



STAFF REPORT

TO: Mayor and Councillors

FROM: Dugald Ley, Development Engineer

REFERENCE: BC080258

SUBJECT: **MOTUEKA HOSPITAL TRUST - REPORT EP08/05/08** - Report prepared for 29 May Meeting

1. PURPOSE

To review the process on the calculation of the Household Unit of Demand (HUD) in respect of the Development Contributions (DC) associated with this development. The DC requested by Council at the time of building consent was made up as below:

Four roading HUDs	\$6,780
Seven stormwater HUDs	\$11,921
Twenty-seven wastewater HUDS	<u>\$179,307</u>
TOTAL	\$198,008

2. BACKGROUND

The applicant has applied for consent to construct a 45-bed community hospital at Courtney Street West beside the existing hospital and St John Ambulance rooms.

The new dwelling will be connected to Council's services and infrastructure.

The new 2010 m² building will contain 46 pans/toilets and is required to provide 13 car parks as per the TRMP.

An aerial plan of the site is attached together with a building layout plan.

The applicant has objected to the requirement for the payment of DCs and has submitted two letters, one undated and one dated 23 April 2008. These letters are attached together with a letter from Council advising that the Trust does not meet the requirements of a crown entity and therefore is not exempt of levies.

The applicant's letters do go into detail of the purpose of the trust and its endeavours in the community and these are commended.

3. WASTEWATER

In the letter of 23 April 2008, Mr Beatson advises that once the new hospital is constructed that six toilets "will be decommissioned" and this number should be discounted from the wastewater HUD figure.

On speaking to Geoff Campbell the Executive Officer of the "Friends of Motueka Hospital Trust" on 7 May 2008 he advised that was not the case and the toilets would be retained in the old hospital.

Mr Beatson advises that the complex will have a mix of either one toilet per room or one toilet per two rooms. The attached plan of the complex sets out the proposed toilets and room layouts.

The current LTCCP (Volume 2, Page 64, Table 3) sets out the method for calculating the HUD for non-residential use and that in doing so the total numbers of pans or urinals in the complex is to be accounted for. The plans attached show 46 toilets. On this number and as per the LTCCP calculation the resulting number of HUDs equates to 23. This is a reduction to that outlined to the applicant in Council's letter of 9 April 2008. No other information has been submitted that would alter my view on the number of wastewater HUDs required on this application.

4. ROADING AND STORMWATER

To date, the applicant has not provided any information on why Council should not impose contributions to mitigate the above effects.

The hospital will require 13 car parks which are required for workers, visitors and patients and therefore Council's assessment on four HUDs is appropriate due to the increased traffic movement generated.

Regarding stormwater the area has changed from a grassed area to a permanently surfaced area. Council has not taken into account the increased runoff areas of car parking and access area and these areas including the buildings will have an effect on Council's downstream stormwater infrastructure. The committee will realise that the stormwater system in Motueka is severely compromised and to mitigate growth will require upgrading or the provision of new stormwater systems.

5. OVERVIEW

The issue for Council is difficult. The work and efforts of the community to provide this hospital is to be commended. However, this building and what happens inside it will have an effect on Council's infrastructure and a user pays system prevails under the Development Contribution Policy. Staff have assessed the development in terms of the Council Policy and consistent with the way other non-residential activities are assessed. The Policy does not make provision for discounts for charitable organisations, although provision is made for objection and special amendment. Should relief be granted then surely it would not be acceptable that one developer would pay a lower amount of DC than another when the demand for services is the same.

As a comparison, albeit tenuous, the previous DC subcommittee on hearing an objection for a 16-bed residential retirement unit development (ie, most likely one resident per unit) for Stillwater Gardens at 44 Templemore Drive confirmed my appraisal of one HUD per unit as most units had one toilet.

This application for hospital rooms allows one HUD per two rooms/residents/two toilets which is a reflection of a more variable occupancy rate.

Note also that the hospital has three mini kitchens and two sluice rooms that will also place loadings on Council's wastewater infrastructure and therefore again confirms that the user should pay for the use of Council's infrastructure. Also, an off-site kitchen and laundry facilities to serve the residents will have increased usage owing to the extra beds being developed on this site.

