

## PART 10 FINANCIAL CONTRIBUTIONS

This Part of the Plan is primarily concerned with the potentially adverse effects of growth for those public services and resources which Council is financially responsible for. This includes water supply, sewerage, stormwater, roading, open space reserves, and parking areas in central business areas. Esplanade reserves are dealt with in Part 11 of the Plan.

The process of subdividing and developing land generates effects on the infrastructural and financial resources of the District, as well as on natural resources and other components of the environment. The Act provides for the taking of financial contributions to offset any adverse effects arising from subdivision and development. It also allows financial contributions to ensure that positive effects will occur, for example that open space is readily available for use by people in a new residential subdivision; or that a potable water supply is available.

Adverse effects includes incremental or cumulative effects that arise over time as growth in the District occurs, particularly where the impact of each individual activity or proposal is not necessarily significant. For instance the steady growth in traffic throughout the District, arising from the subdivision of land, the building of new houses, and the vehicular trips of householders, adds to the need to improve the standard of certain roads. Similarly the connection of each new household to a sewerage system brings forward the time when the capacity or operation of the plant needs to be increased or improved in some way.

The financing of the public infrastructure must be met by the new residents and households who benefit from any spare capacity, or who add to the need to upgrade the infrastructure, as well as by the wider community through general rates and subsidies. Without contributions the ongoing financial burden of servicing growth would remain solely with the existing ratepayers, which in some circumstances may be justifiable. However, in general this Plan aims to require contributions in respect of each service or resource, in accordance with the proportionate fair share that subdividers and developers (who act to meet the needs of a growing District) should pay.

Financial contributions may be in the form of cash or land. They may be required as a condition of a resource consent or as a 'precondition' to an activity being allowed without a resource consent (ie *Permitted*).

The contribution is generally made at the commencement of an activity or as early as possible in the development process. This spreads the cost both over time and over the full range of possible 'beneficiaries'. The contribution is for works, services or other actions which will not be paid for by "new residents" or land users under any other system. Other systems include general rates, special rates (such as in drainage districts), or user charges or fees (such as water consumption charges).

Generally contributions are payable only in connection with subdivision activities (except in the case of parking which only applies to developments). However the policies of the Plan will also be applied to other activities that require resource consents, as appropriate, and conditions of consent will be imposed accordingly. Section 108 (2) of the Act provides a general authorisation to impose appropriate and reasonable conditions notwithstanding the provisions of this Part of the Plan.

In summary, the Plan requires the following specific "financial contributions":

1. **ROADING** (District-wide roading network): A fixed cash contribution (plus any Government taxes applicable) per new allotment (having an entitlement to erect a house) for the ongoing improvement of the roading network of the District.

2. **ROADING (Local roading impact):** A sum payable in cash or works (plus any Government taxes applicable) assessed at the time of subdivision or development which will address the local impact of traffic on the roading network.
3. **RESERVES (District-wide resources):** A fixed cash contribution (plus any Government taxes applicable) per new allotment having an entitlement to erect a house for the ongoing improvement of the District's open space and recreational resources.
4. **RESERVES (Local reserves):** In some circumstances, a contribution of land, for reserves which are needed primarily by the people (future occupants) of the subdivision and locality.
5. **WATER SUPPLY and SEWERAGE SYSTEMS:** Fixed cash contributions (plus any Government taxes applicable) in the form of "buy-ins" to the excess capacities that have been assigned to, or the upgrading that is programmed for, the various systems in the District. These contributions will apply, as appropriate, to both residential and non-residential subdivisions.
6. **WATER SUPPLY, STORMWATER and SEWERAGE (Local impact):** Contributions for the cost of off-site works (plus any Government taxes applicable) necessary to service the subdivision or activity, assessed on a case by case basis, but not exceeding a specified sum per allotment or development. These contributions will apply, as appropriate, to both residential and non-residential subdivisions.
7. **PUBLIC PARKING AREAS:** A contribution in cash or works (plus any Government taxes applicable) towards the Council's parking areas programme, but only where a development within the defined "business centres" of Tuakau, Waiuku and Pukekohe does not meet the Plan's requirement for on-site spaces.

## 10.1 OBJECTIVES POLICIES AND METHODS

### 10.1.1 OBJECTIVE - MANAGEMENT OF RESOURCES

The sustainable and equitable management of infrastructural and open space resources, and other valued natural or physical resources of the District, to avoid remedy or mitigate the adverse, and maximise the positive, cumulative effects of growth for present and future residents and ratepayers of the District.

#### Policies:

### 10.1.2 GENERAL POLICIES

1. That 'new consumers' in the District pay EITHER a "buy-in fee" where they will make use of, or benefit from, existing public facilities or services having a defined excess capacity, OR an "upgrading fee" representing the proportionate share of any proposed public facilities or services that they will make use of or benefit from, OR a combination of the two.

