

24 Financial Contributions

24.1 Background

- a. The Resource Management Act 1991 empowers Council to collect financial contributions.
- b. Section 77E provides that Council may make a rule requiring a financial contribution for any class of activity other than a prohibited activity.
- c. Section 108 provides that when Council grants a resource consent, it may impose a condition of consent requiring that a financial contribution be made.
- d. A financial contribution taken by Council is for a different purpose to any development contribution identified in Council's current Development Contributions Policy and may be levied in addition to a development contribution.

24.2 General Purpose of Financial Contributions

24.2.1 To recover from developers 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 including, but not limited to, effects associated with:
 - i. Three waters/transport network connections;
 - ii. Three waters/transport network improvements;
 - iii. Three waters/transport capacity upgrades;
 - iv. Parks/reserves/open space network enhancement/improvement;
 - v. Streetscape amenity improvements;

Where the capital expenditure items identified in this rule are not otherwise funded via Council's Development Contribution Policy.

and

- vi. Gives effect to Te Ture Whaimana, including its requirement for restoration and protection of the Waikato River 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.

24.2.2 In addition to these general purposes, more specific purposes are identified in the Financial Contributions Rules section of this Chapter.

24.3 Objectives and Policies

Objective	Policies
<p>24.3.1 Financial contributions are required in accordance with the Financial Contributions Rules in order to:</p> <ul style="list-style-type: none"> i. Avoid, remedy, or mitigate adverse effects of the proposed activity or development on the environment; and ii. Give effect to Te Ture Whaimana, including the requirement for betterment. 	<p>24.3.1a</p> <ul style="list-style-type: none"> i. Require financial contributions for the purposes set out in the General Purpose Statement and the Financial Contributions Rules. ii. Determine the nature and amount of financial contributions in accordance with the methodology set out in the Financial Contributions Rules. iii. Financial contributions in the form of money must be paid before the proposed activity or development occurs. iv. Financial contributions in the form of land must vest in Council prior to completion of the activity or development. v. Financial contributions will be applied to the purpose for which they are required.

24.4 Financial Contribution Rules

24.4.1 General Rules

- a. For permitted activities, financial contributions will be required upon the earlier of the grant of building consent or service connection.
- b. For all classes of activities other than permitted activities, financial contributions will be required as a condition of land use or subdivision consent.
- c. Financial contributions will be in the form of money calculated in accordance with Rule 24.4.2 or Rule 24.4.3 (whichever applies), 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 Rules 24.4.4 and Rules 24.4.5 respectively.
- d. Financial contributions will be required for the purposes set out in the General Purpose Statement and on the basis that:
 - i. Financial contributions for all residential development will be calculated for the specific purposes and in accordance with the methodology in Rule 24.4.2 and (where applicable) Rule 24.4.4 and Rule 24.4.5; and
 - ii. Financial contributions for all other developments will be calculated for the specific purposes and in accordance with the methodology in Rule 24.4.3 and (where applicable) Rule 24.4.4 and Rule 24.4.5.

24.4.2 Residential Development

- a. In addition to the general purposes described under the General Purpose Statement, financial contributions will be required for residential development for the following specific purposes:
- i. Three waters/transport infrastructure network:
- A. To avoid, remedy and mitigate the adverse effects of residential development through the recovery of infrastructure network costs associated with the following:
- Three waters connections and network renewals; and
 - Transport connections and network renewals.
- B. These costs will include:
- Where an existing supply is available, the cost of connection with the existing system;
 - Where an existing supply is available, but the age and state of the network makes it unsuitable to meet the additional generated demand, the cost of connection and renewal of the existing system.
- But shall exclude any infrastructure works otherwise funded via Council's Development Contributions Policy.
- ii. Residential amenity:
- A. To avoid, remedy, and mitigate the adverse effects of residential development density through the recovery of costs associated with maintaining and improving residential amenity.
- B. These costs will include:
- Where public open spaces can be improved, the cost of land acquisition and development; and
 - Where streetscape amenity can be enhanced, the cost of that enhancement.
- But shall exclude any infrastructure works otherwise funded via Council's Development Contributions Policy.
- i. Te Ture Whaimana:
- A. To give effect to Te Ture Whaimana, including its requirement for restoration and protection of the Waikato River 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.
- B. These costs will include:

- Riparian enhancement:
- Wetland creation/protection/restoration/enhancement:
- Erosion control measures:
- Ecological/biodiversity enhancement:
- Public access improvements to the Waikato River, including its tributaries:
- Weed control measures:
- Sediment reduction measures:
- Waikato River/Te Ture Whaimana education:
- Restoration/protection/enhancement of waahi tapu and sites of significance.

But shall exclude any infrastructure works otherwise funded via Council's Development Contributions Policy.