6. SUMMARY

I accept that there are benefits to the community for this facility. The wastewater HUD has been reduced from 27 to 23 due to the definition of a wastewater HUD being strictly applied. The applicant has not given any further reasons to reduce the stormwater and roading HUDs and these are confirmed as previously set out.

Dugald Ley
Development Engineer

Friends of Motueka Hospital Trust

PO Box 37
Motueka

Mr Paul Wylie
Chief Executive
Tasman District Council
Private Bag 4
RICHMOND

Dear Sir

Re Friends of Motueka Hospital Trust - Development Contribution

The purpose of the letter is to seek the agreement of your Council to waive the development contribution of \$194,135.38 associated with our proposed construction and commissioning of the aged and dementia care residential facility on Trust property adjacent to the existing Motueka Community Hospital.

Background The Trust is a registered charitable trust, established in 1993, for the purposes of;

- a) *"To provide or assist in providing on such conditions as the Trust shall decide health services for the community of Motueka and the surrounding district with particular emphasis on services for the young and elderly;*
- b) *to provide or assist in providing on such conditions as the Trust shall decide, accommodation, facilities and equipment for people who may require or receive medical, surgical, psychiatric, therapeutic or other counselling help or treatment at Motueka Hospital or elsewhere at the Trusts discretion;*
- c) *To support and promote the work at Motueka Hospital to ensure continued access for all people in the district to hospital based services;*
- d) *To commence, carry on, promote, support, undertake and encourage all such projects, fund-raising campaigns, garden-parties, fairs, lotteries, plans, clubs, organisations, matters or things of any kind whatsoever that the trust may decide as necessary or desirable for the purpose of achieving or promoting any of the objects and purposes herein specified."*

The Trustees are;

Jack Inglis	Chairman	Peter Talley	Resident
Sir Pat Goodman	Resident	Darien Beckett	Resident
David Beatson	Secretary	Judy Simpson	Lioness Club
Val Stuart	Soroptomist	Arthur Walker	Grey Power

Daimen O'Conner MP West Coast/Tasman

As an expression of this commitment to the above, the Trust in 1994 raised and advanced a sum of \$180,000 as a non-interest bearing loan to the predecessor of the Nelson Marlborough District Health Board [NMDHB], for the purposes of establishing and providing for the extensions at Motueka Hospital then underway.

The Trust has secured a 'preferred provider' agreement from the NMDHB for and additional 31 beds to be provided in the Motueka area in addition to the existing 15 beds presently provided by the NMDHB. Once the new facility is commissioned the 15 beds presently provided by the NMDHB in the existing hospital will be transferred to the Friends. The revenues available to the Trust from the NMDHB through the daily bed rate, recognise [albeit modestly] a need to compensate for the cost of capital. We understand that if the development was funded by the Crown then it would not be liable for this levy. Given that the Crown – though the NMDHB – is making a cost of capital contribution would provide the Council some opportunity to exercise favourable discretion.

Further we are aware that while a contribution was made for the recent construction of a similar facility providing similar services at Murchison it was substantially less than what you have proposed that we pay. It seems ironic that the Crown providing a similar services [through the NMDHB], is exempt yet a local charity acting in the interests of sustaining, for no reward, the old and infirm in their local community is being asked to find a substantial amount of money as part of its fund raising.

Proposal The Trust requests that this proposed 'not for profit' development which is clearly motivated by Trustees, and supported by the local community, who believe that this investment in a community asset is fulfilling a needed service [while relieving other parties of such a responsibility], be not prejudiced by having to raise yet further local funds to cover an unanticipated funding claim.

We would wish to meet with Council to discuss our proposal and establish whether waiving of the levy is possible and options available to the parties.

Yours sincerely



David Beatson
Hon Secretary

cc. Jean Hodson

Memorandum

Dougald
fyv

Environment & Planning Department

TO: Paul Wylie, Murray Staite, Peter Thomson, Susan Edwards and
Lloyd Kennedy

FROM: Environment & Planning Manager

DATE: 8 April 2008

FILE: B860

SUBJECT: CROWN EXEMPTIONS TO DEVELOPMENT CONTRIBUTIONS

The question has been asked whether or not the Motueka Hospital Trust can benefit from the Crown exemption to paying Development Contributions under the Local Government Act.

