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MIONTUAIRISCÍ NA CRUINNITHE SPEICIALTA DE COMHAIRLE CONTAE CHIARRAÍ A THIONÓLADH I SEOMRA NA COMHAIRLE, ÁRAS AN CHONTAE, TRÁ LÍ, AR AN MÁIRT, 25 IÚIL, 2017

MINUTES OF THE SPECIAL MEETING OF KERRY COUNTY COUNCIL HELD IN THE COUNCIL CHAMBER, ÁRAS AN CHONTAE, TRALEE ON TUESDAY, 25TH JULY, 2017

PRESENT/I LÁTHAIR

Councillors/Comhairleoirí

R. Beasley	M. Cahill	P Connor-Scarteen
B. Cronin	J.J. Culloty	P. Daly
T. Ferris	J. Finucane	S. Fitzgerald
J.F. Flynn	N. Foley	D. Grady
J. Healy-Rae	M. Healy-Rae	N. Kelleher
S. Locke	D. McCarthy	P. McCarthy
T. McEllistrim	J. Moloney	N. Moriarty
D. Nolan	T. O'Brien	B. O'Connell
M. O'Shea	D. Quigg	J. Sheahan
G. Spring	A. Thornton	

APOLOGY/LEATH SCÉAL

M. Gleeson	J. Lucid	M. Kennelly
L. Purtill		

IN ATTENDANCE/I LÁTHAIR

Ms. M. Murrell, Chief Executive	Mr. J. Breen, Director Water Services
Ms. A. McAllen, Head of Finance	Mr. M. Scannell, A/Dir. Job Cr/Sust. ED
Mr. M. O'Donoghue, A/Dir.H.&Corp.S.	Mr. C. O'Sullivan, Director of Operations
Ms. B. Conway, A/Meetings Admin.	Ms. K. Lynch, SEO Finance
Mr. D. Ginty, A/SE Planning	Mr. D. O'Malley, SEP, Planning
Mr. G. O'Brien, A/SEO Envir. Serv.	Mr. L. Brosnan, AO Planning
Mr. D. Burke, A.P. Planning	Mr. M. Brosnan, SO Revenue
Ms. S. Sheridan, SSO Finance	Ms. B. Reidy, SSO Corporate Support
Ms. O. O'Shea, CO Corporate Support	

The meeting commenced at 10.40am.

The Cathaoirleach, Cllr. J. Sheahan took the Chair.

Members Duties under Ethics Legislation

Ms. B. Conway, A/Meetings Administrator stated she wanted to remind members of their duties under Part 15 (Ethics Framework) of the Local Government Act 2001 and the Code of Conduct for councillors. She then read the following statement into the record of the meeting.

“Councillors should be aware that the onus for complying with the requirement of the Act and the Code of Conduct lies with each individual councillors. Under the beneficial interest provision and should that provision apply, a councillor must

- (1) Disclose the nature of his/her interest or the fact of a connected persons interest at the meeting and before discussion or consideration of the matter commences and
- (2) Withdraw from the meeting for so long as the matter is being discussed or considered, and accordingly, he/she shall take no part in the discussion or consideration of the matter and shall refrain from voting in relation to it.”

17.07.25.01 Draft Development Contribution Scheme

(a) Chief Executive’s Report on submissions received on the draft Development Contribution Scheme

Cllr. M. O’Shea referred to members’ duties under Ethics legislation and pointed out that some members are farmers and are also involved in business and he asked if they could remain in the Chamber while this item was being considered.

In response Mr. M. O’Donoghue, A/Director of Housing and Corporate Services, pointed out that all members were given a copy of the booklet Code of Conduct for Councillors and the Meetings Administrator drew members’ attention to the need to comply with this legislation. It is a matter for each member to make a personal decision based on the information available.

Cllr. P. McCarthy declared that he owns a house and all 33 members could decide they maybe in breach of Ethics legislation and could leave the meeting.

Cllr. B. Cronin highlighted that members could use that argument to abdicate their responsibility to adopt a Development Contribution Scheme. He declared that he is a dairy farmer and the only way members could be compromised is if they had a live planning application. Cllr. Cronin confirmed that he did not have a planning application pending and in fact his last planning application was in 2007. While it is a grey area he did not believe members had a beneficial interest and they were entitled to take part in the discussion and decision on this item.

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Mr. O'Donoghue concurred with the views expressed by Cllr. Cronin and added that there is subtlety between generally and a beneficial interest in relation to a specific planning application. The Oireachtas pass the Finance Act following the Budget each year.

Cllr. J. Healy-Rae stated he is also a farmer and this is one of the reasons he was elected. He declared that he has no current planning application and he believed members are entitled to remain in the Chamber to discuss and make a decision on the Draft Development Contribution Scheme.

Cllr. N. Foley suggested that a short adjournment maybe helpful to allow members get advice from the Ethics Officer.

Mr. O'Donoghue confirmed it is a matter for each member to decide if they have a beneficial interest or not.

Members decided to proceed with the meeting.

The Chief Executive referred members to her report dated 17th July 2017 on this item which was circulated. She advised that the introduction of a Development Contribution Scheme by Kerry County Council in 2000 has over the past 16 years provided critical funding to facilitate the provision of essential physical and social infrastructure in the County. However, previous Development Contribution Schemes operated in very different economic circumstances. It is now essential to achieve the right balance between funding necessary infrastructure through planning gain and supporting/promoting economic activity and job creation by reducing costs to business and supporting the provision of both Social & Private Housing.

Therefore, the proposed new Development Contribution Scheme seeks to promote sustainable development patterns, secure investment in capital infrastructure and encourage economic activity and the supply of housing.

The Draft Development Contributions Scheme reflects the challenges facing the economy as reflected in the National Strategies:-

Rebuilding Ireland – *An Action plan for Housing and Homelessness*

- Providing significant reductions in contributions for standard housing throughout the county;

National & Regional Action Plans for Jobs

- Providing extensive reductions in contributions across retail, office and industrial uses;

Action Plan for Rural Development

- Providing substantial reductions for the redevelopment of Town and Villages, substantial credits for the reuse of existing buildings, scope for identifying areas for regeneration, redevelopment of Brown Field Sites, reductions in the Car Park requirements associated with changes of use.

