

## Section 18 – Financial Contributions

### 18.1 Interpretation

18.1.1 For the purposes of this section only, the following definitions apply:

- (a) **Developer** means any individual, entity, or group undertaking development.
- (b) **Development** means any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work and includes site works, building construction, alterations, extensions or additions.
- (c) **Discount factor** means a factor that can be applied to the calculation of the residential amenity and Te Ture Whaimana financial contributions that can reduce the total amount of financial contribution required to be paid. The decision on the appropriate discount factor to apply to each financial contribution calculation will be determined by the Council on a case-by-case basis.

The discount factor will be based on development specific attributes or the value of other contributions for the same purpose as outlined in the relevant performance criteria.

The discount factor cannot include consideration of development contributions paid as these are already excluded from the calculation of financial contributions. The discount factor has no weight or bearing on Development Contributions payable.

- (d) **Infrastructure** has the same meaning in Part B ‘Definitions’ of the operative Waipā District Plan.
- (e) **Land value** has the same meaning as ‘land value’ under the Ratings Valuations Act 1998.
- (f) **Residential development** means the use of land and buildings for people for living accommodation (whether or not the person is subject to care or supervision).
- (g) **Te Ture Whaimana** has the same meaning in Part B ‘Definitions’ of the operative Waipā District Plan.

In the event of any conflict with the definitions in Part B of the Waipā District Plan (Definitions), the above definitions prevail.

### 18.2 Introduction

18.2.1 Under section 77E of the Resource Management Act 1991, financial contributions are able to be used as a mechanism for avoiding, remedying or mitigating adverse effects, or ensuring positive effects on the environment to offset adverse effects. Section 108 of the Act allows Council to impose a consent condition requiring a financial contribution be made when it grants resource consent.

18.2.2 Financial contributions are distinct from, and in addition to, Council’s Development Contributions Policy and provide Council with an alternative method to obtain contributions to manage effects as a result of growth. Either financial contributions will be used on their own, or in addition to development contributions where the development contributions are insufficient to fully avoid, remedy, mitigate or compensate for the adverse effects of the activity. **Table 18.1** below sets out the application of both development and financial contributions.

**Table 18.1: Contributions Overview**

	Legislation	Description
Development Contributions (and Policy)	Local Government Act 2002	Generally applicable to planned or anticipated development, subdivision and growth. Fund and offset the cost of new infrastructure and infrastructure upgrades for planned or anticipated development, subdivision and growth
Financial Contributions	Resource Management Act 1991	Generally applicable to unplanned, unanticipated, more intensive, or more rapid development, subdivision and growth. Avoid, remedy, mitigate or compensate for adverse effects, or ensure positive effects on the environment to offset adverse effects, where the adverse effect arises from unplanned or un-anticipated development, subdivision and growth (including permitted activities, activities requiring resource consent, on-site effects and off-site effects)

### Purpose of Financial Contributions

18.2.3 The general purpose of financial contributions are to recover from developers and/or applicants a contribution in the form of money, or land, or a combination of both money and land, which:

- (a) Avoids, remedies, or mitigates adverse effects of the proposed activity on the environment, or ensures positive effects on the environment to offset adverse effects, including but not limited to, effects associated with:
- (i) Three waters connections, network improvements or capacity upgrades when a development is located outside of Councils reticulated service area(s) and seeks to connect; subject to Council;
    - Approving the connection; and/or
    - Having wastewater capacity; and/or
    - Having the necessary resource consent to discharge.
  - (ii) Transport network connections, improvements or capacity upgrades located off the subject site that are not provided for by any other Council funding mechanism that are required or are likely to be required as a result of a subdivision application, land use consent application or development (including permitted activities).
  - (iii) Parks/reserves/open space network enhancement/improvement;
  - (iv) Streetscape amenity improvements; and
  - (v) To give effect to Te Ture Whaimana including positive effects on the environment to offset adverse effects and its requirement for restoration and protection of the Waikato and Waipā Rivers (and their catchments) and the relationship between the Waikato and Waipā Rivers (and their catchments) and Waikato-Tainui, Waikato and Waipā River Iwi, and the Waikato Region’s communities and all other objectives and strategies contained within Te Ture Whaimana.
- (b) Where the capital expenditure items identified in this rule are not otherwise funded via Council’s Development Contributions Policy.