The Crown Entities Act 2004 defines the Crown and it includes Ministers and Crown Agents. District Health Boards are listed as a Crown Agent because they must give effect to Government policy when directed to do so by the Minister of Health. Special provisions are also made for such things as School Board of Trustees, and tertiary institutions.

I understand that the Motueka Hospital Trust has entered into an arrangement with the District Health Board whereby it will fund the occupation of a certain number of beds at the hospital and in the event that the Trust is disestablished, then all assets will revert to the District Health Board. However, it is my understanding that no Government funding is going into the construction of the hospital facility. On balance, it is my view that the Motueka Hospital Trust is not a Crown Entity and therefore is not able to claim Crown exemption under the Local Government Act.

I do note however that Far North District Council has recently indicated a proposal to change its policy to exempt charitable organisations and papa kianga from having to pay all or some of the development consent fees. Whether this includes development contributions is not clear and the news release was somewhat confusing because it indicated a greater shift towards users pays. We can but watch this space.



Dennis Bush-King
Environment & Planning Manager

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Friends of Motueka Hospital Trust

PO Box 37

Motueka

Ms Jean Hodson
Regulatory Manager
Tasman District Council
Private Bag 4
RICHMOND

\$125 received
JH.



Dear Ms Hodson

Re Friends of Motueka Hospital Trust - Development Levy

Thankyou for your letter of 17th April. This letter provides further information to assist in the evaluation of this request together with our cheque for \$125.00.

We understand that the 'formulae' by which the levy is assessed is to a large extent dictated by the number of toilets. The proposed development has 41 dedicated patient toilets, 2 for staff and two for the public – a total of 45.

We took advice on this matter from nursing personnel whose role is to care for people requiring 24/7 nursing care. Consistent with that advice we have designed into the facility a mix of shared [one between two rooms] and dedicated [one toilet per room]. Modern care practice in the care of the elderly recognises and respects the privacy and independence of people to manage their personal cares as best as they are able – hence our emphasis on rooms with ensuites. This is not possible in facilities which toilets are shared and often in demand amongst a large number of patients particularly those who may be incontinent or whose dietary and medication regimes causes pressure on toilets at certain times of the day. In situations where there are fewer toilets, spillages and mishaps inevitably occur, which requires additional cleaning staff and attention and increases the risk of cross infection particularly for patients who may be clinically compromised.

As advised in our earlier letter, the 15 patient beds in the existing hospital will be transferred to the new hospital once it is commissioned. There are presently 4 patient toilets [grossly inadequate], 1 staff and 1 public toilet in the existing hospital, which will be decommissioned. This number should be discounted from your formulae as they a transfer of an existing service.

Further we understand that modern homes have at least 2 if not 3 toilets per home which is levied a single facility rate. We maintain that if the Council is of a mind to strike a levy the same proportionality should apply. If not then the Council will put the Trustees in a difficult position of having to redesign a lesser number of toilets in the new hospital – say 10 to 12 - which would be a retrograde step not only in terms of the above expert advice that we have received but also in terms of the respect that a community has for its elderly citizens.

We also wish to emphasise the point the our community will be committing upwards of \$5 million to this project, which includes – in kind support, free labour supplied and money donated from the community.