The Chief Executive emphasised while substantial reductions have been made some new charges are being introduced in the Scheme as a funding scheme for projects is required. Some funding opportunities require a local contribution and the Fáilte Ireland grant requires co-funding of up to €1m. Matching funding is also required for the Town and Village Renewal Scheme and the Minor Flood Mitigation Works & Coastal Protection Scheme. Kerry County Council must be in a position to co-fund these projects. Wonderful work has been achieved in Tralee town centre through the Smarter Travel initiative and greenways will also have to be co-funded. The provision of additional car parking is a priority and Kerry does not just cater for a population of 147,000 but also for the many visitors to the county each year. Additional land must be acquired and developed for car parking and that will be expensive and it is critical that a funding stream is available. There is a need for ongoing investment in the public realm in our major towns also.

The Scheme is also grounded on fairness and proportionality and extends the scope of Development Contributions across all areas of economic activity including agriculture. The Scheme has been drafted on the principle that all sectors of the economy would make a contribution under the Scheme and this guiding principle has enabled reductions to be applied in both urban and rural areas.

The Scheme aims to facilitate job creation through targeted support for specific development types. The Contributions Scheme proposed reflects both the need to continue to provide a funding source as a contribution to critical infrastructure in Kerry, which facilitates both the economic and social development of the County, and which is pitched at a level that it does not constitute a disincentive to development. The Scheme as developed also recognises the particular challenges facing the redevelopment of our Town and Village Centres, the re-use of existing vacant and derelict properties and provides some relief in respect of the existing charges as they relate to change of use applications and the associated requirements for additional parking spaces that may result.

Currently, there are four Development Contribution Schemes in operation in the County, following amalgamation of the Local Authorities in 2014. It is, therefore, necessary to adopt a single, revised Scheme, for the entire County.

The existing Schemes that apply to both the former Tralee and Killarney Town Council Areas have significantly higher charges in recognition of the greater infrastructural demands in these areas, particularly associated with the provision

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of roads and amenity infrastructure, the standards required of improved public realm for Towns of this size and their significance for both the social and economic development of the County. It is proposed to continue to levy an additional ring-fenced Development Contribution in these areas for the improvement of the public realm and associated higher order amenity projects within the two towns. This levy will apply to both residential and commercial applications. A charge at a lower rate is included in the Draft Scheme for Listowel to provide a ring-fenced fund for the implementation of the Listowel Heritage Plan. In this case, the charge is confined to commercial applications.

The new Scheme reduces Development Contributions for a majority of development types irrespective of their location within the County.

The Chief Executive pointed out that this is a progressive Development Contribution Scheme and she believed it is balanced and while the impact on some sectors has been reduced contributions are sought across all sectors which is reasonable.

Mr. M. Scannell advised that the Scheme is progressive and pro development and it was difficult to replace 4 Schemes that had different charges and ways of attaching levies. The major change relates to the charge for a standard house which is a significant reduction on the previous Scheme and he outlined the previous charges and reductions under the new Scheme for Kerry County Council together with previous charges for the county and the three Town Councils. Mr. Scannell outlined the savings in the Scheme for retail development and an application for change of use that would require 6 additional car parking spaces will be exempt resulting in a saving of €13,000. The Scheme aims to encourage property owners to redevelop their property and through the MD Development Plan process areas in need of regeneration will be identified for further assistance through an emerging Rates Grant Scheme. It is important that employment generating businesses are supported. The agricultural development levy of €4.10 is very reasonable. Significant development has already taken place and it is anticipated this will generate €800,000 over the lifetime of the Scheme. Development levies associated with wind farm developments have increase 10 fold to €10,000 per MW. Quarries have had a significant impact on rural roads where they are located and a levy of €0.29 per m³ is proposed. The new Scheme harmonises development levies across the county.

Mr. Scannell referred members to Page 3 of the Chief Executive's Report on Submissions received where details of the process for the preparation of the Draft Development Contributions Scheme are set out. He advised members if the Scheme is not adopted the current Schemes will remain in place. 10 submissions were received during the consultation period of the scheme including a submission from the Minister for Housing, Planning, Community and Local Government.

Recommendation:

No modification to the Draft Development Contributions Scheme.

Written Submission No. 3:

Ardfert Quarry

Submission:

The submission states that Ardfert Quarry understands the need for such contributions, but expresses concern at the extent of the proposed increase.

The submission states that the proposed scheme will result in an additional payment of circa €20,000 per annum in development contributions based on current tonnages.

The submission also states that a community & amenity levy cannot be justified and that quarries do not require these community & amenity developments to carry out their business.

The submission agrees in principle with the payment of development contributions, however in its view development contribution schemes have led to significant levels of inequality in the market place. The submission states that it is imperative that any scheme is properly enforced, otherwise disparity will continue and a possible increase in the black market supply of aggregate may result.

Response:

The operations of the extractive industry results in significant heavy vehicular movements on the roads of the county. The Draft Development Contributions Scheme will support the provision of infrastructure in areas that these industries are located.

The proposed scheme levies quarries that produce in excess of 10,000 tonnes per annum and calculates development levies in m³ as opposed to per tonne. A survey of the quarry can be under taken to ascertain the volume of material extracted, therefore the rate per m³ is considered a fairer and more equitable means of calculating development levies without the reliance on weighbridge returns. It also enables all quarries producing in excess of 10,000 tonnes per annum irrespective of whether a weighbridge is present to be subject to development levies.

Recommendation:

No modification to the Draft Development Contributions Scheme.

Written Submission No. 4:

Name withheld for data protection purposes. A paper copy of the unedited minutes is available on request.

Submission:

The submission states that the proposed development charge of €4.10 on farm buildings should not be pursued. The submission asserts that farm buildings add very little additional traffic to the county's roads compared to the other development categories in the scheme and that farm buildings do not contribute any extra farm output or income and are constructed to comply with environmental legislation.

The submission also states that proportionally the proposed agricultural charge would be a more significant percentage of the cost of a farm building than levies proposed on other development categories.

Response:

The Draft Development Contributions Scheme took into consideration all developments where public infrastructure is utilised. Agricultural developments have the benefit of rural roads and infrastructure in the same manner as rural housing and other rural commercial developments. A charge for agricultural developments similar to rural housing and rural commercial developments is therefore, considered reasonable.

