



ATTACHMENTS MINUTES

Ordinary Council meeting

Monday, 4 September 2023

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Supplementary information to Council reports

Introduction of Te Papa Local Development Contributions Catchment

Updates to residential and non-residential local DCs

Staff have continued to refine the proposed Te Papa local development contributions charges. The table below shows:

- Local DC for a 3+ bed dwelling: approx. \$8,500
- Local DC per 100 sqm of gross floor area for a non-residential development: approx. \$8,200

7 Residential Local DC	Capex	Financing costs	Total
8 Transport	3,494.73	2,795.79	6,290.52
9 Parks & Reserves	1,543.68	617.47	2,161.15
0 Total	5,038.41	3,413.26	8,451.67
1			
2			
3 Non-residential Local DC	Capex	Financing costs	Total
4 Transport	4,553.96	3,643.17	8,197.13

Impact on TSP IFF from introduction of Te Papa Local DC catchment

We are proposing to create \$28m of DC funding for transport projects. This \$28m is currently funded from IFF in the draft LTP. This creates \$28m of IFF capacity to direct to other eligible projects. We expect some of this will be allocated to increased costs on Cameron Rd Connections (approx. \$5m). Another \$5m may be directed to Tauriko W, if needed.

This has the following impacts:

- Delay in drawdown:
 - o IFF drawdown was expected to be complete by Dec 26 when the IFF was established.
 - o LTP prioritisation pushed this out to Sept 27.
 - o Introduction of the Te Papa catchment will push this to approx. June 28.
- Funding allocation impact: more funding will be directed to 15th/Turret, Area A and Area B transport choices, Hewletts Rd.
- We are already expecting "penalty" interest cost (\$1.5m) against the drawdown profile in our LTP budgets as a result of delays in stage 2 design etc from the drawdown assumption. In the event that projects are not delivered to the LTP budgets, this will come at a further cost of the difference between borrowing and investment rates (approx. 2%). This is estimated at a further \$800,000.

City Centre Development Contribution Incentives

Staff have prepared the below examples of development and associated estimated DC charges (these are based on the 2023/24 citywide charges and the proposed 24/25 Te Papa local charge).

Residential development						
Stories	Dwellings	Citywide	Local	Sub-total	Incentive	Total
2	6	180,036	50,706	230,742	0	230,742
6	30	900,180	253,530	1,153,710	0	1,153,710
10	50	1,500,300	422,550	1,922,850	769,140	1,153,710

Commercial development				
Stories	GFA	Citywide	Local	Total
2	1,280	75,108	98,148	173,256
6	3,840	237,842	310,802	548,644
10	6,400	400,576	523,456	924,032

For the purposes of these examples, we have made the following assumptions:

- Based on an 800 sqm site
- Commercial development will result in 80% site coverage
- All dwellings built are one HUE for DC purposes
- 5 dwellings built on each floor other than for 2 storey developments where we have assumed 6 townhouses are built
- Ground floor of 6 and 10 storey residential buildings are used for residential purposes