*(New consumers' refers to both the new residents of newly created properties, resulting primarily, but not solely, from residential subdivisions, and the occupiers or users of sites for which land use [resource] consents have been or are to be granted).*

2. The actual contributions payable must fairly reflect the net additional impact on public facilities or services that the subdivision or land use generates, such that:
  - a. in the case of freehold subdivision, regard will be had to the number of allotments in excess of the number that, prior to the subdivision, could have been used for residential purposes (generally this means 'used' without first obtaining a resource consent); and
    - where houses existed prior to the Plan's rules, then contributions for the allotments containing the houses will generally be waived, or reduced depending on the impact on each facility or service to be used, and
    - where a subdivision is not intended for residential purposes then contributions will be waived or deferred in line with the 'activity status' of DWELLINGHOUSE/S in the Zone;
  - b. in the case of business subdivisions, where use will be made of water supply, sewerage and stormwater systems, then 'buy-in'/upgrading contributions for these systems will be required per new allotment, and 'local' roading contributions may also be required;
  - c. in the case of land use consents, contributions will reflect those impacts which are over and above those generated by Permitted activities in the same locality or Zone, and contributions will not be used to 'catch up' on infrastructural deficiencies that already exist unless this would clearly be appropriate to the effects of the activity.
3. That financial contributions towards public infrastructural services and facilities be for capital improvements and not for operational or maintenance costs.
4. That financial contributions be payable at an early stage in the development process.
5. That as far as practicable financial contributions towards infrastructural services and facilities be directly linked with long term capital works programmes for each service or facility concerned.
6. That a financial contribution be required where this would be the most appropriate method in the circumstances of avoiding, remedying or mitigating any identifiable adverse effects

relating to an activity, (including effects on “amenity values” and toanga); that Section 108(2) of the Act be used where it is found that the policies of Part 10.1 or Rule 10.2 of this Plan do not appropriately or effectively address an adverse effect.

7. That a financial contribution be required where this would be the most appropriate method in the circumstances of ensuring that positive effects result from an activity (to offset any adverse effect), such as ensuring or achieving:
  - the greater efficiency of use of natural and physical resources;
  - the protection or enhancement of cultural, heritage, or amenity values and of sites of special value to Tangata Whenua;
  - the enhancement of the quality of the environment;
  - the extension of the life of any natural or physical resources having finite characteristics.
8. That in general contributions not be required of land use activities or at the time of land development unless in terms of Council's assessment of the proposal there is clearly an adverse effect which should be addressed by way of a financial contribution (Note: this policy is to be read subject to Section 108(2) of the Act).
9. That Council pays for any excess infrastructural capacity that a subdivider or developer is specifically requested by Council to put in place to meet the future servicing needs of other properties in the locality; that payment be made only when the work has been completed to Council's satisfaction.

### **10.1.3 ROADING POLICIES**

1. That in general, every additional allotment shall contribute through a one-off payment towards the programmed upgrading and extension of the District's roading network.
2. That all activities for which a resource consent is required shall make such contributions as are necessary and appropriate to ensure that the standard of roading in the immediate vicinity of the site is adequate for the safe and efficient movement of all vehicles and pedestrians associated with or likely to be associated with the activity. Council will, in determining the nature and magnitude of a contribution, take account of the capacity and standard of the existing roads to be used and the extent to which they could absorb the effects of additional traffic, bearing in mind likely increases in traffic from activities which do not require consent.

In the case of "urban" areas the Council will be guided by the standards set out in NZS 4404:2010 in terms of establishing the need for and amount of contribution; in the case of state highways Council will be guided by the guidelines set out by Transit New Zealand dated February 1994 ("Planning for a Safe and Efficient State Highway Network"). Contributions may relate to, but are not limited to:

- road widening;
- kerbing and channelling;
- footpaths;
- intersection and property entrance improvements (but not including private crossing works payable by the landowner) ;
- gradient or camber changes;
- acceleration or deceleration lanes;
- surfacing;
- basecourse depth and pavement strengthening;
- stormwater control;
- signage;
- visibility;
- road noise reduction or deflection.

#### **10.1.4 WATER SUPPLY POLICIES**

1. That in general, every allotment which will use a public water supply shall contribute to the upgrading and expansion of that particular system through either:
  - a. A one-off payment towards the programmed upgrading and extension of the particular water supply system to be used; or
  - b. A one-off "buy-in fee" which reflects the new consumer's share of the assigned excess capacity in both the accumulated capital funds and the "in-ground" physical resources of that system; or
  - c. A combination of the two.
2. That every activity for which a resource consent is required shall pay for any works outside the site necessary to ensure an appropriate and effective reticulation of the public water supply which is to be used for the intended and probable future uses of the site. (Note: These works, if required in the case of a subdivision, are additional to those necessary to give effect to, or 'connect up', the subdivision in the 'normal' manner).
3. That every land use activity which will have a significant impact on the treatment or storage part of the water supply system to be used shall pay a "buy-in" or upgrading contribution. As a guide, 'significant' shall include an impact which is clearly over and above that envisaged at the time the land was subdivided.
4. That where upgrading is required as a prerequisite to the effective operation of any activity or consent, then the contribution payable will, within reason, cover all costs incidental to the upgrading, such as land purchase and obtaining new resource (water take) consents. (Note: Where such costs may be unreasonable, consent to the activity may be withheld where the activity cannot be modified).