18.2.4 In addition to these general purposes, more specific purposes are identified in the Financial Contributions Rules and performance standards part of this section.

- 18.2.5 Financial contributions will vary between areas of the District and also for different types of development or subdivision.
- 18.2.6 A financial contribution in the form of a Heavy Vehicle Impact Fee (HVIF) may be required where heavy vehicle traffic movements from a development are likely to cause an accelerated reduction in the useful life of the road network that was not reasonably anticipated when the relevant roads were constructed, and which can be attributed directly or indirectly to the development, mineral extraction activity or subdivision.

Advice Notes:

1. All Financial contribution calculations are exclusive of Goods and Service Tax (GST). GST will apply to all Financial Contributions at the prevailing rate.
2. Refer to Section 15 - Infrastructure, Hazards, Development and Subdivision for rules related to vesting land in Council ownership.

### 18.3 Resource Management Issues

- 18.3.1 New development or subdivision, or infill and intensification, can result in adverse effects on natural and physical resources and inequities in cost sharing.
- 18.3.2 The provision of adequate infrastructure and services is an essential part of effective growth planning and implementation.

### 18.4 Objectives and Policies

#### Objectives – General purpose of financial contributions

- 18.4.1 Financial contributions are required in order to:
- (a) Avoid, remedy, or mitigate adverse effects of the proposed activity or development on the environment; and
  - (b) Ensure positive effects on the environment to offset adverse effects; and
  - (c) Give effect to Te Ture Whaimana, including the requirement for betterment.
- 18.4.2 Adverse environmental effects on the District’s network infrastructure are funded from the development or subdivision that has or will affect the infrastructure or that has generated or will generate additional demand.

#### *Policies – General*

- 18.4.2.1 Require financial contributions for the general purposes set out in Objectives 18.4.1 and 18.4.2 and the Financial Contributions Rules and performance standards.
- 18.4.2.2 Determine the nature and amount of financial contributions in accordance with the methodology set out in the Financial Contributions Rules and performance standards.
- 18.4.2.3 Financial contributions in the form of money shall be paid before the proposed activity or development occurs.
- 18.4.2.4 Financial contributions in the form of land shall be vested in Council prior to completion of the activity or development.
- 18.4.2.5 Financial contributions shall be applied to the purpose for which they are required.

#### *Policy - Early recognition of costs*

- 18.4.2.6 The adverse environmental effects of development or subdivision that can be addressed by requiring a financial contribution, shall be clearly identified at the planning and consenting stage (building and resource consents) of the development or subdivision.

*Policy - Costs relating to effects*

- 18.4.2.6 Ensuring that the amount of financial contribution required reasonably reflects the cost of avoiding, remedying or mitigating the adverse effects, or the cost of ensuring positive effects on the environment to offset adverse effects.

*Policy – Cumulative effects*

- 18.4.2.7 Requiring financial contributions for new residential development to address an equitable share of offsetting adverse cumulative effects that accelerated intensification and/or additional population growth has on public streetscapes, public open spaces, and river networks and their catchments.

#### **Objective - Heavy vehicle impact fee**

- 18.4.3 To ensure the community is adequately protected from any unpredictable adverse effects of heavy vehicles on the District's road network due to land use activities.

*Policy - To make provision for a heavy vehicle impact fee*

- 18.4.3.1 A financial contribution in the form of a heavy vehicle impact fee will be required where a development creates adverse effects on the District's road network which:
- (a) Requires the construction or upgrading of any routes or other infrastructure for vehicles and pedestrians off the site; and/or
  - (b) Generates increases in heavy traffic which are likely to lead to infrastructure renewal being required earlier than planned in Council's Long Term Plan.

## **18.5 Rules**

### **18.5.1 Rules – General**

- 18.5.1.1 For permitted activities, financial contributions will be required prior to either the grant of building consent or the grant of service connection, whichever comes first.
- 18.5.1.2 For all classes of activities other than permitted activities, financial contributions will be required as a condition of land use or subdivision consent.
- 18.5.1.3 Financial contributions will be in the form of money calculated in accordance with the relevant Rule or performance standard, except where Council exercises its discretion to accept a financial contribution in the form of land, or a combination of land and money, in which case the financial contribution will be calculated in accordance with the relevant Rules or performance standard.
- 18.5.1.4 Financial contributions will be required for the purposes set out and on the basis that:
- (a) Financial contributions for all development will be calculated for the specific purposes and in accordance with the methodology in the applicable rules and performance standards; and

#### **Rules - Requirement for financial contributions**

- 18.5.1.5 Financial contributions will be required for development as follows:

*Three waters/transport infrastructure network*

- 18.5.1.6 To avoid, remedy and mitigate the adverse effects of residential development, or ensure positive effects on the environment to offset adverse effects, through the recovery of infrastructure costs associated with the following:
- (a) Three waters connections, network improvements, and capacity upgrades when a development is located outside of Councils reticulated service area(s) and seeks to connect; subject to Council:
- Approving the connection; and/or
  - Having wastewater capacity; and/or
  - Having the necessary resource consent to discharge.
- and
- (b) Transport connections including for multimodal transport options, network improvements, and capacity upgrades located off the subject site that are not provided for by any other Council funding mechanism that are required or are likely to be required as a result of a subdivision application, land use consent application or development (including permitted activities).

These costs will include:

- (i) Where an existing network/system/supply is available, the cost of connection with the existing system;
- (ii) Where an existing network/system/supply is available, but the capacity of the system is inadequate to meet the additional generated demand, the cost of connection and capacity upgrading of the existing system;
- (iii) Where an existing network/system/supply is available, but the network requires capacity upgrades or network improvements to ensure the connection does not compromise the network, the costs of those capacity upgrades or network improvements; and
- (iv) Where an existing network/system/supply is not available, the cost of extending the network/system/supply;
- (v) Any infrastructure works required under Rule 18.5.1.6 and not otherwise funded via Development Contributions.

Calculations for contributions shall be as set out in the performance standards.

*Residential amenity (applies to the Medium Density Residential Zone only)*

- 18.5.1.7 To avoid, remedy, and mitigate the adverse effects, including cumulative adverse effects, of residential development density, or ensure positive effects on the environment to offset adverse effects, through the recovery of costs associated with maintaining and improving residential amenity.

These costs will include:

- (a) Where urban public open spaces can be improved or extended, the cost of land acquisition and development; and
- (b) Where streetscape amenity can be enhanced, the cost of that enhancement.

But shall exclude any costs otherwise funded via Development Contributions.

Calculations for contributions shall be as set out in the performance standards.

*Te Ture Whaimana (applies to the Medium Density Residential Zone and the Commercial Zone only)*

- 18.5.1.8 To give effect to Te Ture Whaimana, including positive effects on the environment to offset adverse effects, including cumulative adverse effects, and its requirement for restoration and protection of the Waikato and Waipā Rivers and their catchments, and the relationship between the Waikato River and Waikato- Tainui, Waikato River Iwi, and the Waikato Region’s communities and all other objectives and strategies contained within Te Ture Whaimana.

These costs may include but are not limited to:

- (a) Riparian enhancement;
- (b) Wetland creation/protection/restoration/enhancement;
- (c) Erosion control measures;
- (d) Ecological/biodiversity;
- (e) Public access improvements to the Waikato River, including its tributaries;
- (f) Weed control measures;
- (g) Sediment reduction measures;
- (h) Waikato and Waipā Rivers / Te Ture Whaimana education; and
- (i) Restoration / protection / enhancement of waahi tapu and sites of significance.

Calculations for contributions shall be as set out in the performance standards.

Advice Note (applies to 18.5.1):

Financial contributions may be used towards the provision, upgrading or future operation of network infrastructure owned and/or operated by any of the following: Waipā District Council; a Council Controlled Organisation; any other community infrastructure management entity; any adjoining Territorial Local Authority; Waka Kotahi (New Zealand Transport Agency); and towards waterway enhancement undertaken by Waikato Tainui or the Waikato River Authority.

## 18.5.2 Performance Standards

### Residential amenity (to be collected from the Medium Density Residential Zone-only)

*The following rules should be applied to any development and subdivision, including new development, infill development and permitted development and subdivision.*

#### Rule - Circumstances when financial contributions may be taken

18.5.2.1 Costs will be recovered for all new dwellings in the Medium Density Residential Zone.

#### Rule - Determination of the maximum amount of financial contribution

18.5.2.2 The financial contribution collected for residential amenity shall be the total of A plus B as follows to a maximum amount of \$1,800 per dwelling:

**A** – Financial contribution charge =  $(FC * n) * F$

**where:**

FC = financial contribution per dwelling (\$1,300)

n = number of new dwellings

F = discount factor to account for development specific attributes or the value of other contributions (i.e., land for reserves, but excluding development contributions) for the same purpose

**B** – Tree charge = \$500 per dwelling

18.5.2.3 For the purpose of rule 18.5.2.2, a discount factor will be considered by Council in the following circumstances:

- (a) Where the applicant proposes on-site mitigation measures which contribute to the purposes of the financial contribution in Rule 18.5.1.7;
- (b) By way of example, but without limiting subparagraph (a), land provided to Council for reserves purposes (in addition to any statutory requirements) or protected planting.

**Te Ture Whaimana o Te Awa o Waikato (Vision and Strategy for the Waikato River)** (to be collected from the Medium Density Residential and Commercial Zones only)

*The following rules apply to any development and subdivision, including new, infill and permitted development and subdivision.*

**Rule - Circumstances when financial contributions may be taken**

- 18.5.2.3 Costs will be recovered for all new dwellings in the Medium Density Residential Zone or the Commercial Zone.

**Rule - Determination of the maximum amount of financial contribution**

- 18.5.2.4 The financial contribution collected for Te Ture Whaimana shall be based on the following calculation to a maximum amount of \$1,500 per dwelling:

Financial contribution charge =  $(FC * n) * F$

**where:**

FC = financial contribution per dwelling (\$1,500)

n = number of new dwellings

F = discount factor to account for development specific attributes or the value of other contributions (i.e. land for reserves, but excluding development contributions) for the same purpose

- 18.5.2.5 For the purpose of rule 18.5.2.4, a discount factor will be considered by Council in the following circumstances:

- (a) Where the applicant proposes on-site mitigation measures which contribute to the purposes of the financial contribution in Rule 18.5.1.8;
- (b) By way of example, but without limiting subparagraph (a), land provided to Council for stormwater management or riparian purposes (in addition to any statutory requirements); stormwater control measures; protected riparian planting; wetland creation, protection, restoration or enhancement (in addition to any statutory requirements); on-site sediment reduction measures (in addition to any statutory requirements); or waahi tapu and sites of significance restoration, protection or enhancement.

Advice notes:

1. Te Ture Whaimana has the legal effect of a National Policy Statement. Where there is an inconsistency with provisions in other national planning standards, the New Zealand Coastal Policy Statement and the National Planning Standards, Te Ture Whaimana will prevail.
2. Under s108 (2)(a), a consent authority may impose a condition on a resource consent it has granted that requires a financial purpose. Where a financial contribution is made in cash it must be used reasonably in line with the purpose for which the contribution was received.
3. Financial contributions taken under the above rules will be used to avoid, remedy or mitigate the effects of medium density residential intensification and the resulting discharges on the Council's infrastructure network and/or water takes through the Council's infrastructure network.

## Reticulated water services

*The following rules apply to any development and subdivision, including new, infill and permitted development and subdivision, that seeks to connect to Council's reticulated water services.*

### Rule - Circumstances when financial contributions may be taken

- 18.5.2.5 Council will require the payment of a Financial Contribution where a development or subdivision located outside Council's water supply area seeks to connect, and Council approves such connection, and where development contributions have not been paid or are not payable.

### Rule - Determination of the maximum amount of financial contribution

- 18.5.2.6 The maximum amount of Financial Contribution taken for connection to a water supply system in a Council reticulated water supply area shall be the greater of:

#### EITHER

$$\$A \times [B / [B + C]]$$

#### where:

A = the replacement value of the specific water reticulation system after adjustment for capital expenditure in this activity at the time the connection is sought.

B = the number of residential equivalent connections to be added to that reticulation system where:

≤ 20mm nb diameter connection = 1 residential equivalent connection

32mm nb dia connection = 3 residential equivalent connections

50mm nb dia connection = 10 residential equivalent connections

75mm nb dia connection = 14 residential equivalent connections

100mm nb dia connection = 25 residential equivalent connections

150mm nb dia connection = 56 residential equivalent connections

C = the total number of existing connections to that water reticulation system.

#### OR

The total assessed cost of providing additional water supply capacity (including the additional cost of abstraction, treatment, storage and reticulation) in the water reticulation system needed to service the development or subdivision.

#### Advice Notes:

1. The replacement value of a Council reticulation system in a reticulated water supply area is the valuation reported in or supporting the most recent Council Annual Report.
2. The financial contributions for reticulated water services will not be levied on Council funded growth cells identified in this Plan or development or subdivision located within Council's reticulated water supply areas.
3. The financial contributions for reticulated water services exclude the cost of connection to a water reticulation system or the cost of water reticulation within the development or subdivision.
4. Once a development or subdivision is physically connected to a Council water reticulation system, it is deemed to be part of that water reticulation system.

## Wastewater collection services

*The following rules apply where any development or subdivision including new, infill and permitted development and subdivision, seeks to connect to Council's wastewater collection services.*

### Rule - Circumstances when financial contributions may be taken

- 18.5.2.7 Council will require the payment of a financial contribution where a development or subdivision located outside any of Council's wastewater service areas seeks to connect, subject to Council having wastewater disposal capacity, and where development contributions have not been paid or are not payable.

### Rule - Determination of the maximum amount of financial contribution

- 18.5.2.8 The maximum amount of financial contribution taken for connection to a service network system in a Council wastewater service area shall be the greater of:

#### EITHER

$$\$A \times [B / [B + C]]$$

#### where:

- A = the replacement value of the specific wastewater system after adjustment for capital expenditure in this activity at the time the connection is sought.
- B = the number of residential equivalent connections to be added to that reticulation system where:
- ≤ 100mm nb diameter gravity connection = 1 residential equivalent connection
  - 150mm nb dia gravity connection = 3 residential equivalent connections
  - ~~200~~ 150 mm nb dia gravity connection = 10 residential equivalent connections
- C = the total number of existing connections to that wastewater system.

#### OR

The total assessed cost of providing additional wastewater system capacity (including the additional cost of storage, pumping, transportation, processing and disposal) to the wastewater system needed to service the development or subdivision.

#### Advice Notes:

1. The replacement value of a Council wastewater system in a wastewater service area is the valuation reported in or supporting the most recent Council Annual Report.
2. The financial contributions for wastewater services will not be levied on a Council funded growth cells identified in this District Plan, or development or subdivision located within a Council wastewater service area.
3. The financial contributions for wastewater services exclude the cost of connection to a wastewater system or the cost of sewerage within the development or subdivision.
4. Once a development or subdivision is physically connected to a Council wastewater system, it is deemed to be part of that wastewater system.

## Stormwater services

*The following rules apply where any development or subdivision including new, infill and permitted development and subdivision, seeks to connect to Council's consented stormwater services.*

### Rule - Circumstances when financial contributions may be taken

- 18.5.2.9 Council will require the payment of a Financial Contribution where a development or subdivision located immediately outside any of Council's stormwater systems seeks to connect, subject to Council having the necessary resource consent to discharge and where development contributions have not been paid or are not payable.

### Rule - Determination of the maximum amount of financial contribution

- 18.5.2.10 The maximum amount of Financial Contribution taken for connection to an existing Council stormwater system shall be the greater of:

#### EITHER

$$\$I \times [J / [J + K]]$$

#### where:

- I = the replacement value of the relevant stormwater system after adjustment for capital expenditure in this activity at the time the connection is sought; and
- J = the gross area of the development measured in hectares; and
- K = the gross area served by the relevant stormwater system excluding the activity.

#### OR

The total assessed cost of providing additional stormwater system capacity (including the additional cost of stormwater retention, pumping, transportation, processing, disposal and resource consent variation costs) needed to service the activity.

