – Luke Hinchey Retirement Villages Association of New Zealand Incorporated (John Collins)	*The submitter is concerned that the Financial Contributions chapter as proposed will result in 'double dipping' under dual financial and development contribution regimes. The general purpose set out in 24.2.1 indicates that both regimes cover three water and transport infrastructure and reserves/public open space.* *The submitter is also concerned that the Financial Contributions chapter does not recognise the bespoke demand characteristics of retirement villages or works carried out as part of development which may result in inequitable contributions being derived from retirement village developments.*	Support	CPL are also concerned that under the proposed provisions of Chapter 24, HCC are effectively 'double-dipping' under dual FC and DC regimes.
332.10	Mitchell Daysh Ltd - Abbie Fowler	*Fonterra is opposed to the Council's proposed approach to financial contribution. Fonterra is concerned that the provisions as drafted are not limited to residential zoned properties and would require payment of financial contributions for permitted activities in all zones. The submitter considers that it is not clear why the requirement to pay financial contributions has been extended to apply to properties that are not zoned Residential or utilised for residential activities. The submitter believes that the rationale is unclear for using financial contributions to meet the costs of the Te Ture Whaimana actions, when it appears that those actions are a response to all activity in the city, rather than just new activity. The submitter considers it unclear how "Three Waters/transport infrastructure" network costs will differ from growth-related capital expenditure in the Development Contribution policy.*	Support	CPL concur that the proposed FC provisions cannot duplicate the matters addressed in the DC policy, and in doing so effectively amounts to double charging.
343.64	Jones Lands Limited and Hamilton Campground Limited - Tristan Jones	*The submitter opposes the financial contributions applying broadly across Hamilton, in particular as the submitter considers that the matters being identified for financial contributions are largely due to inadequate upkeep and renewal of existing infrastructure.*	Support	CPL also oppose, under the proposed provisions of Chapter 24, FCs applying broadly across Hamilton.