- b. Financial contributions under Rule 24.4.2 will be calculated in accordance with the following methodology:
- i. Three waters/transport infrastructure network:
 - A. Connections: 100% recovery of actual costs incurred by Council, or estimated to be incurred, in relation to the connection.
 - B. Network renewals: At a rate of \$106.34 per PUD with the total financial contribution calculated in accordance with the methodology set out in Volume 2, Appendix 18.
 - ii. Residential amenity:
 - A. At a rate of \$2997.71 per PUD with the total financial contribution calculated in accordance with the methodology set out in Volume 2, Appendix 18.
 - iii. Te Ture Whaimana:
 - A. At a rate of \$1762.851 per PUD with the total financial contribution calculated in accordance with the methodology set out in Volume 2, Appendix 18.

24.4.3 Non-residential Development

- a. In addition to the general purposes required under the General Purpose Statement and Rule 24.4.2, financial contributions will be required for non-residential development for the following specific purposes:

i. Three waters/transport infrastructure network:

A. To avoid, remedy and mitigate the adverse effects of residential development through the recovery of infrastructure network costs associated with the following:

- Three waters connections and network renewals; and
- Transport connections, and network renewals.

B. These costs will include:

Where an existing supply is available, the cost of connection with the existing system:

- Where an existing supply is available, but the age and state of the network makes it unsuitable to meet the additional generated demand, the cost of connection and renewal of the existing network.

But shall exclude any infrastructure works otherwise funded via Council's Development Contributions Policy.

ii. Te Ture Whaimana:

A. To give effect to Te Ture Whaimana, including its requirement for restoration and protection of the Waikato River 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.

B. These costs will include:

- Riparian enhancement;
- Wetland creation/protection/restoration/enhancement;
- Erosion control measures;
- Ecological/biodiversity enhancement;
- Public access improvements to the Waikato River, including its tributaries;
- Weed control measures;
- Sediment reduction measures;
- Waikato River/Te Ture Whaimana education;
- Restoration/protection/enhancement of waahi tapu and sites of significance.

But shall exclude any infrastructure works otherwise funded via Council's Development Contributions Policy

- b. Financial contributions under Rule 24.4.3 will be calculated in accordance with the following methodology:
 - i. Three waters/transport infrastructure network:
 - A. Connections: 100% recovery of actual costs incurred by Council, or estimated to be, in relation to the connection.
 - B. Network renewals: At a rate of \$106.34 per PUD with the total financial contribution calculated in accordance with the methodology set out in Volume 2, Appendix 18.
 - ii. Te Ture Whaimana:
 - A. At a rate of \$1762.851 per PUD with the total financial contribution calculated in accordance with the methodology set out in Volume 2, Appendix 18.

24.4.4 Contribution of Land

- 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.
- 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 s 224(c) certification under the Resource Management Act 1991 and prior to Council issuing a 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 Rule 24.4.2 or Rule 24.4.3 (whichever applies).

24.4.5 Contribution of Land and Money

- a. 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 Rule 24.4.2 or Rule 24.4.3 (whichever applies) and Rule 24.4.4.

Interpretation

For the purposes of this Chapter, the following definitions apply:

Bedroom means an area of a residential unit that is not:

- a. The kitchen, bathroom(s), laundry and toilet(s);
- b. The dining room or living room (but not both) whether open plan with the kitchen or

not:

- c. Entrance halls and passageways;
- d. Garage; and
- e. Any other room smaller than 6m²;

Betterment means restoration and protection as required under Te Ture Whaimana

Developer means any individual, entity, or group undertaking development.

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 and alterations.

Greenfield development means subdivision and/or urban development of previously undeveloped rural land.

Gross Floor Area means the sum of the area of all floors of all buildings on a site measured from the exterior faces of the exterior walls or from the centrelines of walls separating two buildings. Gross floor area shall:

- a. Include elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies;
- b. Exclude any provided car-parking, incidental or temporary loading and servicing areas and access thereto and building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants;
- c. Exclude buildings and structures defined as temporary in a relevant consent;
- d. Include permanent outdoor covered structures;
- e. For the purposes of this Chapter, include car parking provided on a commercial basis; and
- f. In cases where there is no constructed floor or in which existing floor area is covered for the first time by a roof or other covered structure, include the area under the roof or the covered structure.

Infrastructure means network infrastructure, community infrastructure, or reserves.

Land value has the same meaning as “land value” under the Ratings Valuations Act 1998.

Network renewals means the repair and replacement of existing network components due to age and wear and tear, so that new and additional development can connect to the network without causing adverse effects on the network.

Non-residential development has the same meaning as non-residential activities.

Residential development has the same meaning as residential activities.

Te Ture Whaimana means the vision and strategy for the Waikato River set out in Schedule 2 to the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act

2010.

In the event of any conflict with the definitions in Appendix 1.1.2, the above definitions prevail.