



Otorohanga District Council

# AGENDA

Extraordinary Meeting

31 August 2018

1pm

**Members of the Otorohanga District Council**

Mr. M Baxter (Mayor)  
Mrs. K Christison  
Mr. R Johnson  
Mrs. RA Klos  
Mr. P McConnell  
Mr. K Phillips  
Mrs. D Pilkington (Deputy Mayor)  
Mrs. A Williams

Meeting Secretary: Mr. CA Tutty (Governance Supervisor)

# OTOROHANGA DISTRICT COUNCIL

31 AUGUST 2018

Notice is hereby given that an Extraordinary meeting of the Otorohanga District Council will be held in the Council Chambers, 17 Maniapoto Street, Otorohanga on Friday 31 August 2018 commencing at 1pm.

29 August 2018

**DC Clibbery**  
**CHIEF EXECUTIVE**

## AGENDA

### ORDER OF BUSINESS:

ITEM	PRECIS	PAGE
PRESENT		
IN ATTENDANCE		
APOLOGIES		
OPENING PRAYER		
PUBLIC FORUM (UP TO 30 MINUTES)		
ITEMS TO BE CONSIDERED IN GENERAL BUSINESS		

### REPORTS

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## REPORTS

### ITEM 289                    REQUEST FOR REMISSION OF RESERVE CONTRIBUTIONS

**To:**                        **Mayor and Councillors  
Otorohanga District Council**

**From:**                    **Chief Executive**

**Date:**                    **31 August 2018**

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#### Relevant Community Outcomes

- Ensure services and facilities meet the needs of the Community
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#### Executive Summary

A partial remission of development contributions for a subdivision development is proposed.

#### Staff Recommendation

It is recommended that:

Council approves a remission of \$9000 (GST Inclusive) in respect of Development Contributions for wastewater services for the subdivision development being conducted by Otewa Developments Ltd on Otewa Road.

#### Discussion

A letter has been received from Mr Trevor Sargent of Otewa Development Ltd requesting that Council gives consideration to waiving the Reserve Contributions payable in respect of the subdivision development being currently undertaken on Otewa Road. A copy of this letter is attached.

Such Reserve Contributions are charged at a rate of \$1,012 (GST inclusive) for every new lot created. The Otewa Road development, which creates 16 additional lots, will be liable for \$16,192 of such charges.

The development will also be liable for a total of \$38,928 (GST inclusive) in development contributions, made up of \$23,136 in respect of wastewater services, and \$15,792 for water services.

There are provisions in Council's Policy on Development and Financial Contributions for potential remissions of Development Contributions, and a copy of these provisions is attached to this report.

Of the matters listed in the policy to be considered in making decisions on potential remissions, only point 4 is considered relevant to the current request.

In his letter Mr Sargent identifies 4 aspects of the work that he has done which he considers to have a benefit for Council. None of these have any relation to Reserve Contributions, but some are potentially relevant to the applicable Development Contributions.

Item 3 is considered to have little if any benefit for the community as these are not Council services and their relocation has no benefit to the community.

As Mr Sargent states, Item 4 - the hot mix surfacing of the road - was a consent condition, if perhaps a somewhat unusual one, since whilst it may be appreciated by the property owners it is potentially disadvantageous to both the developer and Council.

Such a surface may last twice as long as chipseal, but its cost is typically more than two times higher, making it more expensive to maintain in the long term. For this reason, and the fact that there are no Development Contributions charged for roading in the Otorohanga Community, this item does not appear to justify any remission.

Items 1 and 2 are however considered to have delivered some value to Council, since they include worthwhile improvements or renewals of Council's wastewater assets.

The works around the pump station have significantly improved its access and appearance, whilst the realignment of the section of sewer rising main has resulted in a replacement of a length of pipe that may have been around halfway through its likely useful life.

It is considered that the value of the pump station improvements might realistically be estimated at \$5,000, whilst a calculation of the value of the pipe replacement, based on the additional life that the new section of pipe provides, suggests that a figure of \$4,000 for this would be reasonable.

On this basis it is proposed that a remission of Development Contributions for wastewater to a total value of \$9000 (GST inclusive) is made.

