

SECTION 15 : FINANCIAL CONTRIBUTIONS

15.1 INTRODUCTION

Financial contributions are a method the Act identifies as an appropriate means of addressing the adverse effects of activities and achieving the objectives and policies of the District Plan. The Second Schedule and section 108 of the Act allows the imposition of financial contributions for purposes specified in the plan. The purpose for which financial contributions are imposed under this plan can be found in Section 15.3 Objectives, Section 15.4 Policies and Section 15.6 Rules : Circumstances and Level of Financial Contributions.

Financial contributions can take the form of money or land, or any combination of these. A financial contribution can be required as a condition that is specified in this plan for a permitted activity or can be imposed as a condition of subdivision or land use consent. Financial contributions may include environmental enhancement that is required as a condition of resource consent. Section 15 sets out the purpose for imposing a financial contribution; the form such contributions shall take; and the manner in which the level of contribution will be determined.

15.2 ISSUES

All the resource management issues contained in this plan are relevant to the imposition of a condition requiring a financial contribution. The following issues are specific to financial contributions.

- 15.2.1 Effects on Infrastructure and Recreation Resources**
Subdivision and development can increase the use and demand upon:
- (i) The infrastructure and utilities of the District, including roading,
 - (ii) The District's recreation and community resources, and/or
 - (iii) Public access to natural and physical resources, which can give rise to the inefficient use and development of these resources and/or a decline in the standard of service provided. Often the only way to avoid, remedy or mitigate such effects is through financial contributions.

*Cross Reference
Objectives 15.3.1
to 15.3.3*

Explanation

Greater use of these resources increases the pressure to upgrade and extend them. It can also lead to a decline in the quality of the service provided by existing infrastructure and resources (for example, the deterioration of road conditions).

- 15.2.2 Effects on Amenity Values**
Some subdivision and land use activities can have significant adverse effects on the ecosystems, landscapes, landforms, and general amenity values of the District. Financial contributions can avoid, remedy or mitigate these effects

*Cross Reference
Objective 15.3.4*

Explanation

Development facilitated by subdivision can have significant adverse effects on the environment of the District. Conditions imposed on consents may require the provision of land, or the payment of money to avoid, remedy or mitigate these effects.

- 15.2.3 Unavoidable Effects**
Some developments generate effects that are unavoidable and may not be adequately remedied or mitigated in physical terms. Such effects can be offset or compensated for through the use of financial contributions.

*Cross Reference
Objective 15.3.5*

Explanation

In considering a development or activity there may be some effect which is not possible to physically avoid, remedy or mitigate, and/or off-set in physical terms through project design and/or private agreement. In these circumstances, mitigation can sometimes be achieved by using a financial contribution that provides a positive effect in compensation for a negative effect on the environment and/or community.

15.3 OBJECTIVES

- 15.3.1 Objective - Justifiable Proportion of Public Cost**
To secure financial contributions on land use activities and/or subdivision activities which represent the cost imposed on the wider community in relation to remedying or mitigating adverse effects as a consequence of that land use activity and/or subdivision activity.
- Cross Reference*
Issues 15.2.1 to 15.2.3
Policies 15.4.3, 15.4.11, 15.4.12, 15.4.13
- 15.3.2 Objective - Cost of Services**
To ensure that the cost of providing services within subdivisions and/or developments or the upgrading of services necessitated by that subdivision and/or development are met by the subdivider and/or developer.
- Cross Reference*
Issue 15.2.1
Policies 15.4.1, 15.4.2, 15.4.11, 15.4.12, 15.4.13
Section 16
Subdivision
- 15.3.3 Objective - Open Space, Recreation and Reserves**
To require that land use activities and subdivision activities contribute to meeting the open space, recreation and reserve needs of the District, including the provision of public access to those resources.
- Cross Reference*
Issue 15.2.1
Policies 15.4.1, 15.4.5 to 15.4.10
Section 16
Subdivision
- 15.3.4 Objective - Amenity Values**
To ensure that land use and subdivision activities maintain and, where appropriate, enhance the values associated with ecosystems, water bodies, landscapes and landforms, and other natural or physical qualities and characteristics that contribute to the amenity values of the District.
- Cross Reference*
Issue 15.2.2
Policy 15.4.2
- 15.3.5 Objective - Effects Not Able to be Adequately Avoided or Remedied**
To require financial contributions on development which generates adverse environmental effects that cannot be adequately avoided or remedied in physical terms to achieve mitigation of those adverse effects through the funding of compensation measures which off-set any adverse effects.
- Cross Reference*
Issue 15.2.3
Policies 15.4.2, 15.4.4

15.4 POLICIES

15.4.1 Policy - Financial Contributions on Permitted Activities

Financial contributions shall be required on permitted activities in the following circumstances:

- (a) Where the activity must connect to public services and infrastructure.
- (b) Where the activity generates the need to extend or develop headworks services and other infrastructure costs.
- (c) To provide for the open space, recreational and reserve needs of the community.

