

Development contributions

What is a development contribution?

A development contribution (DC) is a one-off charge imposed on new developments. It contributes to the growth-related cost of our infrastructure network and supports the city's long-term growth.

DCs are assessed on water, wastewater, stormwater, reserves, community infrastructure, and transport activities.

The Government introduced the charges via the Local Government Act 2002 so councils could recover some growth infrastructure costs from developers.

Who pays a development contribution?

You may be required to pay a DC when a resource consent is granted, a building consent is granted, a Certificate of Acceptance is granted and/or a service connection is authorised.

You may need to pay a DC if you:

- subdivide, cross-lease, or unit title a section
- construct or increase the gross floor area of commercial, retail or industrial buildings
- change business use (e.g. changing business use from industrial activity to commercial activity)
- construct a residential dwelling/s
- add bedrooms to a residential dwelling (consented since 2018)
- make any alterations to a residential dwelling resulting in a self-contained area
- lodge a resource consent to legitimise existing activity
- apply for a Certificate of Acceptance for work that would have otherwise paid development contributions.

When do I need to pay?

Payment of a DC is due once you receive a notice of requirement for DCs on the granting of resource consent, building consent, authorisation of service connection, or Certificate of Acceptance. For further information, refer to section 12 in the operative DC Policy and the Local Government Act 2002.

How are development contributions calculated?

The Council's DC charges are set out in schedule 1 of the relevant DC Policy. DCs are calculated by sharing the cost of growth-related capital expenditure in a specified area by the amount of growth expected in that area, or across the whole city for city-wide growth infrastructure (e.g. the ring road and wastewater plant capacity upgrades). Contributions will vary depending on the DC Policy applicable to the development, the type of development, and the area of the city that you develop in.

Why do I have to pay?

With population growth comes increased demand for infrastructure. Growth in the city cannot be sustained unless we fund a portion of growth-related infrastructure through DCs.

Developers benefit from using existing infrastructure and will place additional pressure on it, requiring us to increase capacity or build new infrastructure. If we did not charge DCs, existing residents would be paying for new infrastructure that others will profit from. This is why developers are asked to contribute towards Council's growth-related costs.



Development contributions policy

Refer to the policy that was in force at the time your resource consent, building consent, Certificate of Acceptance and/or service connection was lodged. DCs will generally be based on the content of the policy in force at the time of lodgement, but please check with us to confirm which policy is applicable to your development.

The DC policies and supporting information are available on [Council's website](#).

Estimate your development contributions

You can use our DC estimator tool on [Council's website](#) to help you estimate the possible DC charges you may need to pay according to the operative DC Policy, or you can refer to the schedule 1 of charges in the applicable DC Policy.

The estimate from the DC estimator tool will be based on information available at the feasibility stage of your development, and is purely for your convenience and is not an official estimate by Council.

Please note, your final charge may vary slightly from the charges in schedule 1 of the Policy or our estimator tool due to rounding and the stormwater activity.

Remission application

Upon application made by a developer, Council may at its sole discretion, reduce (remit) part or all of a DC levied on that developer.

There are six categories of remission and, in the first instance, please refer to section 18 of the applicable policy for more eligibility criteria and information.

Any application for a remission shall be lodged with Council within 30 working days of the DC charge being required in writing to the developer. To apply for a remission, please visit [Council's website](#).

Reconsideration and objection processes

You may make an application to have a DC reconsidered, and/or lodge an objection for consideration by an independent commissioner. A request for reconsideration must be lodged within 10 working days after the date of receipt of notice of the DC required by Council.

An objection must be lodged within 15 working days of receiving notice of the level of the DC required by Council. Each process has a number of legislative requirements. Please refer to the Policy for more details and visit [Council's website](#) to apply.

Who can I contact for more information?


For all general enquiries relating to DCs, please contact Council's Development Contributions Analyst.

Phone: **(07) 958 5803**

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hamilton.govt.nz/dc

Note: This information sheet is intended as a guide only. In the event of any conflict arising in the practical application of this information, the provisions of the Local Government Act 2002 and the relevant DC Policy prevails.