In addition the scheme also sought to reduce levies across all sectors in the interests of job creation and economic development. The development levy proposed in relation to agricultural developments enables reductions to be applied elsewhere in the scheme.

A similar levy exists for agricultural developments in other counties

Recommendation:

No modification to the Draft Development Contributions Scheme.

Written Submission No. 5:

Kerry ICMSA

Submission:

This submission states that Agricultural Developments should remain exempt from development contributions. The submission highlights that a policy of exempting Agricultural Development farm development contributions offers an incentive to promote ongoing agricultural development in rural areas which ultimately benefits the economic and social wellbeing of the local area.

Response:

See response to Submission No. 4.

Recommendation:

See recommendation to Submission No. 4.

Written Submission No. 6:

Kerry IFA

Submission:

This submission states that the IFA is opposed to any introduction of Development Contributions in relation to agricultural development as it will affect the development of the agriculture and food industry in Co. Kerry and jeopardise existing jobs in the sector.

The submission also states that buildings for the pig and poultry sectors should also be exempt from Development Charges.

The submission acknowledges that residential development contributions may be appropriate for large scale developments where the cost can be added on to the sale price of the property, however single residential developments should be exempt from Development Contributions.

Response:

Regarding agricultural development, see response to Submission No. 4.

Regarding intensive agriculture, this type of industry results in significant vehicular movements, and is considered industrial with regard to their scale and operation. The industrial levy in relation to intensive agricultural development is therefore, considered reasonable.

Regarding residential development in rural areas, the Development Contributions Guidelines issued by the Minister specifically state that all residential developments irrespective of location benefit from improvements to infrastructure and therefore should be levied.

Recommendation:

See recommendation to Submission No. 4.

Written Submission No. 7:

Irish Concrete Federation (ICF)

Submission:

The submission outlines that the proposed contributions are a multiple of those imposed by other local authorities and are a substantial increase over the existing scheme.

The submission states that the ICF is greatly concerned that the proposed increase in the contribution level for extractive industries /operations would have a damaging impact on the future of quarrying activities in the county with a resulting impact on jobs and investment. The submission also states that there is a relative shortage of good quality rock quarries to service future demand in the county and if the proposed development levies are implemented the demand for

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quarry materials will be served from adjacent counties with no subsequent benefit for the county.

The submission also proposes that all contributions from quarries should be based on special contributions pursuant to Section 48(2)(c) of the Planning Act.

Response:

See response to Submission No. 3.

Regarding reference to a special contribution pursuant to Section 48(2)(c) of the Act, this provision provides for the payment of a special contribution in respect of a particular development where specific exceptional costs not covered by the scheme are incurred by the Local Authority in respect of public infrastructure and facilities. It would therefore not be appropriate to apply a special contribution pursuant to Section 48(2)(c) to the extractive industry.

Recommendation:

No modification to the Draft Development Contributions Scheme.

Written Submission No. 8:

Eirgrid

Submission:

The submission states that EirGrid provides a direct benefit to surrounding communities when it builds new transmission infrastructure. The submission states that where new infrastructure is built Eirgrid sets up a community fund and makes proximity payments to individual homes based on their location in relation to the infrastructure. The submission states that it would appear unreasonable to duplicate the payment of contributions, which arise as a result of EirGrid's compliance with the Government's policy statement on the strategic importance of transmission infrastructure, and payments required in accordance with Section 48 of the Planning & Development Acts 2000-2015.

The submission states that a large proportion of works to transmission lines relate to routine maintenance and refurbishment work including tower painting, replacement of old/damaged apparatus and replacement of wooden pole sets.

Whilst these works are generally exempt development, their proximity to protected sites may render them subject to a planning application.

The submission therefore requests an amendment to the proposed text (on page 13) in the Draft Contribution Scheme to ensure that maintenance, refurbishment, and upgrading works remain exempt from development levies.

Response:

Eirgrid's Community Fund involves payments directly to property owners and does not equate to a Development Contribution Scheme funding key community and infrastructure projects. Section 34 of the Planning and Development Act

2000-2015 does not allow a Local Authority to apply conditions relating to community gain.

The Draft Development Contributions Scheme prepared under Section 48 of the Planning and Development Act 2000-2015 facilitates the Local Authority in the provision of key community and infrastructure projects for community benefit.

Kerry County Council recognises that EirGrid operates a reliable, economic and efficient transmission system. In order to do this maintenance, refurbishment, and upgrading works are necessary. It is therefore considered appropriate that a development contribution should not apply to such works.

Recommendation:

It is recommended that the following additional text (in *italics*) be included in the Energy Infrastructure section on page 13:

Planning applications for transmission lines (overhead & underground) *other than applications for maintenance, refurbishment, and upgrading works* shall be subject to a Community & Amenity contribution of €1,000 per kilometre.

Written Submission No. 9:

Terra Solar

Submission:

This submission states that the development contribution for solar photovoltaic (PV) renewable energy should be less than that of other renewable energy such as wind energy as

- (a) Solar PV development has substantially less impact on roads, transport infrastructure, community and
- (b) Solar PV development generates less electricity per megawatt (MW) than other renewable energy sources such as wind energy.

The submission proposes a reduced contribution in the range of €3,000 to €5,000 per MW.

Response:

Development Contributions are not calculated based on the financial return of a development; they are based on the provision of infrastructure benefitting development in the area.

The proposed rate for renewable energy is calculated on a per MW basis, therefore the total charge for a proposed development will be reflective of the scale of the development.

Recommendation:

No modification to the Draft Development Contributions Scheme.

Written Submission No. 10:

SSE

Submission:

This submission relates to both renewable and non-renewable energy development. The submission:

- Is opposed to the proposed increase in development levies for renewable energy developments.
- Expresses concern that the proposed scheme will negatively affect investors' willingness to invest in wind projects
- Argues that Draft DCS does not give appropriate recognition to the substantial contribution the wind energy sector makes to the local and national economy through local direct investment, job creation, local authority rates, and increased demand for local services.
- States that there is a lack of justification for the €20,000 per MW charge for non-renewable energy.

Response:

A commercial wind farm given its size and scale is considered an industrial scale enterprise. The proposed levy is therefore, considered reasonable.

