



Development contributions or financial contributions policy

Introduction

This policy is prepared under section 106 of the Local Government Act 2002 (The Act) and it outlines in which circumstances the Council intends to require development or financial contributions.

Legislative requirements

The Act requires the Council to adopt a policy on development contributions or financial contributions. This applies regardless of whether it has decided to assess:

- development contributions under the Act; or
- financial contributions under the Resource Management Act 1991.

Once adopted, this policy may be amended as a Long-Term Plan amendment.

Financial contributions provision in the Wairarapa Combined District Plan

The Council has adopted the Wairarapa Combined District Plan. Section 23 specifies in detail the provisions relating to financial contributions:

23. Financial Contributions

23.1 Introduction

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions are a way of ensuring that any adverse effects from subdivision and development on the environment or on community resources are minimised, including ways of offsetting any adverse effects with a contribution toward environmental improvements. Such contributions can be in the form of money, land, works and services and may include the provision of roads and services, the protection of important historic or natural features, the visual enhancement of a site through

landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Financial contributions for subdivision and land use consents may include the cost of upgrading and expanding community works and services as a result of the proposal, including (but not limited to) public roads, public water supplies, and the disposal of sewerage and stormwater.

This section deals with the requirements for financial contributions, with as a standard of a permitted activity, or a land use or subdivision consent.

Where a financial contribution is required as a condition of a permitted activity or resource consent, the purpose, circumstances in which a contribution may be required, and the amount of that contribution are stated. For some types of contributions, a maximum contribution is specified to ensure such contributions are equitable and not unreasonably onerous for some forms of development.

Contributions for land use development through the resource consent process will be sought in full, unless a previous contribution has been received in the subdivision of the site. Conversely, if a contribution was paid at the time of land use development, then no contribution may be required at the time of any subsequent subdivision consent in recognition of the previous contributions.

23.2 Reserves Contributions Standard

23.2.1 Circumstances when a general reserve contribution is required as a condition of a permitted activity or a resource consent.

- (a) As a condition of a land use resource consent for any additional residential unit, provided that a general reserve contribution has not already been made at the time of subdivision creating that lot or under the relevant Council's Long-Term Council Community Plan.
- (b) As a condition of subdivision resource consent for any new allotment, provided that a general reserve contribution has not already been made under the relevant Council's Long-Term Council Community Plan.
- (c) As a standard of a permitted land use activity for any additional residential unit, with the payment of the contribution to be made prior to the issuance of Code of



Compliance Certificate for the building consent, provided that a general reserve contribution has not already been made at the time of subdivision creating that lot or under the relevant Council's Long-Term Council Community Plan.

23.2.2 Amount of Contribution Required as a Condition of a Permitted Activity or Resource Consent

- (a) For subdivision, 3 percent of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2 percent of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum of the total combined contribution for reserves and roading contributions shall be \$7,500 (plus GST) per allotment created by a subdivision, or
- (b) For land use development for residential purposes, 0.25 percent of the value of each additional residential unit (plus GST).

23.2.3 Assessment Criteria for Remission or Waiver of Reserves Contribution

In determining whether to grant a remission or waiver of any reserves contribution, regard shall be had, but not limited to, the following criteria:

- (a) The activity's impacts on the reserves network and the cost to the relevant Council to avoid, remedy or mitigate these impacts.
- (b) Measures proposed by the developer to enhance an existing reserve or the open space of the locality.
- (c) Other methods proposed by the developer to avoid, remedy or mitigate any adverse effects on the reserve network.
- (d) Whether any site of natural and cultural heritage can and should be enhanced or protected.

23.2.4 Form of Contribution

- (a) The contribution may be required in the form of money or land or any combination thereof.

If a reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as a reserve shall be established on the basis of a registered valuer's report. Registered valuer's reports shall be produced at the consent holders cost and be no older than three months at the time the contribution is paid.

23.2.5 Purpose

- (a) To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development.
- (b) To protect conservation values of riparian and coastal margins, and associated water quality and aquatic habitat.
- (c) To provide opportunities for public access to and along water bodies including the coast.
- (d) To provide recreational opportunities near water bodies.

23.2.6 Contributions

- (a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the building consent.
- (b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- (c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.



23.3 Infrastructure Contributions Standard

23.3.1 Circumstances when an infrastructure contribution is required as a condition of a permitted activity or resource consent

- (a) As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes, provided that any infrastructure contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long-Term Council Community Plan.
- (b) As a condition of subdivision resource consent for any new allotment, provided that an infrastructure contribution has not already been made under the relevant Council's Long-Term Council Community Plan.
- (c) As a standard of a permitted land use activity, with the payment of the contribution to be made prior to the issuance of Code of Compliance Certificate for the building consent, provided that an infrastructure contribution has not already been made at the time of subdivision creating that lot under the relevant Council's Long-Term Council Community Plan.

23.3.1 Amount of Contribution as a condition of a permitted activity or a resource consent

- (a) The actual cost of water supply, wastewater or stormwater disposal systems to the development, and
- (b) The actual cost of all necessary water supply, wastewater or stormwater disposal reticulation within the development for each allotment or building, and
- (c) The actual cost of connecting between the water supply, wastewater or stormwater disposal reticulation in the development and the Council's water supply, wastewater and stormwater disposal system, and
- (d) The actual cost of upgrading of any existing Council water supply, wastewater or stormwater disposal system to the extent that it is necessary to service the development, and
- (e) A share of the cost of the existing water supply, wastewater or stormwater disposal system where additional capacity has been created in anticipation of future

development. The share will be calculated on the proportion of the additional capacity required to service the development, and

- (f) A share of the cost of new water supply, wastewater or stormwater disposal system or upgraded water supply, wastewater or stormwater disposal system where additional capacity will be required by the cumulative effects of an area's development—the share will be calculated on the proportion of the additional capacity required by the development, and
- (g) For subdivisions, \$5000 (plus GST) per allotment that connects with public infrastructure and services, or
- (h) For land use development for residential, administrative, commercial and industrial purposes, \$5,000 (plus GST) per new unit for linking with public infrastructure and services, plus 0.5 percent of the assessed value of any building development in excess of \$1,000,000 (plus GST). The assessed value of the development will be based on the estimated value of the building as stipulated on the building consent application, or
- (i) For land use development for additions and alternations for administrative, commercial or industrial purposes that connects with public infrastructure and services 0.5 percent of the assessed value of any building development in excess of \$50,000 (plus GST). The assessed value of the development will be based on the estimated value (excluding GST) of the building as stipulated on the building consent application.

23.3.3 Assessment Criteria for Remission or Waiver of Infrastructure Contribution

In determining whether to grant a remission of any infrastructure contribution, regard shall be had, but not limited to, the following criteria:

- (a) Whether any allotment or any part of the development is proposed to be connected to public infrastructure and services.
- (b) The effect of the proposed subdivision or development on the infrastructure and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.
- (c) Measures proposed by the developer to upgrade any existing infrastructure.



- (d) Whether any contribution has been previously made towards the establishment or upgrade of the infrastructure.

23.3.4 Form of Contribution

- (a) The contribution may be required in the form of money or works or any combination thereof.

23.3.5 Purpose

- (a) To provide a potable water supply.
- (b) To safeguard the health of inhabitants and protect the natural environment from inappropriate disposal of sewage.
- (c) To prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of stormwater.
- (d) To ensure sufficient water is available for fire fighting purposes.

23.3.6 Contributions Payable

- (a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the building consent.
- (b) For land use consents, contributions shall be payable as and when required by any condition of that consent.
- (c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

23.4 Roads, Access Parking and Loading Contributions Standard

23.4.1 Circumstances when a roads, access parking and loading contribution is required as a condition of a permitted activity or resource consent

- (a) As a condition of a land use resource consent for any residential, commercial or industrial activity, provided that a roads, access parking and loading contributions has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long-Term Council Community Plan.

- (b) As a condition of a subdivision resource consent for any new allotment, provided that a roads, access parking and loading contribution has not already been made under the relevant Council's Long-Term Council Community Plan.

- (c) As a standard of a permitted land use activity, with the payment of the contribution to be made prior to the issuance of Code of Compliance Certificate for the building consent, provided that a roads, access, parking and loading contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long-Term Council Community Plan.

- (d) As a condition of land use resource consent in the Commercial or Industrial Zones in which the waiver of all or some of the required on-site parking is sought.

23.4.2 Amount of contribution for roads, access, parking and loading as a condition of a permitted activity or resource consent

- (a) The actual cost of providing a road or access to the development, and
- (b) The actual cost of all necessary roads and accesses within the development area for each allotment or building, and
- (c) The actual cost of road or access crossings between allotments, or buildings in the development, and
- (d) A share of the cost of the existing roads and access where additional capacity has been created in anticipation of future subdivision or development. The share will be calculated on the proportion of that additional capacity which is to serve the development, and
- (e) A share of the cost of new or upgraded roads or access where additional capacity is necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of the additional capacity necessary to serve the development, and
- (f) The cost of forming of the parking spaces (where a waiver from the District Plan parking requirements is sought, the cost of forming a parking space is deemed to be at a rate of \$5,000 (plus GST) per space, and



(g) For subdivision, 2 percent of the land value of each allotment to be created in the Residential, Commercial, Industrial Zones (plus GST), and 3 percent of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the total combined contribution for reserves and roading contributions shall be \$7,500 (plus GST) per allotment created by a subdivision.

23.4.3 Form of Contribution

(a) The contribution may be required in the form of money or land or any combination thereof.

23.4.4 Purpose

(a) To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

23.4.5 Contributions Payable

(a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance for the building consent.

(b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.

(c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.