Cross Reference
Objective 15.3.2
Rule 15.6.1

Explanation

The Act allows the imposition of financial contributions on permitted activities. There are certain circumstances where permitted activities can generate the same or similar effects to activities that require resource consent. Where that effect can be avoided, remedied or mitigated through a financial contribution, it is administratively more efficient to allow such activities subject to the payment of a set monetary charge. However, the extent and nature of the contribution must not be subject to any discretion on the Council's part.

A financial contribution is payable on a permitted activity when the resource user requires another type of consent from Council eg. a building consent or consent to connect to a network utility.

15.4.2 Policy - Financial Contributions on Resource Consent

A financial contribution may be required as a condition of

- Subdivision consent and/or
- Land use consent

to achieve the objectives and policies of this plan and the purpose and principles of the Resource Management Act and in particular, for the following purposes:

- (a) To provide for the expansion and/or development of the recreational resources and facilities of the District.
- (b) To connect to, upgrade or install public network utilities including sewerage, water, stormwater and roading systems within subdivisions and/or developments and/or servicing subdivisions and/or developments.
- (c) To protect and/or enhance ecosystems, habitats, landscapes, landforms or significant natural features including the natural character of rivers, lakes and wetlands and their margins.
- (d) To maintain and enhance amenity values.
- (e) To provide, relocate or upgrade public services and facilities including parking facilities.
- (f) To protect sites of heritage and cultural value including sites of importance to Kai Tahu ki Otago.

Cross Reference
Objectives 15.3.2
to 15.3.5
Rule 15.6

- (g) To avoid, remedy, mitigate or compensate for adverse environmental effects on the community or any group within the community.
- (h) To provide for public access where appropriate.
- (i) To restore land and/or other natural and physical resources upon completion of an activity.

Explanation

This policy sets out the purposes for which a financial contribution may be levied. The matters listed here may be complemented by other provisions of this plan that identify more specific circumstances where a financial contribution may be levied.

15.4.3 Policy - Financial Contributions To Be Fair & Reasonable
Financial contributions shall be:

Cross Reference
Objective 15.3.1
Method 15.5
Rule 15.6

- (a) **Justifiable in that they shall directly relate to avoiding, remedying or mitigating adverse effects on the environment and/or contribute to a positive effect which provides some compensation or mitigation of an adverse effect on the environment caused or likely to be caused by the activity, and shall be**
- (b) **Of a proportion that is fair and reasonable and that takes into account:**
 - **The significance of the adverse effect to be generated;**
 - **The extent to which the design of the subdivision and/or development avoids, remedies, mitigates or compensates for the adverse effect;**
 - **The extent to which works and services provided as part of the development avoids, remedies or mitigates or compensates for the adverse effect;**
 - **Any negotiated private agreements between the subdivider and/or developer and affected parties;**
 - **The extent to which another subdivision and/or development contributes to the adverse effect; and**
 - **The positive effects of the activity on the environment.**

Explanation

Financial contributions charged on any permitted activity or resource consent must be fair and reasonable and must not be used as a device to generate extra revenue for the Council. This is fundamental to any charge levied under this plan. This policy sets out the matters that must be taken into account when assessing what a fair and reasonable contribution may be.

15.4.4 Policy - Effects Not Readily Quantifiable

*Cross Reference
Objective 15.3.5*

To encourage subdividers and/or developers to first deal with environmental effects not readily quantifiable through:

- (a) Negotiation and private agreement with affected parties, and/or**
 - (b) Through project design,**
- before utilising financial contributions to compensate for such effects.**

Explanation

The effects of some large scale subdivisions and/or developments are often not easily quantifiable in dollar terms. Council would prefer that such effects are dealt with through the consultation phase of any large scale subdivision and/or development with a view to achieving improved project design or other measures that can be taken to compensate for significant adverse effects. If this cannot be achieved, then a financial contribution may be charged as a condition of consent.