There is justification for a higher charge for non-renewable energy development. Government Policy favours renewable energy in order to ensure the compliance with the EU Renewables Directive (2009/28/EC) and in its Energy White Paper which targets increased electricity consumption from renewable sources.

Recommendation:

No modification to the Draft Development Contributions Scheme.

In conclusion Mr. Scannell stated it is recommended that the proposed Draft Development Contributions Scheme be modified as follows:

Additions to the text are in *italics*. Omissions to the text are in *strikethrough*.

Revision 1:

It is recommended that the following text in *italics* and *strikethrough* under the Utilities section on pages 13 be deleted and the table on page 9 & 10 be amended accordingly:

Development of utilities shall be subject to a development contribution.
They are to be charged at a rate of €1,000 per structure ~~or €5,000 per Hectare, whichever is the greatest.~~

Revision 2:

It is recommended that the following additional text be included in the Energy Infrastructure section on Page 13:

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Planning applications for transmission lines (overhead & underground) *other than applications for maintenance, refurbishment, and upgrading works* shall be subject to a Community & Amenity contribution of €1,000 per kilometre.

Cllr. J. Finucane acknowledged that the Draft Scheme takes full cognisance of the decline in development both in urban and rural settings which has resulted in the closure of shops, schools etc. He welcomed the Scheme and added that the Council must take ownership of some of the issues including the provision of housing in rural area. This Scheme will contribute to a resolution of some of these issues and if funding is not available they cannot be addressed. Many small to medium businesses are under pressure and in decline and it is vital that there is equity in the Scheme. Farming is like any small enterprise and he PROPOSED that any development up to 250m would be exempt. It is member's duty to be part of a process to redevelop rural Ireland and this Scheme is a catalyst for that. In conclusion Cllr. Finucane highlighted that the benefits of this Scheme will have a knock on effect and will contribute in no small way to the economic recovery of the county.

Cllr. D. McCarthy declared that he is a farmer and the Manager of the Mart in Kenmare. All members have witnessed the decline of rural Ireland and in Kenmare tourists caravans are parked at the side of road where there is no charge. He welcomed the flat rate applicable to houses up to 125m². Farming has been through 5 or 6 turbulent years and the average age at a mart is 60 years while agricultural schools are full of young people who want to go into farming. He asked if the exemption for farm buildings would remain for the lifetime of the Scheme. If a levy is put on quarries, supermarkets etc. they can pass it on to the customer but farmers are dependant on the market and they do not have a weekly wage. Farming is being devastated by forestry and there is no levy on it when it is being felled. He PROPOSED that the Scheme be rejected.

Cllr. M. O'Shea stated while he welcomed parts of the Scheme he disagreed with some proposed levies. Members constantly express concern for businesses in small towns and the Scheme aims to entice businesses back into these town centres. Cllr. O'Shea expressed concern at the exemption for houses as he believed the house size being exempted is too small. He PROPOSED that the flat rate would be increased to 180m² which equates to the average house. This would result in a saving of up to €1,100. He expressed concern that if levies are imposed on quarries they will pass it on to their customers and that is why he made his proposal in relation to levies on houses. A major issue for members is the proposed levy on agricultural developments but the proposed size shed to be exempt equates to a double 3 bay shed which accounts for 90% of farm buildings in the county.

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Cllr. N. Kelleher highlighted that car parking levies have been an impediment to the development of commercial units. He welcomed the proposed changes as new industry must be encouraged to set up in Kerry. Cllr. Kelleher further welcomed the exemption for masts etc. which form part of the National Broadband Scheme and the levies on wind farm developments. Members were not provided with a copy of the submissions but he trusted they were accurately reflected in the report circulated. Cllr. Kelleher suggested that funds raised under the Scheme in a Municipal District should be ring fenced for that Municipal District and that car parking levies generated would only be spent in the relevant town. The average house in Ireland in 2008 per the CSO is 180m² and he PROPOSED that houses up to 180m² should be limited to the flat rate.

Cllr. B. Cronin highlighted that he supported the last Development Contribution Scheme as agricultural developments were exempt. However funding is required for projects in the county. A major issue for members is the proposed levy on agricultural development and he PROPOSED that such developments would continue to be exempt. The agri sector is the only sector that continues to pay water charges and the LIS is no longer available for those living on private roads. Farmers are self employed and if they get sick they are not entitled to social welfare benefits. Cllr. Cronin welcomed the reductions in levies in the Scheme and clarified that the levies in place in Killarney were put in place by Killarney Town Council and not Kerry County Council. An industrial development of 1,000m² will be liable for levies of €55,000 which is substantial. He welcomed the exemption for broadband masts in the Scheme and the levy proposed for wind farm developments. Funding is required to support employment opportunities and additional parking is urgently needed in Killarney. Cllr. Cronin PROPOSED that a sum of €250,000 be ring fenced for LIS going forward as it is important to support rural communities.

Cllr. M. Cahill agreed that houses up to 180m² should be limited to the flat rate. The proposed levy of €4.10 for agricultural buildings will have serious consequences and for this reason he had proposed that any development up to 250m² be exempt. An application for a development that is 300m² will only be liable for levies for the 50m² over the 250m². It is not proposed to charge a levy on silo yards, pits etc. and this is welcome. Cllr. Cahill advised that his proposal to exempt 250m² for agricultural developments acknowledges the special circumstances of farmers. It is also important to remember that businesses are already paying rates, water/wastewater charges and the Scheme must be fair to all.

Cllr. J.F. Flynn welcomed the Draft Scheme and highlighted that he moved a Notice of Motion a few months ago in relation to the levies on new houses which are substantial. He welcomed the reduction in the levies but expressed concern that the house size to be exempt is too small. He supported the proposal that the flat rate would apply to houses up to 180m². Coastal protection is an ongoing problem in Kerry and members had to approve matching funding of €550,000 for

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works at Rossbeigh which put a substantial financial burden on the Council. Cllr. Flynn welcomed the reductions in the Scheme for the change of use of buildings as hopefully this would encourage the use of existing buildings. He supported the proposal to exempt farm developments up to 250m² which should facilitate the majority of farmers. Members recently visited the new FEXCO building where it is hoped to provide 400 to 500 jobs. Many of these will be sons and daughters of farmers who want to build on the family farm. Cllr. Flynn SECONDED Cllr. Cronin's proposal that a sum of €250,000 would be ring fenced for LIS. In conclusion Cllr. Flynn highlighted the need to pursue forestry companies who are causing a lot of damage to roads when large lorries are used to transport timber from the forestry.