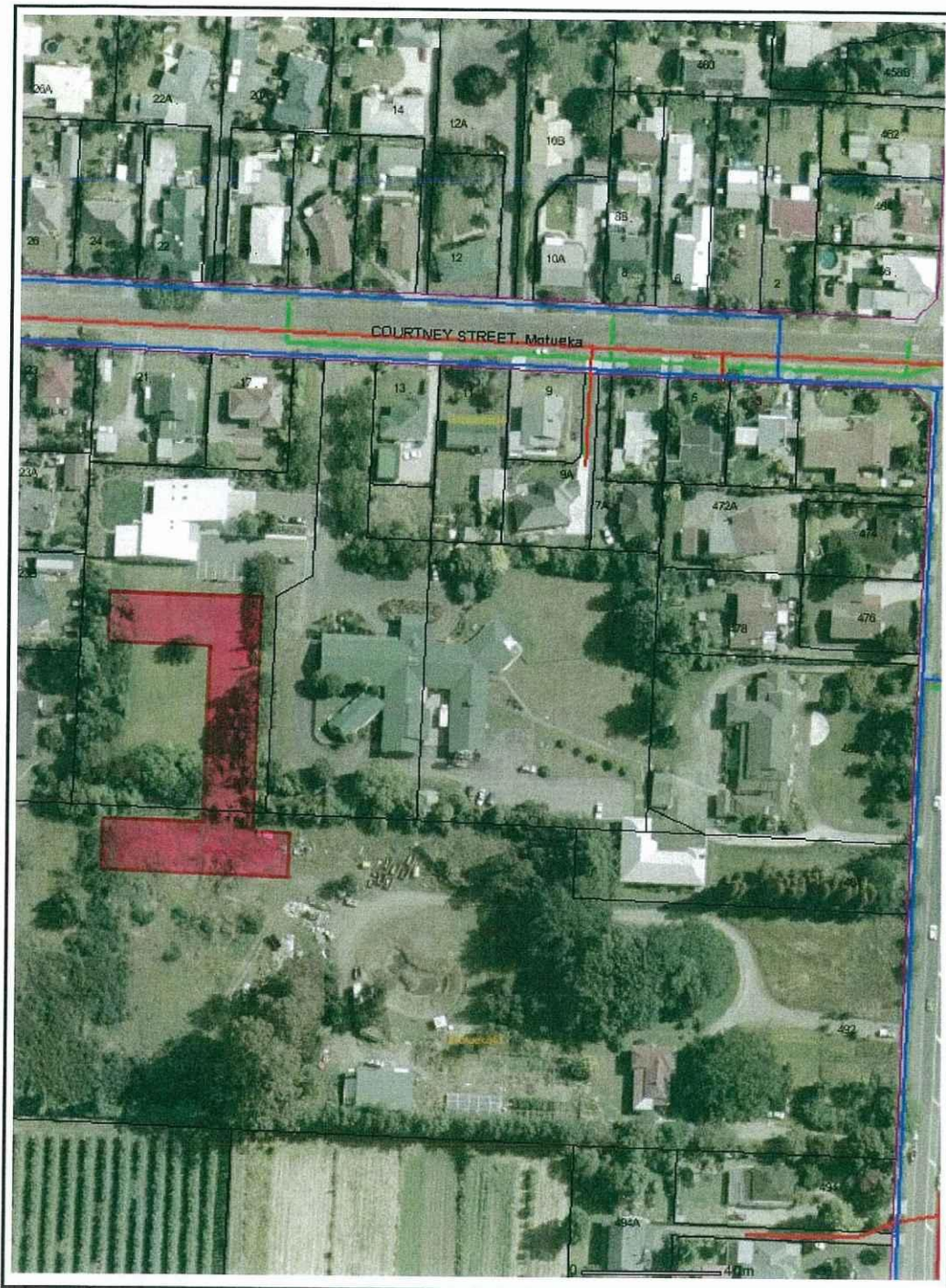
The community supported this project, and we would expect to Council and its representatives to review their stand on this matter.

We again reaffirm our request to meet with Council to discuss this matter.

Yours sincerely



David Beatson
Hon Secretary
23rd April 2008



ExploreTasmanMap





















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PANS

POWER LEGEND

-  Distribution Board
-  Double Switched Socket Outlet. R.C.D.
-  Single Switched " " " R.C.D.
-  Dual Data/Voice Outlet
-  Single Data/Voice Outlet.
-  Television Outlet.
-  Permanent Connection For
AD Automatic Door
FAP Fire Alarm Panel,
HWS Hot Water Supply/Solar Heating,
STR Steriliser,
-  N C Nurse Call Point
-  Exit Sign
-  Fluorescent Batten Twin 1500mm,
-  Down Light 2x28w Fluorescent
-  Emergency Lighting 10w 6v,
-  Switches One Way
-  Switches Two Way,
-  Switches Double Pole,
-  Bedside Light
-  Outside Light U/Soffit,
-  U/Floor Heating; To Be Positioned on Site.
See U/Floor Schedule.
-  Ventilation; Wire as per schedule.
Refer to Ventilation Engineers.
-  Ceiling Fans.