**Dave Clibbery**  
**CHIEF EXECUTIVE**

### ***Remissions, Reviews and Postponement***

*Development contributions required on a development may be considered for remission at Council's discretion on a case-by-case basis. Such consideration will normally be only be initiated in response to a request by an applicant.*

*The applicant shall make any such request in writing within 15 working days after Council has advised the applicant in writing of the amount of development contribution required on the development. The application must be made before any development contribution is paid, as the Council will not consider a retrospective application for remission.*

*In undertaking the review the Council shall as soon as reasonably practicable consider the request. The Council may determine whether to hold a meeting for the purposes of the review, and if so, give the applicant at least five working days' notice of the date, time and place of that meeting.*

*Council may, at its discretion, uphold, reduce or cancel the original amount of development contribution required on the development. The Council may delegate these responsibilities and decisions to an authorised officer. Where Council decides to consider such a request the following matters shall be taken into account:*

- 1. The Development Contributions Policy.*
- 2. Council's financial modelling.*
- 3. Council's funding and financial policies.*
- 4. The extent to which the value and nature of the works proposed by the applicant reduces the need for works proposed by Council in its capital works programme.*
- 5. Any credits that may apply to the site.*
- 6. Whether Council determines that the development contributions are manifestly excessive in relation to the impact of the development on infrastructure:*
- 7. Whether other conditions placed upon the applicant are likely to reduce the need for the works proposed by Council in its capital works programme.*

*Council will not consider any request to postpone a development contribution.*

16th August 2018  
Dave Clibbery  
Chief Executive Officer  
Otorohanga District Council

Trevor Sargent  
Okawa Developments Ltd  
162 Young Street  
Te Awamutu.

Dear Sir -

Re Okawa Road subdivision.

My Company took over the resource consent. When purchasing the development. The further we proceed with the construction, the more the consent seems a one-sided affair, which I admit is due to my mis-judgement.

I believe the Council have a Development Contribution policy, which allows a remission credit clause for costs, when existing Council infrastructure is modified or replaced etc?

This has occurred where.

① re-development of 'pump station area. Removing existing fencing - re fencing, re contouring, forming new entry crossing + forming new service road, painting/Building and re-landscaping.

② Locate, and re-direct the rising main line around the perimeter of Lot 17.

③ Redirecting the unknown, phone/fibre? cable through centre of property, where road is constructed.

④ New Road - forming the new entry and the hot-mix finish coating, where early discussions I believe, was to be a chip coat seal, finish.

(There is a reserve contribution payable (clause 11) of consent for the extra 16 lots. I would appreciate the Council, waiving this contribution, in lieu of the added expenditure incurred.

Trevor Sargent

**ITEM 290                    LEASE OF LAND FOR COMMUNITY MEDICAL HUB**

**To:                            Mayor and Councillors  
                                  Otorohanga District Council**

**From:                        Land Management Officer**

**Date:                        31 August 2018**

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**Relevant Community Outcomes**

- Ensure services and facilities meet the needs of the Community
  - Promote the local economy and opportunities for sustainable economic development
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**Executive Summary**

On the 28 August 2018 Council received an application for the Lease of Reserve land for the purpose of the new community medical hub from the Otorohanga District and Community Charitable Trust (hereby referred to as 'the Trust' in this report). Council staff have assessed the application and believe the Trust meets the criteria of being a suitable party to award the Lease to, for the purpose of providing a new community medical hub.

**Staff Recommendation**

1. That Council accepts the Otorohanga District and Community Charitable Trust Incorporated meets the criteria of a suitable party to be awarded the Lease for the Reserve land held off Kakamutu Road, Otorohanga for the purpose of providing a new community medical hub to meet the future medical needs of the Otorohanga District.
2. That Council delegates the authority to the Council Chief Executive to negotiate the terms of the Lease with the Otorohanga District and Community Charitable Trust Incorporated on behalf of Council.
3. That Council delegates the authority to the Council Chief Executive and Mayor to execute the Lease once agreement of the Lease terms has been reached and further authority to sign all documents relating to the execution of the Lease.

**Report Discussion**

At the Council meeting held on 21 August 2018 staff presented a report advising that no valid applications were received by the end of the public application period for the Lease of Reserve land for the purpose of a new community medical hub. Staff recommended that the land be held open for leasing under the same terms advertised until such time that Council received a suitable application or decided to withdraw the land for leasing.

Subsequently Council resolved the following;

1. That Council accepts that no suitable application for the lease had been received as at the closing date of the previous public notice for applications.
2. That the land shall remain open for leasing on the terms advertised through the previous public notice period, until such time as a suitable application is received or Council resolves to withdraw the land from leasing.
3. That should a further application for the lease be received that is considered by staff to be suitable, it shall be referred to Council for a decision on the potential awarding of the lease.

With the receipt of the recent application from the Trust the requirements of points 2 and 3 of the previous Council resolution are considered by staff to be satisfied.

**Patricia Ambury**  
**Land Management Officer**