Cllr. N. Foley acknowledged the huge amount of work that went into compiling the Development Contribution Scheme. She welcomed many of the proposals in the Scheme including the proposed levy on wind farm developments, the reductions for change of use and the exemption for masts for the provision of broadband. Cllr. Foley referred to the proposed flat rate for houses up to 125m² and highlighted that the average house according to the CSO is 180m² and members want this reflected in the Scheme. The agricultural sector is hugely important to the economy of the county and caution must be exercised in the introduction of a levy on agricultural buildings and she was speaking personally on this issue. It is vital to provide a stimulus to the agricultural sector and she had reservations about the proposed levy.

Cllr. P. Connor-Scarteen thanked Mr. Scannell and his team for the work that went into preparing the Scheme. Overall the Scheme will be beneficial to the county in the context of the Town and Village Renewal Scheme, reductions for the redevelopment of vacant buildings etc. It is accepted that funding is required to improve roads, footpaths etc. Cllr. Connor-Scarteen highlighted that car parking is a major issue in Kenmare and Dingle and additional parking is required. There is a co-funding requirement for amenity areas, parks, coastal protection works and greenways and funding must be identified for these works. It is not proposed to impose a levy on silo yards etc but only on roofed buildings. He welcomed the proposal to exempt buildings up to 250m² and he was confident that 95% of farms in South and East Kerry will be exempt from this levy. In conclusion Cllr. Connor-Scarteen stated the Scheme is reasonable, fair and balanced.

Cllr. J. Moloney acknowledged the work that went into compiling one Development Contribution Scheme for the county where previously there were four Schemes. At every meeting members are calling for funding for projects and hopefully this Scheme will provide that funding. He supported the proposal to increase the flat rate to houses up to 180m² as this will result in a saving of €1,100. Levies for industrial development should not be increased and he welcomed the proposed levy for wind farm developments as wind farms do not benefit the local community. Cllr. Moloney also welcomed the proposed

reduction in car parking levies and he asked that the new Municipal District Development Plans would be finalised as soon as possible. In conclusion he asked if an applicant applies for retention will they be liable for the new levies.

Cllr. J. Healy-Rae highlighted that members must represent the people who elected them and in his opinion certain aspects of the Scheme are unfair. He asked if the utilities levy will apply to Irish Water and the laying of new water pipes. Additional car parking is needed in Dingle and he suggested that a 2 hour parking limit would apply to on street parking. He asked that the Area Engineer in Dingle would be asked to compile a report on parking in Dingle as many visitors find it difficult to get parking. Mobile phone masts are not exempted development under the Scheme yet mobile phone coverage is bad in many parts of the county. The flat rate for a house up to 125m² is too small and water and sewerage connections must also be paid. If an applicant gets permission for a 180m² dwelling and if they are lucky enough to be in a position to connect to public water and sewer it will cost them between €12,000 and €15,000 or alternatively they must sink a well and provide a septic tank. Cork and Limerick do not charge levies on agricultural buildings and Clare allows an exemption on developments up to 800m². Cllr. Healy-Rae emphasised that he was not in favour of being the first local authority to impose a levy on agricultural buildings. He then referred to the proposed levy on quarries and pointed out that Kerry County Council is buying stone in from Cork and Limerick. Any levy on quarries will result in an increase in prices.

Cllr. R. Beasley welcomed the exemption for masts for broadband and the proposed levy for wind farm developments. Listowel MD is saturated with wind turbines and he suggested that revenue collected in an MD should be ring fenced for that MD. Cllr. Beasley agreed with the proposal that the flat rate for houses should be increased from 125m² to 180m². There was no mention of car parking in Ballybunion and he asked that it would be included. In the Listowel MD there has been a charge on agricultural buildings exceeding 600m² since 2011 and he asked if there was any scope to increase the exempted area.

Cllr. J.J. Culloty acknowledged that the Executive have a difficulty raising funding but this is a national issue. There was a 56% reduction in funding for roads during the recession and this funding has not been restored. The decline in rural Ireland can be attributed to the lack of funding by the government. Many windfarm developments have already been completed therefore it is unlikely there will be much income from the new wind farm development levy. If levies are imposed on quarries it will result in an increase in cost for the person building a house, farming etc. Farmers already pay LPT, water charges and for the collection of silage wrap among other charges. The existing levy of €1,100 for a house is substantial but the biggest impediment for those wanting to build a home is the difficulty in securing permission and this must be addressed. Cllr. Culloty supported the proposal to increase the house size from 125m² to 180m² and he asked that the current exemption for agricultural buildings would continue.

Cllr. A. Thornton welcomed the exemption from the parking levy and she added that this was an impediment to the provision of additional accommodation in Listowel. She moved a Notice of Motion in relation to damage to infrastructure during wind farm developments and she was advised there is no development levy funding available to repair local infrastructure. Many wind farm developments have already taken place in North Kerry and the levies on this type of development should have been introduced prior to this development taking place. Cllr. Thornton welcomed the proposal to exempt houses up to 180m² and she believed farm buildings should be exempt. She declared that she is married to a farmer and she did not believe she had a conflict of interest as her aim was to revitalise rural areas. It is reasonable to state that the people who kept towns and villages going during the recession were the farmers as they shop locally. Many young people have gone to agricultural college and with the abolition of quotas they must increase their farm size. The proposed Scheme will be in place for 6 years and with farmers facing the uncertainty of BREXIT it is the wrong time to impose this levy on them. In conclusion Cllr. Thornton commended the forward thinking new Scheme and added that she believed it can be balanced without imposing a levy on agricultural units.

