
Extraordinary Council

OPEN MINUTES

Minutes of a meeting of the Council held in Council Chambers, Municipal Building, Garden Place, Hamilton on Thursday 9 May 2019 at 9.34am.

PRESENT

Chairperson Mayor A King
Members Cr M Bunting
 Cr J R Casson
 Cr S Henry
 Cr D Macpherson
 Cr G Mallett
 Cr A O’Leary
 Cr R Pascoe
 Cr P Southgate
 Cr G Taylor
 Cr L Tooman
 Cr R Hamilton

In Attendance: Richard Briggs – Chief Executive
 Jen Baird – General Manager City Growth
 Sean Hickey – General Manager Strategy and Communication
 Chris Allen – General Manager Development
 David Bryant – General Manager Corporate
 Greg Carstens – Growth, Funding and Analytics Unit Manager
 Stafford Hodgson – Senior Strategic Policy Analyst

Lachlan Muldowney – Lawyer for Hamilton City Council

Governance Staff: Becca Brooke – Governance Team Leader
 Amy Viggers – Committee Advisor

1. Apologies

Resolved: (Mayor King/Cr Pascoe)
That the apology for absence from Deputy Mayor Gallagher is accepted.

2. Confirmation of Agenda

Resolved: (Mayor King/Cr Bunting)
That the agenda is confirmed.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

No members of public wished to speak.

6. Resolution to Exclude the Public

Resolved: (Mayor King/Cr Henry)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Development Contributions Verbal Update) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1. to maintain legal professional privilege Section 7 (2) (g)

The meeting went into a public excluded session at 9.40am.

During the public excluded session of the meeting the Council resolved to release the following resolution to the public:

C1. Development Contributions Legal Verbal Update

Resolved: (Cr Macpherson/Mayor King)

That the Council:

- a) receives the verbal report;
- b) approves that based on the consultation feedback received, the capital projects identified at the 4 April 2019 Council Meeting [item 12 resolution d) (ii) and Attachment 4] not be included in the Development Contributions Policy 2019/20 Schedule of Assets; and
- c) approves that this resolution is released to the public.

8 For 4 Against. Deputy Mayor Gallagher was an apology for the meeting.

The meeting came back into an open session at 11.25am.

The meeting adjourned 11.25am to 11.36am.

The following members of the public spoke to their submissions on the proposed Development Contributions Policy.

Tony McLauchlan (Chedworth Properties)

Mr McLauchlan spoke in support of the earlier resolution of the Council to remove the proposed change concerning the 2019/20 Schedule of Assets from the Development Contributions Policy. He noted that in Chedworth Properties' opinion, all of the proposed changes should be declined and a more comprehensive review of the policy undertaken.

Mike Neale (HCBA and NAI Harcourts)

Mr Neale spoke in support of the proposed change to the policy concerning the CBD development contribution remission. He noted that there were a number of increases to costs for developers and that development contributions were the main lever that Council could use to enable growth in the city.

Nic Farac (Hounsell Holdings Ltd)

Mr Farac spoke to the Hounsell Holdings Ltd submission and their concerns regarding the household unit equivalents of demand (HUE) uptake in Rotokauri.

Paul Radich (Perry Group Ltd)

Mr Radich highlighted key points from their submission including concerns that the strategy 'Growth Pays for Growth' failed to recognise the complexities inherent in property development and the relationship between Council, developers, and the end user. He noted that Perry Group was in support of retaining CBD remissions.

Lucy de Latour (The Adare Company Ltd)

Ms de Latour spoke to Adare's developments in Hamilton and their concerns within the current and proposed policy including that the policy was causing developers to pay more than a fair and equitable share. She suggested the Council should undertake a full review of the Development Contribution Policy. She noted that the proposed Development Contribution Policy means Adare may wait to develop their land and that this could have a negative impact on Hamilton.

John De Luca (Porter Group and AGPAC Industries)

Mr De Luca suggested that the current and proposed Development Contribution Policy was not calculating fair and equitable charges. He noted he was aware that there were developments not going ahead in Hamilton due to the large development contributions charges that were being calculated by Council.

Peter Findlay (Individual)

Mr Findlay spoke to the proposed changes to the Development Contribution Policy concerning Rotokauri and CBD remissions. He felt that the Development Contribution Policy did not enable a fair playing field for all developers. He suggested that all development contributions be frozen until the next 10-Year Plan.

Chris Simpson (Waikato Chamber of Commerce)

Mr Simpson spoke to the consultation process and their concerns that the proposed Development Contributions Policy will have a negative effect on the economy of Hamilton.

John Gallagher (Gallagher)

Mr Gallagher spoke to the consultation process and noted that in his opinion the development contributions charges were not fair or equitable. He advised that an extension to the Gallagher's site has been prevented due to estimated development contribution charges.

Rhys Harvey (Fosters)

Mr Harvey noted that Fosters supported a fair charge but that the current and proposed Development Contribution Policy was too complex and was discouraging development from occurring in Hamilton. He advised that based on his calculation there was a 13% increase to development contribution charges based on the proposed changes which affected the feasibility of developments.

Bill Mitchelmore (Murtagh Construction and Kiwi Property)

Mr Mitchelmore noted that his clients were happy to pay a fair and equitable charge but that in their opinion the charges were too high and put future projects in Hamilton at risk. He spoke to their concerns regarding the remission process, early payment triggers, the application of a credit note rather than repayments by the council, and that growth was paying for more than the cost of growth.

Thomas Gibbons (The Property Council)

Mr Gibbons spoke to the frustrations expressed by developers in the community, causing some to look elsewhere for their developments. He noted that there was a flow on effect of high development contributions which was that Hamilton would not continue to grow appropriately and that there would be increased regional sprawl.

5. 2019-20 Proposed Development Contributions Submissions Report

The Growth, Funding and Analytics Unit Manager and Senior Strategic Policy Analyst spoke to the submissions received on the proposed Development Contributions Policy. They noted that a majority of submissions were in support of remissions in the CBD and Rotokauri, but were not supportive of other proposed changes to the policy.

The following points were raised by Elected Members in relation to further information requested concerning the Development Contributions Policy:

- the effect of the proposed changes on the Council's revenue for each of the proposed changes
- the reassessment process currently employed by staff
- Infrastructure costs that were yet to be accounted for
- implications of changes to the policy on Hamilton as a whole
- explanation of the assessment calculations process
- repayment of and discrepancies in development contributions

Resolved: (Mayor King/Cr Hamilton)

That the Council

- a) receives the report; and
- b) notes that feedback will be considered during the deliberations on the proposed Development Contributions Policy at the 21 May 2018 Council meeting; and
- c) notes that the Development Contributions Policy 2019/20 is scheduled to be considered for approval at the 20 June 2018 Council meeting.

The meeting was declared closed at 1.07pm.