

Office Use Only
Submission Number
Date Received

Submission Form


Review of the Rating System

Submissions close 5pm, Monday 24 November 2008

Post Deliver

Submission Council Offices, 175 Rimu Road, Paraparaumu
 Kapiti Coast District Council Waikanae Service Centre, Mahara Place, Waikanae Private
 Bag 601 Otaki Service Centre, Main Street, Otaki PARAPARAUMU

Fax 04 296 4857 Email submissions@kapiticoast.govt.nz

Title (circle) Mr Mrs Ms Miss Dr			
Name WENDY HUSTON			
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Suburb Town / City			
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Day Phone		After-hours Phone	
Mobile Phone			
Do you want to speak to the Council in support of your submission? (circle) Yes No If yes, please select a session and we will contact you to confirm your speaking time.			
Session One	Wednesday 3 December 2008 9am – 4pm	Paraparaumu Library Meeting Room 9 Iver Trask Place, Paraparaumu	(tick)
Session Two 	Thursday 4 December 2008 1pm – 8pm	Paraparaumu Library Meeting Room 9 Iver Trask Place, Paraparaumu	
Please note that all public libraries. A summary of submissions including the name of the submitter may also be made publicly available and poston the Kapiti Coast District Council Website. Personal information will also be used for administration relating to the subject matter of the submissions, including notifying submitters of subsequent steps and decisions. All information will be held by the Kapiti Coast District Council at 175 Rimu Road, Paraparaumu, with submitters having the right to access and correct personal information			

Continuation of Submission Form- p2.	Office Use Only Sub Number
(1) Which rating system would you prefer to see used on the	

Kapiti Coast?

Please read the booklet and the separate sheet showing the rating impacts of any change to the current system of rating on your property and then tick your preferred system.

Land Value rating is based on the value of the bare land. The value of any dwellings on the property is irrelevant under land value rating system.

Reasons why you favour land value rating (please tick)

Ability to Pay	<i>under land value rating, where land values are low, low or fixed income households may pay lower rates</i>	lv1 ✓
Fairness	<i>land value rating is based on land values and it tends to be more consistent within local areas</i>	lv2 ✓
Strategic	<i>land value rating encourages development of vacant land because holding costs for land are high</i>	lv3 ✓
Transparency & Simplicity	<i>land value rating is relatively easy to understand for each rating area</i>	lv4 ✓
Other	<i>If you have any other reason why you prefer land value rating please tell us:</i> It is more equitable in that you are paying for services received from the local authority rather than the improvements you have made or paid for on your property.	lv5 ✓

OR

Capital Value rating combines land value and the value of any improvements. It is affected by major investments in improvements (such as building extensions) as well as changes in the land value.

Reasons why you favour capital value rating (please tick)

Ability to Pay	<i>capital value rating is more likely to bear some relationship to ability to pay (low income households less likely to have substantial capital improvements)</i>	cv1
Fairness	<i>capital value rating gives a better indication of demands that are likely to be placed on Council's services in urban areas</i>	cv2
Strategic	<i>under capital value the District's rating base expands as building development expands</i>	cv3

	Transparency & Simplicity	<i>capital value rating is usually better understood because it generally relates to market value</i>	cv4
	Other	<i>If you have any other reason why you prefer capital value rating please tell us:</i>	cv5

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(2) Proposed new Rural Village Differential.

Rural Village Differential *Smaller rural lifestyle properties (of a size similar to the average urban residential section) currently benefit from the same rural differential rate as larger properties up to 50 hectares. On the basis of fairness, these smaller properties should be paying a differential percentage rate higher than the larger rural properties and closer to that percentage rate paid by the urban residential ratepayers. The level of differential will take into account that these properties do not have full access to all services available in urban areas of the District. It is proposed that the full impact of this rural village differential be phased in over a two year period.*

Do you support, oppose or have any comments about the proposed rural village differential?

A rural village differential should only be charged if it can be shown that the services received match those accessible to the urban, residential ratepayer.

(3) It is proposed that water, wastewater and stormwater services be funded on a districtwide basis.

Districtwide funding *The districtwide funding of water, wastewater and stormwater services supports smaller communities being able to fund their infrastructure requirements. The rating impacts of districtwide funding of these services are the same under the land value rating option and the capital value rating option. This change would only apply to those ratepayers currently being charged for those services on a ward basis. It would be introduced over a five year transition period.*

Do you support, oppose or have any comments about districtwide funding?

The Chamber supports district wide funding for water, wastewater and stormwater services. These are all essential services, the benefits of which are felt throughout our communities. At some stage, all the communities making up the Kapiti Coast will have a need for replacement or development of these assets. It is vital that these facilities are maintained and developed and the costs should be seen as a district –wide issue not a community matter. By spreading such expenditure throughout the community, all

ultimately benefit and the effect that would come by placing it within one community is minimised.

Continuation of Submission Form- p4.

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(4) Do you have any other comments to make about the Structure of the Kapiti Coast District Council Rating System?

In the interests of equity and fairness, the Kapiti Coast Chamber of Commerce is opposed to the introduction of a capital value rating system on land value. The Chamber believes the current land value rating system on location must be retained.

Rationale for this stance is as follows:

On pg 4 of the KCDC published booklet "Review of the Rating system" states, "property owners are taxed to provide revenue for the collective activities and services which benefit the community as a whole".

As such, the Kapiti Chamber of Commerce supports land value rating on location, as providing the fairest means of paying for activities and services provided by the local authority. We believe it is a biased approach to instigate a system whereby an individual is charged on the basis of how they have chosen to develop their land. This may be through making improvements to the dwelling on the land owned, or simply purchasing an existing home, which is more expensive than that on an adjoining property. That these property owners will be charged on an ongoing basis, more, because of how they have chosen to develop their property, is we believe, inequitable.

For business premises, the same applies. Individual businesses require premises that fit the purpose of the business. These needs may range from a simple workshop to a corporate fitout. Again, when such premises are valued at a higher price than neighbouring buildings, we believe it is inequitable, if the services provided by the local authority are the same, that one should pay more than an adjacent or nearby property.

For many Kapiti Coast residents, the sum total of a lifetime's toil and savings is tied up in the value of their home, principally in the dwelling rather than the land. To be penalised for this by being charged an additional amount, when, access to and use of, Council-provided benefits, will be the same as those provided to a neighbouring property, costed at a lesser financial value, is we believe undemocratic and unacceptable.

The Chamber is also concerned as to the potential effect capital land value rating will have on owner-occupiers' of units in the many retirement villages within the Kapiti region. It is our understanding that because of the ownership structure of these villages, there could be large rate increases imposed on owners of such

units should a capital value rating system be adopted. We seek assurance from Council that full disclosure and understanding of the implications of Capital value rating will be provided to all such parties before a final decision is made.

We believe the current land value rating best fits Council's identified value concepts of: fairness, ability to pay, transparency, practicality and acceptability and we urge Council to maintain the status quo.

Don't Forget! Submission Deadline is 5pm, Monday 24 November 2008