Cllr. N. Moriarty acknowledged the work that went into drafting the Scheme and also those who made submissions. She believed the intention was to be fair and while she had no issue with levying charges on agricultural buildings she wanted to ensure that rural communities, towns and villages are more viable. She did not believe an exemption would be critical for farmers but the key for farmers is increased prices for their produce. The criteria for grants are extraordinarily difficult to meet but Kerry County Council cannot change that. Small businesses do not have access to grants. Cllr. Moriarty called for a reduction in the cost of car parking and she did not agree that funding should be spent where it is raised but rather investment must take place where it is needed. While she acknowledged that Killarney is the tourism capital of the county it is important that other areas are well maintained also. It would be preferable to see an increase in the size of houses to be exempt from levies as it would be a stimulus to development. According to the Coillte website they had earnings of €98.6m last year and if they are responsible for damage to local roads they should pay for repairs to them. Irish Water reinstates roads following repairs to the water supply network but that is not practical with Coillte as the harvesting of forestry is ongoing. In light of this she suggested that an annual contribution would be more appropriate and this funding should be spent on repairing roads over which the timber is being transported. She called on Management to liaise with other local authorities on this issue.

Cllr. M. Healy-Rae acknowledged the work of the Planning Department in compiling the Scheme which replaces 4 Schemes. She asked what is the projected income from the new Scheme and will it be an increase on the previous Scheme. Water and sewerage charges were set by the Council with justification

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for improvements to the infrastructure yet $\frac{1}{3}$ of Castleisland is not sewered and there is no sewerage scheme in Scartaglin. Cllr. Healy-Rae referred to the proposed levy on agricultural sheds and highlighted that many are on local roads and there is little or no funding for these roads. She expressed concern that mobile phone masts are not exempt as coverage is poor around the county and needs to be improved. In the village of Firies and Barraduff there is no mobile phone coverage. In accordance with EU legislation pig farmers must increase the space per pig and now the Council is proposing to levy agricultural buildings. She PROPOSED that farm buildings up to 500m² would be exempt. In conclusion Cllr. Healy-Rae outlined she was opposed to the levy for advertising signage as any business should be allowed to advertise.

Cllr. P. Daly acknowledged there are some positive measures in the Scheme. He referred to car parking and highlighted that approx. half of the car park at Lewis Road is given over to bus companies. He agreed that farmers should have to pay some charges but they are after a few very difficult years. Cllr. Daly stated the exemption of 250m² is too low and he agreed if a mobile phone company wants to erect a mast they should have to pay a levy. In conclusion he stated if provision is made for an exemption for houses it should only be for first time buyers.

Cllr. S. Fitzgerald welcomed the report and added it will benefit rural Kerry. He welcomed the proposed reductions and agreed with the exemption for houses up to 1800 sq ft. It is only fair that all businesses would contribute as they all need and appreciate car parks when they are provided. He thanked Management for sourcing land in Dingle for a car park. Most grant schemes now require matching funding therefore it is important to be in a position to provide this funding. Cllr. Fitzgerald declared that he is a farmer and while he would like to see the exemption for agricultural buildings increased from 250m² he must be responsible and for this reason he agreed with the proposal to exempt buildings up to 250m². If a farmer submits a further application it will not be amalgamated with any previous application.

Cllr. P. McCarthy complimented the Chief Executive, Mr. Scannell and Mr. Ginty for the time and effort that went into compiling the Scheme which is very positive. The proposed exemption for farm buildings up to 250m² is reasonable and should include in excess of 90% of buildings. It would be very welcome if some of the income from the Scheme could be allocated for LIS and he did not agree that funding should be ring fenced for the area where it is raised. Cllr. McCarthy asked if the flat rate for a house is increased from 125m² to 180m² what will the impact be on projected income.

Cllr. D. Grady highlighted it is a reserved function to adopt a Development Contribution Scheme which will have a positive effect on young people building houses. The present levies to connect to water and sewer are exorbitant. Cllr. Grady asked that at least half of the money collected in Killarney would be ring

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fenced for the town. He pointed out that buses are a very important part of the tourism industry in Killarney and they must be facilitated. He added that Clare County Council charges €15 per bus for parking. Cllr. Grady stated the proposed levy on farm buildings is not fair to farmers and he called on the Executive to review this levy.

Cllr. T. Ferris highlighted this is one of the few powers left to local authorities where they can influence revenue. She **SECONDED** Cllr. Cronin's proposal that income from levies on houses would be ring fenced for the road infrastructure. Cllr. Ferris agreed with Cllr. Moriarty's suggestion that management would collaborate with other local authorities in an effort to recover some of the cost of repairs to roads damaged by Coillte. While the Council does not create employment it can introduce policies to encourage and facilitate the creation of employment. She welcomed the provisions in the Scheme for car parking but expressed concern at the exemption provided for IDA supported companies as they are in receipt of other benefits also. She asked why these companies should be exempted. Cllr. Ferris referred to the proposed levy on wind farm developments and asked if provision is made for a community fund and that a percentage of energy would be gifted to the local community. She **PROPOSED** that an annual contribution of between €5,000 and €10,000 would be gifted by wind farm companies to local communities.

Cllr. R. Beasley **SECONDED** this proposal.

Cllr. Ferris highlighted that a number of wind farms have already been developed but they may submit proposals for additional wind turbines and even though the original development pre-dates the proposed Scheme she **PROPOSED** such applications would be subject to this additional levy to ensure the local community benefits. Cllr. Ferris added that the proposed levy for the retention of shop fronts appears to be excessive and she asked what is the justification for it. She referred to Page 13 of the Report and the section on Energy Infrastructure where it states the €10,000 per MW contribution will be split 30/70 between Roads & Transportation and Community & Amenity and she asked how it will be decided how the income from these levies will be spent. Cllr. Ferris highlighted there appears to be a perception that agricultural buildings were exempt heretofore but a levy applied in Listowel with an exemption up to 600m². She objected to a blanket exemption for any sector however, she believed food production is one of the driving forces in the county and she did not want to compromise that. She would support the introduction of the levy provided small farmers are protected. It costs between €216,000 and €288,000 to build the average house and an exemption from the levy of €1,100 could be the difference between being able to afford a kitchen or not. In conclusion Cllr. Ferris stated she fully supported the proposal to have the flat charge applied to the average house size.

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Cllr. S. Locke welcomed the proposed changes in relation to levies on retail developments. He supported Cllr. Cronin's proposal that levies would not be applied to agricultural buildings for 2 years. While the economy has improved in Dublin last Christmas he helped six families put food on their table and they were all farming families. In his opinion the proposed levy on agricultural buildings cannot be justified. He suggested that farm buildings would be exempted for 2 years until a new Council is elected.

Cllr. D. Quigg agreed that the size of houses to which the flat rate applied should be increased to 180m². He was not in favour of the proposed levy on agricultural buildings as farmers are already under enough pressure financially and he believed the exemption for farm buildings in the current Scheme should continue. 75% to 80% of his constituents are farmers and the proposed levy could be the difference between selling off cattle if they cannot afford to house them. He suggested that farming should be subsidised in the winter. In 2014 the Sinn Féin Party outlined proposals to raise revenue but they were dismissed at that time. In conclusion Cllr. Quigg confirmed he could not support the Scheme as presented.

Cllr. G. Spring welcomed the Draft Development Contribution Scheme which is encouraging. Matching funding is required for many grant schemes and this Scheme will provide that matching funding. He welcomed the exemption for masts used to provide broadband and added that working from home is on the increase. He welcomed the proposed flat rate for houses and asked if it was increased to 180m² what impact it would have on income. He welcomed the exemption for voluntary housing also. Farming culture must be given credence and it is a very volatile industry. He agreed that there should be no levy on the average agricultural development.

The Chief Executive informed members that the Draft Scheme aims to send out a strong message that the county is pro development, open for business and aims to rejuvenate towns and villages. It is not possible to omit some provisions of the Scheme as it has been prepared with a view to ensuring a certain income. Income will be reduced by each proposal made by members and if there is a substantial loss she would have to rebalance the levies. Members must remain true to the integrity of the Scheme. The aim of the Scheme is set out in the report which she outlined earlier in the meeting. It was important to eliminate charges for broadband infrastructure. It is not possible to impose a levy on forestry and while Section 48 of the Planning and Development Act 2000 allows for the ring fencing of funding it must be for public infrastructure. If matching funding is required for coastal erosion works it cannot be charged to one Municipal District and the same applies to greenways which will not benefit one MD only. The proposed levy on quarries is reasonable and fair. The proposed flat rate for houses up to 125m² reflects a substantial reduction especially for urban areas which are the target areas. The aim is to stimulate the development of town houses rather than large houses and the proposed exemption is

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specifically targeted at that sector. The proposal to increase this exemption to 185m² would cost €2m over the lifetime of the Scheme and if that proposal is adopted there will be no Scheme. Alternatively the Scheme will have to be rebalanced. The proposal to increase the exemption for agricultural buildings to 250m² will result in a loss of income of €75,000 per annum.

Cllr. A. Thornton highlighted while the Scheme is very positive there are significant changes in some areas and she asked that members proposal in relation to farm buildings be permitted.

Cllr. J. Finucane acknowledged that some members have concerns regarding the proposed levies on agricultural buildings but the proposal to increase the exempted buildings size to 250m² will facilitate 90 to 95% of farmers. He believed members would adopt the Scheme with this amendment if a commitment is given that the Council will focus on improving rural roads.

Cllr. B. Cronin expressed surprise that funding cannot be ring fenced for LIS as members set aside funding for the Community Support Fund which is of huge benefit. He requested clarification between the Community Support Fund and his proposal in relation to the LIS.

In response the Chief Executive stated Section 48 refers to public infrastructure only. The Development Levy Scheme has been audited on a number of occasions and while some local authorities ran into difficulty Kerry did not because the income was spent on public infrastructure.

Mr. M. Scannell noted that any third party could challenge a decision or condition imposed by the planning authority. Any contribution to LIS from the Development Levy Scheme would put the decision of the local authority and the application of the Scheme into question.

Cllr. B. Cronin highlighted that he proposed that the agricultural sector would be exempt from levies and this proposal was seconded. He called for a vote to be taken on his proposal.

Mr. M. Scannell highlighted that a proposal was made that any agricultural building up to 250m² would be exempt and if an application is submitted for a building that is 300m² then only 50m² will be subject to the levy.

Cllr. D. Quigg referred to the clarification in relation to funding for LIS and pointed out that the way round this is to take some of the roads into public ownership.

Cllr. D. McCarthy asked how many farm buildings were built in the past 3 years. If agricultural buildings will not be exempt under the Scheme he would stand by his proposal that the Scheme be rejected.

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Cllr. J.J. Culloty PROPOSED that the levy on wind turbines would be increased from €10,000 to €20,000 per MW.

Cllr. J. Healy-Rae advised that it was stated a 250m² agricultural building is a 6 bay shed but that is not correct. In accordance with new EU legislation the amount of space now required for a sow must be increased and piggeries are owned mostly by co-operatives who employ people. If the application is subject to a levy it will be very expensive.

Suspension of Standing Orders

The Cathaoirleach indicated it was 1.30pm and it would be necessary to suspend Standing Orders.

On the PROPOSAL of Cllr. P. McCarthy, SECONDED by Cllr. J. Finucane it was agreed to suspend Standing Orders to allow the meeting to continue.

(a) Chief Executive's Report on submissions received on the draft Development Contribution Scheme (Cont'd)

Cllr. T. McEllistrim stated he was opposed to the proposed levy on agricultural buildings.

Cllr. N. Foley requested clarification on the proposed levy for a house and asked if the cost for a house under 150m² is at a reduced rate.

The Chief Executive clarified that the breakeven point is at 150m² and any house smaller than this will be liable for reduced levies.

Mr. M. Scannell referred to Cllr. Culloty's proposal and clarified that the proposed increase in the charge for wind turbines is 10 fold and anything beyond that would be deemed to be unreasonable.

Cllr. T. Ferris referred to existing permissions for renewable energy development and asked if an application for additional turbines is submitted will that application be subject to the new Scheme.

Mr. Scannell confirmed that any such application would be subject to the levies in the new Scheme.

Cllr. T. Ferris asked if it is legally permissible that any applications for renewals of wind farm developments would incur additional charges.

Mr. Scannell clarified it would not stand up to legal challenge.

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Cllr. J.F. Flynn stated if the proposal to increase the exempted house size to 185m² was not permitted he could not support the Scheme as the Council should be encouraging people to build houses.

Cllr. J. Healy-Rae asked if the proposed levy of €1,000 per km will apply to water pipes.

