

CONFIDENTIAL MEMORANDUM

TO: Council

MEETING DATE: 24 June 2019

TITLE: Pioneer City West Private District Plan Change Request

DATE: 17 June 2019

PRESENTED BY: David Murphy, City Planning Manager, Strategy & Planning

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

It is recommended that this report be considered with the public excluded, as permitted by the Local Government Official Information and Meetings Act 1987 under clause:

s7(2)(i) Negotiations

REASON FOR CONFIDENTIALITY

The reason for this report to be confidential is Writing off the the bad debt owed to the Council by Pioneer City West Limited is subject to negotiation and conditional on Pioneer City West Limited withdrawing Private Plan Change B.

RECOMMENDATION FOR PUBLIC RELEASE

Upon receipt of a letter from Pioneer City West Limited withdrawing Private Plan Change B.

RECOMMENDATION(S) TO COUNCIL

1. That the Chief Executive be authorised to negotiate writing off the bad debt of \$58,363.91 (excl. GST) owed to the Council by Pioneer City West Limited, subject to the following condition:
 - a) Pioneer City West Limited agrees to formally withdraw Private Plan Change B and work collaboratively with Council on a Council-led District Plan Change at Kakatangiata.
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1. ISSUE

Clause 221(c) of the Delegations Manual limits the Chief Executive to write off bad debts only for up to 0.5% of the specified sum and provided such debtor accounts have been outstanding in excess of six months.

Authorisation is therefore required to enable the Chief Executive to negotiate writing off the bad debt of \$58,363.91 owed to the Council by Pioneer City West Limited.

The nature of this potential negotiation has not been discussed within Pioneer City West Limited.

2. BACKGROUND

Pioneer City West Limited lodged a private District Plan change request (Private Plan Change B) with Council in 2013. Private Plan Change B sought to rezone 73 hectares of land in Kakatangiata (formerly known as City West) for residential development.

Private Plan Change B was publicly notified for submissions in August 2013 and Council began the process of preparing evidence for a hearing. Pioneer City West Limited challenged the commissioners being considered by the Council to make decisions on submissions on Private Plan Change B and never formally responded to Council's correspondence that sought to schedule a hearing date. As a result, a hearing was not scheduled and Pioneer City West elected to engage in the Sectional District Plan Review process.

At the time Private Plan Change B was lodged, despite Kakatangiata being identified as a future residential growth area, Council's strategic direction and 2012 Long Term Plan did not anticipate a rezoning until a later date. The 2012 Long Term Plan did not include infrastructure programmes to support a rezoning at Kakatangiata at that time.

As a result of the processes detailed above, Pioneer City West Limited has been reluctant to pay the costs incurred by Council in processing Private Plan Change B. Moving forward Kakatangiata is an important part of Council's City Development Strategy and it is important Council collaborates with all landowners and developers in the area. Stage 1 of Kakatangiata, the Kikiwhenua Residential Area, is scheduled for a hearing in August 2019.

The City Development Strategy records the following:

To release pressure and meet updated growth projections, land at City West identified for medium to long-term greenfield housing will need to be released earlier than previously anticipated. The most suitable land for early release is the area bound by the Mangaone Stream, Te Wanaka Road and Pioneer Highway (the Racecourse land), which will need to be rezoned. The interests of private developers at the outer edge of City West could affect the cost-effective and efficient provision of network infrastructure. Council needs to work with the major landowner in this area to better understand the infrastructure options and timing of the rezoning

The Council’s Housing Needs Assessment anticipates strong demand for housing and signals the need to provide additional housing capacity over and above that already identified, including Kakatangiata.

It is therefore important that Council forms a strong working relationship with all landowners and developers at Kakatangiata to ensure an integrated residential development. Such an outcome will be best achieved by the Council leading the planning and infrastructure processes, in collaboration with all landowners and developers. Private Plan Change B is an outdated and site-specific rezoning proposal that is not consistent with outcomes sought in the recently reviewed District Plan, e.g. it does not provide for connections to neighbouring land.

To ensure this collaborative process starts positively, it is recommended that the Chief Executive be authorised to write off the bad debt owed to the Council by Pioneer City West Limited, subject to Pioneer City West Limited agreeing to the formal withdrawal of Private Plan Change B.

There is a potential that Private Plan Change B is now invalid because the Council is required to make a decision within two years from the date of public notification. This has not occurred because the applicant did not respond to Council’s correspondence regarding a hearing date. Legal advice has not been sought on this matter in the interests of the collaborative approach detailed above.

3. NEXT STEPS

The Chief Executive meets with Pioneer City West Limited to negotiate writing off the bad debt.

4. COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council’s policies or plans?	No
The recommendations contribute to Goal 1: An Innovative and Growing City	

The recommendations contribute to the outcomes of the City Development Strategy	
The recommendations contribute to the achievement of action/actions in the Housing and Future Development Plan	
The action is: Collaborate with the development community to deliver new housing developments and new forms of housing.	
Contribution to strategic direction	To release pressure and meet updated growth projections, land at City West identified for medium to long-term greenfield housing will need to be released earlier than previously anticipated.

ATTACHMENTS

NIL