#### **10.1.5 SEWERAGE POLICIES**

1. That in general, every allotment which will use a public sewerage system shall contribute to the upgrading and expansion of that particular system through:
  - a. A one-off payment towards the programmed upgrading and extension of the particular sewerage system to be used; or
  - b. A one-off "buy-in fee" which reflects the new consumer's share of the assigned excess capacity in both the accumulated capital funds and the "in-ground" physical resources of that system; or
  - c. A combination of the two.
2. That every activity for which a resource consent is required shall pay for any works outside the site necessary to ensure appropriate and effective reticulation to the sewerage system which is to be used for the intended and probable future uses of the site. (Note: These works, if required in the case of a subdivision, are additional to those necessary to give effect to, or 'connect up', the subdivision in the 'normal' manner).
3. That every land use activity which will have a significant impact on the treatment or disposal part of the system to be used shall pay a "buy-in" or upgrading contribution. As a guide, 'significant' shall include an impact which is clearly over and above that envisaged at the time the land was subdivided.
4. That where upgrading is required as a prerequisite to the effective operation of any activity or consent, then the contribution payable will, within reason, cover all costs incidental to the upgrading, such as land purchase and obtaining new resource (discharge) consents.

(Note: Where such costs may be unreasonable, consent to the activity may be withheld where the activity cannot be modified).

#### **10.1.6 STORMWATER POLICY**

1. That every activity for which a resource consent is required shall pay for any works outside the site necessary to ensure that it will be serviced by an appropriate and effective stormwater disposal and/or treatment system, or can be connected to any existing reticulation which is available, for the intended and probable future uses of the site. (Note: These works, if required in the case of a subdivision, are additional to those necessary to give effect to, or 'connect up', the subdivision in the 'normal' manner).

#### **10.1.7 RESERVES POLICIES**

1. That in general, every additional allotment shall contribute through a one-off, fixed-sum payment (plus any Government taxes applicable) unless a contribution in land is to be made; cash contributions shall go towards the programmed upgrading and development of the District's recreational and open space resources.
2. Every subdivision will be assessed in terms of the need it generates for local reserves land, but in general, the Council will only require a contribution of land within the subdivision in one or more of the following circumstances:
  - where more than fifteen residential lots are involved;
  - where an existing reserve is to be enlarged;
  - where land is needed or is suitable to ensure the protection or enhancement of a site or feature/s of special natural, cultural or heritage value, whether identified in the Plan or not;
  - where land can be added to a required esplanade reserve to enhance or increase its value for the purposes specified in the Act;
  - where there is a clear deficiency in a locality of a particular type of land which can be provided within the subdivision;
  - such other reasons as may be set out in the Council's *Recreation Plan* for the District.
3. Where land within a subdivision is to be set aside as public reserve, the Council will generally expect a contribution that is greater in value than the total "District" contribution which would be payable, based on the land's value; the value is to be determined using the average value of all the new allotments in the subdivision.
4. Land to be set aside as public reserve for general recreational purposes shall:
  - have road frontage which is adequate for amenity, visual access (community policing) and ease of maintenance purposes;
  - preferably north-facing to optimise daylight and sunlight receipt;
  - be capable of performing a variety of functions without major works;
  - be readily accessible for properties in the locality;
  - be vested in a state that allows routine maintenance.
5. The Council will upon application consider any request to fulfil a reserves contribution through the completion of specified works on existing reserves, where such work would be consistent with the *Recreation Plan*.

#### **10.1.8** [Deleted by Plan Change 30]

### **10.1.9 CONTRIBUTION REDUCTION POLICIES**

1. The Council may, on application for subdivision consent, reduce any contribution payable in terms of this Plan under the following circumstances:
  - a contribution of the same type has been paid in the previous five years in respect of any allotment or area of land within the site being subdivided, and the quantum of the new contribution would be unreasonable in the circumstances;
  - a contribution of the same type has been paid in the previous five years by the subdivider or developer in respect of other land within the District owned by him/her, and it can be demonstrated to the Council's satisfaction that that contribution was greater than needed to be set aside or has been of far greater benefit than was envisaged at the time, and accordingly some recognition of this is justifiable;
  - the subdivision is of houses or units which are small and of a modest standard (generally one or two bedrooms), which have been purpose-built for retired or disabled people, and the titles are encumbered to ensure that the houses can only be occupied by households of this type; in this case a reduction in the 'District' or 'local' reserves contribution may be justifiable;
  - there will be, within the area being subdivided, an area of land set aside and developed, and legally protected in perpetuity, for use by the residents of the area, for recreational purposes; such area must be at least 500 square metres in area and of a shape and form that enables a range of activities to occur; in this case a reduction in the reserves contribution may be justifiable;
  - a required esplanade reserve has obvious recreational or open space value or potential either for local residents or for the District, and a reduction or waiver of the total reserve contribution payable is justifiable;
  - where the voluntary protection of bush, or some other significant natural or cultural heritage feature (by approved legal and physical means) which is to remain in private ownership, has significant amenity value which the wider community will benefit from; in this case a reduction in the 'District' or 'local' reserves contribution may be justifiable. (NB This policy does not apply where the protection creates an entitlement to subdivide and build a house on the lot e.g. a "bush" lot).
  
2. That in general no financial contribution be payable where it is demonstrated to Council's satisfaction that:
  - by some other means within the previous five years the particular works, facilities or services which are to be used by the occupants of the land (and for which a specific contribution is required), have already been paid for; or
  - will in the future be paid for by the occupants of the land through other methods such as special rates or fees; or
  - the activity is, or is associated with, a network utility and makes only minor or insignificant demands on infrastructural services, including any cumulative effects, and does not have any adverse effect on the amenities or resources of the locality or District for which a financial contribution in terms of Part 10 of this Plan would be appropriate or reasonable.

### **10.1.10 METHODS OF IMPLEMENTATION OF POLICIES, AND REASONS**

The principal method to be used in this Plan to ensure the sustainable management of important utilities and recreational/open space resources is a regulatory one. Rules will apply at the time of subdivision, or at the time of consent for some land use activities. The only other possible method is a rating system. The reasons for not adopting a 'rating' system at this time are outlined below under "Reasons and Explanation for Objectives and Policies".

These policies and the rules which follow (10.2), will, as appropriate, apply to land use activities as well as subdivision. There is a need to ensure that land uses do not commence where they would have an adverse effect on the sustainable management of public services, unless such can be avoided, mitigated or offset by way of financial contributions or similar conditions under Section 108(2) of the Act.

(General Policies) These policies are the parameters for the determination of the "financial contribution" requirements of this Plan. They will also apply to resource consent applications as appropriate.

(Roading Policy 1) Refer to Rule 10.2.

(Roading Policy 2) This policy will apply as appropriate to any resource consent application.

(Water Supply Policy 1) Refer to Rule 10.2.

(Water Supply Policy 2) This policy will apply as appropriate to resource consent applications.

(Sewerage Policy 1) Refer to Rule 10.2.

(Sewerage Policy 2) This policy will apply as appropriate to resource consent applications.

(Stormwater) This policy will apply as appropriate to any resource consent application.

(Reserves Policy 1) Refer to Rule 10.2.

(Reserves Policies 2, 3 and 4) These will apply to 'local' reserves contributions in land, at the time of application for consent.

(Public parking policy 1) Refer to Rule 10.2.

(Public parking policy 2) This policy will apply as appropriate to any resource consent application.

(Contribution reduction policies) These policies will apply as appropriate to any resource consent application.

#### **10.1.11 REASONS AND EXPLANATION FOR OBJECTIVE, POLICIES AND METHODS**

The main focus of the objective and policies is on the infrastructural and open space services and resources which are managed by Council and financed primarily through rates and user charges payable by existing ratepayers. The objective and its policies are necessary to address those costs of growth which can be attributed to the requirements and demands of "new consumers" and new land use activities (such as widening roads, extending sewers, upgrading reserves, and developing new parking areas).

These costs should not be paid for by existing ratepayers except by way of an agreed District growth strategy. Such a strategy would involve the existing ratepayers absorbing the costs of growth on the basis of the benefits that accrued to them as a result of 'growth'. (These benefits include: the spreading of the costs of upgrading and maintaining infrastructure over more ratepayers as new households are established; avoiding the possible disincentive to development which financial contributions may be seen to create, thereby attracting or encouraging further development and jobs). However the Council has not adopted such a strategy, and the provisions of this Plan aim to properly address the payment of the costs of growth by the appropriate people at the appropriate time.

It is also important that the contributions are simple to understand and apply to any proposal, so that their impact on the overall cost of a development is readily ascertainable. For this reason a fixed cash sum has been determined wherever possible (Policy 5). It is also important that contributions do not act as a disincentive to development due to their incidence or amount. The Council considers that the Plan's provisions reflect the true costs of "growth" and could not therefore be seen as a disincentive.

(General Policies 1 to 9) These policies set out the principles and parameters by which the Council has determined the requirements of this Plan. They will also be used to assess any

rule changes, or contributions that may be considered appropriate in granting consent to a resource consent application. In the latter case the activity will have effects that can or should be addressed by way of an 'economic instrument' such as a financial contribution.

(General Policy 6) Projected works programmes have been determined for most main components of the District's infrastructure (refer also to the Annual Plan), but the Council's strategic planning exercises had not been finalised at the date of notification and so further refinement of capital programmes in the future may lead to changes in this Plan sooner rather than later. However the Council would not expect the general level of contributions to change a great deal.

(General Policy 10) In special circumstances the Council may request a developer to build additional capacity into a system, perhaps to service intervening land, or to facilitate a growth strategy. Often however additional capacity will eventuate from the minimum (public) standard that is specified, or because a developer wishes to develop land ahead of the normal pattern. This policy is not intended to be applied to those situations. The developer will carry these additional costs, and may of course seek 'betterment' from other landowners who would benefit from the additional capacity.

(Roading Policy 1) All new residents to the District will make use of or benefit from the roading network. Roads like reserves are open to all people. It is not possible to determine in the case of each subdivision or development which roads will be used most, or which roads will never be used by the new residents or land users. Therefore an 'across the board' system is the only practicable option if the contribution is to be kept simple and efficient to collect.

(Roading Policy 2) Not all roading impacts can be anticipated. Some activities may have a particular local impact which will not or should not be addressed at the 'District' level. The Council needs to be able to require a contribution in these situations.

(Water supply and Sewerage, Policy 1) The Council has significant 'capital' funds which represent future capacity in the respective systems, and along with the assigned excess capacity which is "in the ground", significant benefits accrue to new 'consumers' of these systems, and accordingly a fee which reflects the individual component of this capacity is justifiable.

(Water supply and Sewerage Policy 2, and Stormwater policy) The reasons and explanations for these policies are as for Roading Policy 2 above.

(Reserves Policy 1) Generally as for Roading Policy 1 above.

(Reserves Policy 2) In general additional land in the District is only required for specific purposes, as stated in the *Recreation Plan*. The main requirement for contributions is for cash for the development of existing reserves.

(Reserves Policy 3) In no case will the reserves contribution payable be less than the 'District' contribution. In some instances it may be significantly more due to high land values in a locality, or some other characteristic of the subdivision.

(Reserves Policy 4) The Council will not accept land which is 'left over' or which is difficult or expensive to fully utilise. The Council will ensure that contributions in land are clearly going to be an asset to the District.

(Reserves Policy 5) This option should be provided for developers who may be able to cost-effectively complete particular works.

[Deleted by Plan Change 30]

(Contribution Reduction Policies) These policies are self-explanatory and are necessary to address possible inequities in the Plan's requirements. These inequities may arise with future changes in the Council's rating systems or fees and charges.

**10.1.12 ANTICIPATED RESULTS**

- The fair and equitable funding of the District's infrastructural and open space resources by both the 'ratepayer' and 'developer' communities;
- The maintenance of current standards for services and facilities throughout the District, and the accumulation of sufficient capital to meet anticipated higher environmental standards in the future;
- The avoidance of any type or quantum of contribution which may act as a disincentive to development;
- The avoidance of any adverse effect which can be adequately offset by way of a "financial contribution";
- The securing of positive effects which arise from growth and which contribute to achieving the Plan's objectives.

## **10.2 RULE 10.2 - FINANCIAL CONTRIBUTIONS**

### **10.2.1 TIMING OF CONTRIBUTION**

- a. Where the Council requires a financial contribution in land it shall be shown on the survey plan submitted for sealing under the Act and shall vest on deposit of that plan.
- b. Where in the case of a land use proposal the Council requires a contribution in land the subdivision of the land shall be arranged to the Council's satisfaction prior to the commencement of any activity associated with that proposal. Unless the Council clearly states otherwise, the applicant or person/s intending to develop or proceed with the proposal shall pay the surveying and legal costs.
- c. Contributions in cash shall be payable no later than the date of issue of the conditions certificate or, in the case of a land use proposal, in terms of the instructions detailed in the consent.

### **10.2.2 DEFINITION**

"Additional allotment" in Rule 10.2 means,

- in the case of any subdivision of land to create freehold residential lots:
  - any allotment within the area being subdivided in excess of the number that, prior to the subdivision, were being used, or could have been used without a resource consent, for residential purposes;
- in the case of a residential cross lease or unit title subdivision of land, every allotment or separately habitable unit beyond the first allotment or unit on the SITE, irrespective of the Zoning of the land: Provided that, an allotment in the *Business* zone which is intended to be used for business activities but which is entitled to have a residential unit at first floor level as a Permitted or Controlled activity, shall not be deemed to be an 'additional allotment' for the purposes of Rules 10.2.3 and 10.2.4.

For the avoidance of doubt, where a cross lease title is to be 'converted' to a freehold title for the same dwellinghouse or residential unit, then no 'additional allotment/s' will be deemed to have been created.

### **10.2.3 CONTRIBUTION FOR DISTRICT ROADING**

Every additional allotment shall necessitate the payment to Council of cash equating to the sum of **SUM A** and **SUM B** (plus "GST") for the relevant financial year, as set out in Schedule 10.3.1.

*Note: this is recalculated every third year and remains fixed until the next three year recalculation.*

(Refer to Schedule 10.3.1 for the formula and supporting information for this contribution. For the 2000/2001 financial year the cash sum payable amounts to \$2328.40 plus GST, which is \$2619.45).

### **10.2.4 CONTRIBUTION FOR DISTRICT RESERVES AND RECREATION**

Subject to clause 10.2.6 below, every additional allotment shall necessitate the payment to Council of a cash sum of \$831.50 plus "tax" (currently amounting to \$935.00 including GST).

(Refer to Schedule 10.3.2 for supporting information for this contribution).

### **10.2.5 CONTRIBUTION FOR LOCAL ROADING IMPACT**

Where in terms of the *policies* of the Plan a contribution is required for roading outside but in the vicinity of the land being subdivided or developed (and which is additional to any contribution payable under 10.2.3 above), that contribution shall not exceed\*:

- in the case of subdivision, \$5000 plus “tax” (currently amounting to \$5625.00 including GST) per new allotment;
- in the case of a land use activity, the total cost of avoiding, remedying or mitigating the identified adverse traffic effects.

### **10.2.6 CONTRIBUTION FOR LOCAL RESERVES LAND**

- Where in terms of the policies of the Plan the Council requires a contribution in land for reserves, that contribution shall not be less than 100 square metres of land per additional allotment nor less than the sum payable under clause 10.2.4 and shall not exceed\* in area 20 per cent of the total area of land in the subdivision;
- Subject to policy 10.1.9 (Contribution Reduction Policies), land set aside as local purpose reserve for esplanade, roading, access or other utility purposes shall not be included as a reserves contribution under Rule 10.2.

### **10.2.7 WATER SUPPLY**

- a. Every new allotment which uses a public water supply shall necessitate the payment to Council of the cash contribution for the particular supply system shown in Schedule 10.3.3.
- b. Where in terms of the policies of the Plan a contribution is required for water supply works outside but in the vicinity of the land being subdivided or developed, that contribution shall not exceed\*:
  - in the case of subdivision, \$5000 plus “tax” (currently amounting to \$5625.00 including GST) per new allotment;
  - in the case of a land use activity, the total cost of avoiding, remedying or mitigating the identified adverse effects associated with supplying potable water, or of ensuring positive effects through the supply of potable water to offset any adverse effects.

### **10.2.8 SEWERAGE SYSTEMS**

- a. Every new allotment which uses a public sewerage system shall necessitate the payment to Council of the cash contribution for the particular system shown in Schedule 10.3.4.
- b. Where in terms of the policies of the Plan a contribution is required for sewerage works outside but in the vicinity of the land being subdivided or developed, that contribution shall not exceed\*:
  - in the case of subdivision, \$5000 plus “tax” (currently amounting to \$5625.00 including GST) per new allotment;
  - in the case of a land use activity, the total cost of avoiding, remedying or mitigating the identified adverse effects associated with sewage disposal and treatment.

### **10.2.9 STORMWATER**

Where in terms of the policies of the Plan a contribution is required for stormwater works outside the land being subdivided or developed, that contribution shall not exceed\*:

- in the case of subdivision, \$3500 plus “tax” (currently amounting to \$3973.50 including GST) per new allotment;

- in the case of a land use activity, the total cost of avoiding, remedying or mitigating the identified adverse effects associated with stormwater disposal and treatment.

**10.2.10** [Deleted by Plan Change 30]

**10.2.11 OTHER PURPOSES**

Where contributions of other types are required, they shall not exceed the following limits:

- a. For the protection, restoration or enhancement of any significant natural resource:
  - the maximum land area (or equivalent) affected by any condition shall not exceed\* 60 percent of the area which is the subject of the application; and
  - any works associated with the protection, restoration or enhancement shall not exceed\* in value the total cost of avoiding, remedying or mitigating the identified adverse effects associated with the activity.
- b. For the protection, restoration or enhancement of any significant physical resource (in which case the works shall be confined to the external appearance of the resource and its immediate surrounds), or for the protection or enhancement of any site or area of special value to Tangata Whenua, “financial contributions” shall not exceed\* in value the total cost of avoiding, remedying or mitigating the identified adverse effects associated with the activity.

*\* NOTES: For the avoidance of doubt, the amounts specified in these clauses are maximums and the Council will determine the actual contributions on a case by case basis. “Tax” refers to any Government imposed taxes, fees or levies which the Council is required to collect and pass on. Currently only GST at 15% is added.*

**10.3 SCHEDULES OF SUPPORTING INFORMATION**

**10.3.1 DISTRICT ROADING**

**A. Rationale for calculation of cash roading contribution:**

Explanation *(Not Part of the District Plan)*

*The formula incorporates two components to the financial contribution for district roading:*

- a. *The amount that each new household is considered to benefit by the use of the existing capacity within the existing principal roading network (SUM A). The formula: identifies the value of the roading network (the depreciated roading asset value as defined in the Annual Plan; defines the amount of spare capacity in the roading network and allocates this to the number of rateable properties in the district.*
- b. *The allocation of annual capital expenditure attributed to projected use and traffic arising from new users and residents of the roading asset (SUM B). This identifies the extent to which the capital works programme is attributed to new subdivision. This figure is then allocated to the determined average number of new allotments per year (as determined over each three year period). This correctly reflects the expected levels of growth.*

The depreciated roading asset value, number of rateable properties in the district and the average number of new allotments are adjusted at the end of each three year period and applied from 1 July of that year. The figures for these adjustments are those as adopted in the published Annual Plan of the proceeding year. This provides an advanced indication of the level of adjustment.

The total sum payable per allotment, shall be the total of **SUM A** plus **SUM B** (plus GST) as calculated in the following rationale.

**RATIONALE**

**SUM A**

**SUM A = D ÷ R x 10%**

- Where **D** is: The depreciated Roothing Network Value applying as at 1 July 2000 and then applying at 1 July of every third year thereafter (this figure shall be the figure for the Depreciated Roothing Network Value as adopted and published in the Franklin District Annual Plan (Annual Plan) of the preceding year).
- R** is: The number of rateable properties in the Franklin District at 20,676 as at 1 July 2000 for the year 2000 and then as published in the adopted Annual Plan of 2002 and then adopted and published in the Annual Plan every third year thereafter.
- x 10%** is: The assigned existing roading network spare capacity. This is a fixed percentage figure and will not change unless by way of a change to the Franklin District Plan.

Explanation *(Not Part of District Plan)*

*For the purposes of calculating the District Roothing contribution, the relevant figures to be updated will be as published in the schedule accompanying the Annual Plan of the relevant year referred*

to in the formula. Any new cash sum payable will have effect as of 1 July of the relevant financial year. For example in the year 2003 the Depreciated Roothing Network Value (**D**) and the number of rateable properties (**R**) will be the figures for the Depreciated Roothing Network Value (**D**) and the number of rateable properties (**R**) as published in the adopted 2002 Annual Plan.

For the year 2000 the calculations are as follows:

- a. *The existing roading network had a value as at June 1999 of \$340,000,000.00 with an estimated variance of 10%. The Depreciated Roothing Asset value for the 1999 year is therefore set at \$306,000,000. This means that each rateable property in the District (of which there are 20,676 as at 1 July 2000) had an equity in (or share of) the network amounting to \$14,799.76.*
- b. *The existing roading network has an assigned spare capacity of 10 percent. Each new household in the District is benefiting by its use of this capacity. As at June 1999, this benefit had a value of \$14,799 x 10 (percent) = \$1479.97 (excluding GST). This is **SUM A** for the years 2000 to 2002 (applying from 1 July 2000 to 1 July 2003).*

This will be recalculated every three years

Example only (Not Part of District Plan)

*If in the year 2003 the Depreciated Roothing Network Value, as published in the adopted Annual Plan of 2002 was \$380,000,000 and the number of rateable properties as published in the adopted Annual Plan was 22002 (assuming an annual growth of 442 allotments per annum) then SUM A would be calculated as follows:*

Example only

$$SUM A = \frac{\$380,000,000}{22002} \times 10\% = \$1727.00$$

Therefore the SUM A of \$1727.00 would apply as from 1 July 2003 until recalculation at 1 July 2006.

**SUM B**

**SUM B** = \$1,500,000 (**E**) ÷ average of the annual number of allotments for which a contribution was received (**N**) x 25% (**P**)

Where **E** is: The Council’s average annual capital expenditure (the amount which Franklin District contributes) on the District’s arterial and collector roading network for the next 10 years (set at \$1,500,000 for the year 2000)

**N** is: The Average Annual number of allotments, for which district wide roading contributions have been received, as the average calculated over each three year period commencing the year 2000 and then as published in the adopted Annual Plan of 2002 and then as adopted and published in the Annual Plan every third year thereafter. This is calculated at 442 for the year 2000.

Example (only) for year 2003. (Not Part of District Plan)

*The (**N**) applying from the year 2003 is an average of the annual number of allotments for which a contribution was received averaged over the years 2000-2002 and as published in the 2002 adopted Annual Plan.*

**P** is: The percentage of the projected, average annual capital expenditure on the District's arterial and collector roading network for the next 10 years attributed to projected traffic growth due to new residents. This is calculated at 25% of average Council contribution to the annual capital expenditure.

Council may undertake a review of the calculation of **(E)** and **(P)** at the end of each three-year period. A Plan Change may be introduced if necessary to adjust these figures in line with the reviewed and monitored data.

Example

*The projected, average annual capital expenditure on the District's arterial and collector roading network for the next 10 years (2000-2009) is \$3,000,000.00, of which Franklin District contributes \$1,500,000 (E) (the balance is funded through Transfund N.Z). On an annual basis twenty five percent (25%) of this expenditure is attributable to projected traffic growth due to new residents, and is deemed to be (P) (as at June 2000) (P) equates to \$375,000. This figure can be divided by the average annual number of new allotments, for which district wide roading contributions have been received (N).*

*The average annual number of new allotments, for which district wide roading contributions have been received (N) (which for the period 2000-2003) is 442 annually. Each additional allotment will therefore contribute a cash sum calculated as follows: (P) (\$375,000) divided by (N) (442) = the sum payable (\$848.41 (excluding GST) as at 1 July 2000).*

This is **SUM B**

TOTAL CONTRIBUTION

**SUM A and SUM B**

For Example in 2000/2001

*The total sum payable per allotment, to be used for the purposes set out in Clause B of 10.3.1 below, will therefore be **SUM A** above plus **SUM B** above, plus GST (amounting to \$1479.97 + \$848.41 = \$2328.00 plus GST, which is \$2619.45).*

B. Purposes for which the roading contribution will be used:

Upgrading and improving the District's roading network, including such works as road widening, intersection improvements, stormwater control, signage, and road noise reduction or deflection.

# "Tax": *Any contribution payable will, at any point in time, include all Government imposed taxes, fees or levies which the Council is required to collect and pass on. Currently only GST at 15% is added.*

**10.3.2 DISTRICT RESERVES**

A. Rationale for calculation of cash reserves contribution:

- a. The projected, average annual expenditure on land acquisition and reserves development throughout the District for the next 5 years is \$500,000. This figure has been determined from a consideration of previous year's allocations, specific costed capital projects, and estimates of other uncommitted works. The vast majority of the money is to go into the development of existing reserves rather than acquiring additional land for reserves.

- b. Based on past experience and the background work\* that has been carried out in recent times by the Council, the proportion of the above sum (\$500,000) which is assessed as being due to projected growth (primarily through the formation of new households through the process of subdivision) is 25 per cent (\$125,000 per annum). This amount is to be divided by the number of lots expected to be created each year.
- c. The average annual number of allotments expected to be created over the next five years is 150. This includes any allotment where there will be an entitlement to build a house.
- d. The sum payable per allotment is therefore \$831.50 excluding "tax" #.

\* "Community Recreation/Leisure Research Report" FDC Nov 1992.  
 "Recreation Strategy" FDC Dec 1992.  
 "Recreation Plan" FDC Jan 1994

B. Purposes for which the reserves contribution will be used:

- the acquisition, development and regeneration of coastal reserves, and access thereto (principally around the Manukau Harbour);
- the acquisition of land in selected locations for active, outdoor, and formal recreation activities, as detailed in Council's reserve acquisition policy in the *Recreation Plan*;
- the development of "active" and "passive" reserve areas in accordance with approved *reserve management plans*; such work to include the restoration and enhancement of the natural characteristics of reserves;
- the acquisition of land and features demonstrated to be worthy of special recognition, or included in the heritage inventories of this District Plan;
- the development of reserves in accordance with programmes determined through the Annual Plan process, arising out of the recommendations of the *Recreation Plan*.

# "Tax": Any contribution payable will, at any point in time, include all Government imposed taxes, fees or levies which the Council is required to collect and pass on. Currently only GST at 15% is added.

### 10.3.3 WATER SUPPLIES

A. Rationale for water supply contribution:

Supply	Capital reserves <sup>1.</sup>	Asset value <sup>2.</sup>	Users <sup>3.</sup>	Contribution <sup>4.</sup>
Franklin <sup>5.</sup>	459000	1820000	1465	\$450
Pukekohe	1803000	2876000	4243	\$530
Tuakau	91000	873000	960	\$180
Waiuku	848000	1538000	2094	\$515

#### NOTES:

1. These moneys represent "excess capacity" of 100 per cent.
2. This value does not include reservoirs. 7.5% of this value is the assigned "excess capacity" of the physical infrastructure. This is added to the capital reserves to obtain a total value for the purpose of calculating a "buy in".
3. This is the current number of metered/connected users as at 31 May 1994.
4. This is the total value divided by the number of connections, with "tax" # added, then the figure rounded down.

5. "Franklin" consists of a number of "rural" water supply systems. These "Rural" systems are Bombay, Buckland, Clarks Beach, Glenbrook Beach, Matakawau, Onewhero, Patumahoe, Pokeno, Pukekohe West, Waiau Pa.

B. Purposes for which the contribution will be used:

Upgrading and extending the respective water supply systems. (Note: This work is independent of any works a subdivider may have to do to give effect to, or 'connect up' a new subdivision in the normal manner).

# "Tax": Any contribution payable will, at any point in time, include all Government imposed taxes, fees or levies which the Council is required to collect and pass on. Currently only GST at 15% is added.

#### 10.3.4 SEWERAGE SYSTEMS

A. Rationale for sewerage system contribution:

System	Capital reserves <sup>1.</sup>	Asset value <sup>2.</sup>	Users <sup>3.</sup>	Contribution <sup>4.</sup>
Pukekohe/ Tuakau	579000	9191000	5099	\$275
Waiuku	56000	4841000	1884	\$250
Patumahoe	63000	408000	162	\$650
Clarks Beach	-	935000	496	\$155

#### NOTES:

1. These moneys represent "excess capacity" of 100 per cent.
2. 7.5% of this value is the assigned "excess capacity" of the physical infrastructure. This is added to the capital reserves to obtain a total value for the purpose of calculating a "buy in".
3. This is the current number of connected users of the system.
4. This is the total value divided by the number of connections, with "tax" # added, then the figure rounded down.

B. Purposes for which the contribution will be used:

Upgrading and extending the respective sewerage systems. (Note: This work is independent of any works a subdivider may have to do to give effect to, or 'connect up' a new subdivision in the normal manner).

# "Tax": Any contribution payable will, at any point in time, include all Government imposed taxes, fees or levies which the Council is required to collect and pass on. Currently only GST at 15% is added.