Mr. Scannell clarified that levy would not apply to water pipes. He briefed the meeting on existing development levies for houses in place by a number of local authorities all of which are more expensive than Kerry. The proposal in the Scheme that a house up to 125m² would be exempt is a strong development proposal. The amendment proposed would have a significant impact on the income from the Scheme and would undermine both the Scheme and Kerry County Council's capability to deliver projects. The aim of the Scheme is to realise an income of €11m and any proposal to reduce that by €2m would seriously undermine our ability to deliver projects. Mr. Scannell again highlighted that he believed the Scheme is reasonable in terms of residential development.

Cllr. B. Cronin asked if some leeway could be given for first time builders.

Mr. Scannell advised that legally it would not be acceptable to categorise people.

The Chief Executive highlighted that the proposal to have a flat rate for houses up to 125m² is a significant proposal.

Mr. M. O'Donoghue pointed out that a number of proposals were made but the two substantive proposals were from Cllr. Finucane that agricultural developments up to 250m² be exempt and the second was from Cllr. Cronin that the current exemption for agricultural development would continue.

Cllr. D. McCarthy stated he proposed if agricultural buildings are not exempt he could not support the Scheme.

Cllr. D. Grady asked what impact Cllr. Finucane's proposal would have on income from development levies.

The Chief Executive clarified that it would cost €75,000 per annum or €450,000 over the lifetime of the Scheme. Any further reductions would have a serious impact on the Council's ability to deliver projects.

Cllr. T. Ferris asked how much development levies are outstanding over the past 5 years.

The Chief Executive advised members that €1.8m was collected in development levies in 2016.

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Ms. B. Conway, A/Meetings Administrator informed members that a vote would first be taken on Cllr. J. Finucane's proposal that agricultural buildings up to 250m² be exempt from development levies.

Cllr. N. Foley asked if a vote would be taken on both amendments.

Mr. O'Donoghue clarified that this depends on the outcome of the vote on Cllr. Finucane's proposal. If that proposal is defeated there would be a vote on Cllr. Cronin's proposal.

Cllr. N. Kelleher asked if Cllr. Finucane's proposal is adopted is the Scheme then adopted.

Mr. O'Donoghue highlighted that firstly a vote would be taken to modify the Scheme and a separate vote would be taken to adopt the Scheme.

The vote on Cllr. Finucane's proposal that any agricultural development up to 250m² would be exempt from development levies resulted as follows:

For: Cllrs. Beasley, Cahill, Connor-Scarteen, Finucane, Fitzgerald, Grady, P. McCarthy, Moloney, Moriarty, Nolan, O'Brien, O'Connell, O'Shea, Spring, Sheahan **(15)**

Against: Cllrs. Cronin, Culloty, Daly, Ferris, Flynn, Foley, J. Healy-Rae, M. Healy-Rae, Kelleher, Locke, D. McCarthy, McEllistrim, Quigg, Thornton **(14)**

Not Voting: None **(0)**

Absent: Cllrs. Gleeson, Kennelly, Lucid, Purtill **(4)**

The Cathaoirleach declared the proposal CARRIED.

Mr. M. O'Donoghue clarified that a vote would then be taken on the adoption of the Scheme subject to the modification just adopted.

The Chief Executive again highlighted that to increase the size of house to be exempt from development levies from 125m² to 185m² would cost €2m and if this proposal was adopted there would not be a Scheme.

Cllr. T. Ferris stated as one of the councillors in favour of this proposal given the stark reality of what the Chief Executive outlined members would do a greater service to adopt the Scheme to ensure matching funding for coastal protection works etc. is available.

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Cllr. J.F. Flynn asked if the house size to be exempted could be increased from 125m² to 185m² in rural areas only.

Cllr. Kelleher asked if the proposal was reduced to 1750 ft² how much would it cost.

The Chief Executive advised it would cost €270,000 and a further €450,000 has already been taken from proposed income from the Scheme. This would be unrealistic and the proposed Scheme is very fair.

17.07.25.01(b) Making of the Development Contribution Scheme

On the basis that there is a reduction in the levies for a house up to 150m² in the new Scheme Cllr. Finucane PROPOSED that the Development Contribution Scheme as amended be adopted in accordance with Section 48 of the Planning and Development Acts 2000 – 2016.

Cllr. T. O'Brien SECONDED this proposal.

A vote was taken on this proposal which resulted as follows:

For: Cllrs. Beasley, Connor-Scarteen, Culloty, Daly, Ferris, Finucane, Fitzgerald, Foley, Grady, P. McCarthy, Moloney, Nolan, O'Brien, O'Connell, O'Shea, Spring, Thornton, Sheahan **(18)**

Against: Cllrs. Cahill, Cronin, Flynn, J. Healy-Rae, M. Healy-Rae, Kelleher, Locke, D. McCarthy, McEllistrim, Moriarty, Quigg **(11)**

Not Voting: None **(0)**

Absent: Cllrs. Gleeson, Kennelly, Lucid, Purtill **(4)**

The Cathaoirleach declared the proposal CARRIED.

Mr. M. O'Donoghue advised members that the reference in the Scheme to Roads and Infrastructure should read Roads and Transport. The reference to cemeteries was to be included in Community and Amenity Infrastructure Projects.

Meeting with Minister Kevin Boxer Moran

The Cathaoirleach informed members that the Minister of State at the Department of Public Expenditure and Reform with special responsibility for the Office of Public Works and Flood Relief, Kevin Boxer Moran TD will be in Kerry on Thursday 27th July and he has agreed to a brief meeting with representatives of Kerry County Council from 11am to 11.30am. The meeting will be attended by himself and the extended CPG along with the Chief Executive and officials.

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Cllr. M. Cahill expressed his disappointment that he would not be permitted to attend the meeting with Minister Moran despite the fact that he is a member for 28 years and Rossbeigh has been prone to flooding. He wrote to the Minister inviting him to the county and all members should be entitled to meet him. He asked that the Minister would be requested to meet with all members.

The Chief Executive undertook to contact the Minister's Office. She pointed out that the Minister's visit to Kerry is as a result of an invitation from Deputy Healy-Rae.

The meeting concluded at 2.15pm.

Liam Quinlan
Meetings Administrator

Cathaoirleach of Kerry County Council