15.4.5 Policy - Open Space, Recreation and Reserves

*Cross Reference
Objective 15.3.3
Rule 15.6.1*

Financial contributions for the open space, recreation and reserve needs of the community shall generally be required in the form of money provided that in the following circumstances, Council will give preference to the acquisition of land and/or facilities:

- (a) Where it can be shown that there is a need for recreation and/or community reserves and/or facilities in the general locality of the subdivision and/or development or as part of the subdivision and/or development, and the land/facility to be acquired is suitable in respect of size, location and topography.**
- (b) Where the acquisition of the land or the use of a covenant attached to land would have the effect of protecting outstanding natural features and landscapes; the natural character of wetlands, rivers, lakes and their margins; significant indigenous vegetation and/or significant habitats of indigenous fauna.**
- (c) Where the acquisition of land or the use of a covenant attached to land would have the effect of protecting sites of historical or cultural significance, including sites of importance to Kai Tahu ki Otago.**
- (d) Where the acquisition of land will maintain and enhance public access to and along rivers, streams and lakes and other areas of public land.**

Explanation

The District, in most areas, is well served with land set aside for recreation purposes. However, much of this reserve land needs to be developed to meet the growing recreational needs of the community. There are some circumstances where land would be required rather than money. These circumstances have been identified in this policy so that subdividers and/or developers can identify reserve needs as part of their planning process.

15.4.6 Policy - Financial Contribution for Reserves in Business Resource Areas

*Cross Reference
Objective 15.3.3
Rule 15.6.1*

To only require financial contributions in land in the Business Resource Areas in the following circumstances:

- (a) **For the purpose of landscaping or screening where this is considered necessary.**
- (b) **Where the scale of subdivision and development is such that areas of open space are needed to reduce the impact of the development.**

Explanation

Subdivision and development in existing Business Resource Areas is unlikely to generate the need for reserves unless the development is at such a large scale that open spaces are needed to mitigate the visual impact of buildings. However, this type of development is not likely to frequently occur within the Central Otago District.

Reserves and/or areas of open space are only likely to be needed at the time vacant Business Resource Area land is developed for commercial purposes at a scale that justifies the setting aside of land for public reserves.

15.4.7 Policy – Financial Contribution for Reserves in Rural Settlements and Rural Resource Areas

*Cross Reference
Objective 15.3.3
Rule 15.6.1*

To recognise the open space amenity values associated with subdivision in Rural Settlements and Rural Resource Areas when determining an appropriate level of financial contributions.

Explanation

This plan enables Council to charge a reserve contribution on all sites that are capable of accommodating a dwelling. However, this policy recognises that sites created in the Rural Settlements and Rural Resource Areas generally contain relatively large areas of open space and that any reserve contribution charged should therefore be at a level lower than that for an intensive residential subdivision. Some level of contribution is, however, considered appropriate as occupiers of these sites utilise reserves and facilities both in their local communities and in the District's main centres.

15.4.8 Policy – Use of Financial Contributions for Reserves

*Cross Reference
Objective 15.3.3
Method 15.5.3*

To apply monetary contributions for open space, recreation and reserve purposes to the acquisition, improvement and development of open space and recreation resources within the community from which it was received provided that such funds may also be utilised in the acquisition, improvement or development of open space and recreation resources that are of direct benefit to the District community as a whole.

Explanation

Where a financial contribution in the form of money is taken for open space, recreation and reserve purposes, that contribution will generally be applied within the community concerned. There may also be circumstances where there is a need to develop a recreation

resource that directly benefits the entire District or a significant part of the District. In those circumstances, contributions accumulated in the various reserve funds of the District's communities may be utilised.

15.4.9 Policy - Public Access

To ensure that land use activities maintain and enhance public access to the District's open space and recreation resources including the margins of lakes and rivers of the District by requiring financial contributions in the form of esplanade reserves, esplanade strips and access strips where appropriate.

Cross Reference
Objective 15.3.3
Rule 15.6.1
Section 16
Subdivision

Explanation

Further development of the District's resources must not be at the expense of public access to areas of open space and recreation resources including the margins of lakes and rivers. Financial contributions of land may be required to avoid, remedy or mitigate this. Councils policy with respect to public access in the context of subdivision consents is found in Section 16. Subdivision.

15.4.10 Policy - Esplanade Strips

Esplanade strips will generally be created in order to facilitate public access to and along the District's lakes and rivers.

Cross Reference
Objective 15.3.3
Rule 15.6.1
Section 16
Subdivision

Explanation

Where public access to the resource is all that is required, an esplanade strip will generally suffice. However, where other values exist (eg significant indigenous vegetation, an historic site etc) then an esplanade reserve may be required to protect those other values. In some situations (eg hydro generation facilities) public access may not be appropriate. In these instances a discretion is retained not to require an esplanade strip or reserve.

15.4.11 Policy – