



SOUTH WAIRARAPA
DISTRICT COUNCIL

Kia Reretahi Tātau

Development Contributions and Financial Contributions Policy

Date of Approval	29 June 2009
Policy Number	M600
Revised	30 June 2021
Next Review	30 June 2024

Development Contributions and Financial Contributions Policy

1. Introduction

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions and Development contributions are ways 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 or services and may include the provision of roads and services, the protection of an important historic or natural feature, the visual enhancement of a site through landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Council does not take Development Contributions, instead Council utilises the Financial Contributions policies and rules contained in the Wairarapa Combined District Plan (WCDP). Council will continue with that practice until such time as it develops a new legally compliant Development Contributions Policy in accord with the provisions of the Local Government Act 2002. It is Councils intention to introduce a new and compliant development contributions policy in advance of the Resource Management Amendment Act 2017 repeal on 18 April 2022 of S108 (2) (a) of the Resource Management Act 1991, which currently enables Council to take Financial Contributions through the WCDP.

Financial contributions for subdivision and land use consents may include the costs 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 wastewater and stormwater.

This section deals with the requirements for financial contributions, either 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.

2. Reserve Contributions Standard

Circumstances when a general reserves 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 the subdivision creating that lot or under the relevant Council's Long Term 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 Council's Long Term 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 a code of compliance certificate for the building consent, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.

2.1. Reserve Contribution Amount

Amount of contribution for reserves as a standard of a permitted activity or as a condition of resource consent:

- a) For subdivision, a general district-wide reserves contribution of 3% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2% 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 sum of this general district-wide reserves contribution and any general district-wide roads, access, parking and loading contribution taken under Rule 4.A(g) shall be \$7,500 (plus GST) per allotment created by a subdivision; or
- b) For land use development for residential purposes, a general district-wide reserves contribution of 0.25% of the value of each additional residential unit (plus GST).

2.2. 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 reserve 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 as part of the development.

2.3. Form of Contribution

- a) The contribution may be required in the form of money or land or any combination thereof.
- b) If the reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as 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 3 months at the time the contribution is paid.

2.4. 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.

2.5. 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 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 (RMA).

3. Infrastructure Contributions Standard

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

- a) As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes towards particular works of one or more of the types referred to in the WCDP section 23.3.2 (a) to (f) and a contribution under section 23.3.2 (g) or (h), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g) or (h) have not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.
- b) As a condition of subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 23.3.2 (a) to (f) and a contribution under section 23.3.2 (g), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g), have not already been made under the Council's Long Term Plan.
- c) As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 23.3.2 (a) to (f) and a contribution under section 23.3 (g) or (h), with

the payment of the contribution(s) to be made prior to the issuance of a code of compliance certificate for the building consent, provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g) or (h), have not already been made at the time of the subdivision creating that lot of under the Council's Long Term Plan.

3.1. Infrastructure Contribution Amount

Amount of contribution for infrastructure as a standard of a permitted activity or as a condition of 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 connections 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 serve 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, a general district-wide infrastructure contribution of \$5,000 (plus GST) per allotment that connects with public infrastructure and services; or
- h) For land use development for residential, administrative, commercial and industrial purposes, a general district-wide infrastructure contribution of \$5,000 (plus GST) per new unit for linking with public infrastructure and services; plus 0.5% 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 alterations for administrative, commercial or industrial purposes that connects with public infrastructure and services, a general district-wide infrastructure contribution of 0.5% 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.

3.2. Assessment Criteria for Remission or Waiver of Infrastructure Contributions

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 Council to avoid, remedy, or mitigate these impacts.
- c) Measures proposed by the developer to upgrade any existing infrastructure.
- d) Whether any contribution had been previously made towards the establishment or upgrade of the infrastructure.

3.3. Form of Contribution

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

3.4. 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.

3.5. 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 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.

4. Roads, Access, Parking & Loading Contributions Standard

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

- a) As a condition of a land use resource consent for any residential, commercial or industrial activity towards particular works of one or more of the types referred to in sections 24.4.2 (a) to (f) and a contribution under section 24.4 (g) provided that a roads, access, parking and loading

contribution towards those particular works and a contribution under section 24.4 (g) have not already been made at the time of the subdivision creating that lot or under the Council's Long Term Plan.

- b) As a condition of a subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 24.4 (a) to (f) and a contribution under section 24.4 (g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 24.4 (g) have not already been made under the Council's Long Term Plan.
- c) As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 24.4 (a) to (f) and a contribution under section 24.4 (g) with the payment of the contribution(s) to be made prior to the issuance of a code of compliance certificate for the building consent, provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 24.4 (g) have not already been made at the time of the subdivision creating that lot or under the Council's Long Term 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.

4.1. Roads, Access, Parking and Loading Contribution Amount

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

- a) The actual cost of providing a road or access to the development concerned; 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 reasonable share of the cost of new or upgraded roads or access where additional capacity or safety improvements are necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of additional traffic likely to be generated by 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, a general district-wide roads, access, parking and loading contribution of 2% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 3% 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 sum of this general district-wide

roads, access, parking and loading contribution and any general districtwide reserves contribution taken under Rule 24.4.2 (g) shall be \$7,500 (plus GST) per allotment created by a subdivision.

4.2. Form of Contribution

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

4.3. Purpose

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

4.4. 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 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.