#### Advice Notes:

1. The replacement value of a Council stormwater system is the valuation reported in or supporting the most recent Council Annual Report.
2. The financial contributions for stormwater services exclude the cost of physical connection to a stormwater system or the cost of stormwater infrastructure within the development or subdivision.
3. Once a development or subdivision is physically connected to a Council stormwater system, it is deemed to be part of that stormwater system.

## Road corridor services

*The following rules apply to development or subdivision, including permitted activities, that gives rise to increases in vehicular and/or pedestrian traffic.*

### Rule - Circumstances when financial contributions may be taken

- 18.5.2.11 Council may require as part of a subdivision or development the payment of a financial contribution. A financial contribution may be payable where infrastructure for vehicles, cycling and walking that is located off the site of the activity that is subject to consent:
- Requires construction, upgrading or improving; and
  - The funding of the required works has not, for any reason, been fully or adequately provided for by other funding instruments available to Council; and
  - Where a development or subdivision will, or is likely to, adversely affect existing or proposed public roads managed by a road controlling authority other than Council, financial contributions may at Council's sole discretion and with appropriate justification, and in consultation with the appropriate road controlling authority, be assessed and used as though the road controlling authority was Council.

### Rule - Determination of the maximum amount of financial contribution

- 18.5.2.12 The maximum amount of financial contribution for road corridor services that may be taken shall be determined on the basis of the following formula:

$$\$F \times [G / [G + H]]$$

**where:**

- F = the assessed total cost of constructing, upgrading and/or improving traffic and/or pedestrian routes (including land purchases) as a consequence of the development.
- G = the average annual assessed volume of vehicular traffic measured in vehicles per day directly attributable to the development.
- H = the average annual assessed volume of vehicular traffic measured in vehicles per day currently using routes that will require constructing, upgrading and/or improving as a consequence of a development.

Advice Notes:

- The assessment of traffic volumes will be based on traffic models acceptable to Council following consultation with the relevant road controlling authority.
- The financial contributions for Road Corridor Services will not be levied on development located within any funded growth cells identified in this Plan.
- The financial contributions for Road Corridor Services exclude the cost of physically connection to traffic or walking and cycling routes or the cost of providing traffic and walking and cycling services within the development or subdivision.
- Once a development or subdivision is physically connected to the road controlling authority or Council's traffic or walking and cycling routes, it is deemed to be part of those traffic or walking and cycling routes.

## Heavy vehicle impact fee

*The following rules apply to development, including permitted development, that gives rise to increases in vehicular and pedestrian traffic, and constructing, upgrading or early renewal of traffic and pedestrian routes.*

### Rule - Circumstances when financial contributions may be taken

- 18.5.2.13 Council may require as part of a development (including permitted), subdivision or land use consent, the payment of a financial contribution where:
- Routes and other infrastructure for vehicles and pedestrians off the site subject to consent requires construction or upgrading; and/or
  - Increases in heavy traffic are likely to lead to infrastructure renewal; and/or
  - Construction or upgrades are required earlier than expected; and/or
  - Where the effects of the development adversely affect public roads managed by other agencies, any financial contribution taken may be used by those agencies to upgrade those roads.

### Rule - Determination of the maximum amount of financial contribution

- 18.5.2.14 The maximum amount of financial contribution for traffic and pedestrian routes that may be taken shall be determined on the basis of the following:

$$\$(G)/[(F) + (G)] \times (H)$$

**where:**

- F = the volume of vehicular traffic (measured in equivalent standard axles for a 40 year design period) currently using routes that will require construction, upgrading or earlier renewal as a consequence of the development.
- G = the volume of heavy vehicular traffic (measured in equivalent standard axles for a 40 year design period) directly attributable to the development.
- H = the cost of construction, upgrading or renewal of traffic and pedestrian routes as a consequence of the development.

Advice Notes:

- The fee will be charged as a lump sum where the activity is expected to continue for less than three years. Where the development activity is expected to continue for longer than three years, the fee may by agreement be allocated on the basis of a unit rate related to the materials transported.
- In respect of the Significant Mineral Extraction Zone only - Council, at its sole discretion, may accept any monetary value of financial contribution required, as a supply of aggregate for Council use up to the equivalent monetary value at the market rate at the time of calculation.

## **Financial contributions of land**

### **Rule - Contribution of land**

18.5.2.15 The following rules apply when a contribution of land has been offered:

- (a) Where a developer offers land as a financial contribution, Council has the sole discretion to accept land as a substitute for a monetary financial contribution. The value of the land is to be determined by an independent property valuer agreed between the Council and the developer.
- (b) Where Council exercises its discretion to collect a financial contribution in the form of land, the vesting of this land in Council must be a condition of any land use or subdivision consent.
- (c) Vesting of land shall occur prior to Council issuing a Section 224(c) certification under the Resource Management Act 1991 and prior to Council issuing a Code Compliance Certificate or building consent under the Building Act 2004.
- (d) The land value of the area of land provided shall not be less than the amount of a monetary financial contribution calculated under the relevant Rules or performance standards (whichever applies).

#### Advice Notes:

1. Any land valuation will be undertaken by a qualified and experienced registered valuer.
2. The valuation methodology will be industry best practice at the time of the valuation.

### **Rule - Contribution of land and money**

18.5.2.16 In circumstances where Council exercises its discretion to collect a financial contribution in the form of a combination of land and money, the contribution must be assessed in terms of both the applicable Rule and performance standards (whichever applies).

#### **Timing of calculation and payment**

##### **Rule - Timing of calculation and payment**

18.5.2.17 All Financial Contributions shall be calculated at the earliest possible time from the options outlined below:

- (a) Subdivision, in which case a financial contribution calculated shall be paid prior to Council issuing any certificates under either Section 223 or 224 of the Act; or
- (b) Resource consent, in which case a financial contribution calculated shall be paid as a condition of that consent, and prior to the activity commencing; or
- (c) Building consent, in which case a financial contribution calculated shall be paid prior to the issue of consent.

#### **Refund of financial contribution in certain circumstances**

##### **Rule - Refund of financial contribution and return of land where activity does not proceed**

18.5.2.18 Subject to 18.5.2.19, where a financial contribution has been paid under rule 18.5.2.17(c) the Council will refund or return to the applicant, or his or her personal representative, any financial contribution paid or land set aside where:

- (a) The activity does not proceed; and
- (b) The building consent lapses under section 52 of the Building Act 2004; and
- (c) The applicant requests a refund of the financial contribution.

18.5.2.19 The Council may retain any portion of a financial contribution or land referred to in 18.5.2.18 to the value equivalent to the costs incurred by the Council in relation to the activity and its discontinuance.

### Consenting pathway

Activities that fail to comply with the financial contribution rules and/or performance standards will require a resource consent for a restricted discretionary activity.

Any application for resource consent for the above activities will be considered without public or limited notification or the need to obtain the written approval from affected parties.

Discretion will be restricted to the following matter:

- The mitigation measures provided or the value of other contributions provided in relation to the financial contribution.

Advice note:

#### Worked Example

A worked example follows. It demonstrates the steps in calculating the Te Ture Whaimana and Residential Amenity financial contributions using a hypothetical example with the following key assumptions:

- 10-unit intensification development.
- Both Te Ture Whaimana and Residential Amenity contributions apply.
- Two (existing) dwellings are credited.
- The developer is providing (volunteering) their own riparian planting.

Item		Te Ture Whaimana	Residential Amenity	
			Residential Amenity	Tree
FC-rate	$FC_{rate}$	1,500	1,300	500
Total dwelling	b	10	10	10
Credits (for existing dwellings)	c	2	2	2
Relevant dwellings	$n = (b - c)$	8	8	8
Unadjusted FC	$e = FC_{rate} * n$	12,000	10,400	4,000
Discount factor <sup>1</sup>	F	60%	0%	n/a
Financial contribution charge to recover	$FC_{charge} = e * (1 - F)$	4,800 (x)	10,400 (y)	4,000 (z)
	SUM (x + y + z)	19,200		
1 - Based on development attributes and developer's activities				

## Section 21 – Assessment Criteria and Information Requirements

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### 21.1.18 Financial Contributions

There are no specific Financial Contributions assessment criteria. Please refer to the matters of discretion in section 18 - Financial Contributions.

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