

FEEDBACK ON AUCKLAND COUNCIL'S PROPOSED DEVELOPMENT CONTRIBUTIONS POLICY VARIATION B

1. INTRODUCTION

- 1.1 Auckland Council ("**Council**") is proposing to vary its Development Contributions Policy 2015 ("**Variation B**") to include a new funding area for Drury South. The purpose of Variation B is to include "a new major transport project and the associated development contribution charges to be more closely align with the pattern of investment need to support growth". In particular, Variation B introduces (among other things) a development contribution for transport in Drury South, which will be used for the development of the first stage of the Spine Road.
- 1.2 Drury South Limited ("**DSL**") has substantial landholdings in Drury South for the purposes of carrying out a comprehensive development within the Drury South Residential and Industrial Precincts. Once the Precincts have been fully developed, they will provide around 220 ha of net land area comprising 45 ha of residential, 170 ha of industrial and 15 ha of commercial. An area of 90 ha will also provide for stormwater management and public open space.
- 1.3 As the only party who is directly affected by Variation B, DSL has reviewed the draft Variation B and welcomes the opportunity to provide feedback to the Council on the proposal.

2. NATURE OF THE FEEDBACK

- 2.1 Subject to the comments below regarding the point at which development contributions are charged, DSL supports the intent of Variation B insofar as it introduces a new funding area for Drury South and includes the first stage of the Spine Road as an asset to which development contributions will be used.
- 2.2 Under the Council's Development Contributions Policy 2015 (Variation A), development contributions are assessed upon receipt of a subdivision consent, resource consent, building consent or service connection. However, the Council commonly reaches agreement with developers or landowners to levy development contributions at the point of service connection (rather than at an earlier stage). DSL considers that development contributions in respect of the Drury South area should only be charged at the point of service connection for the residential development as that is the point at which the development will place demand on the infrastructure.

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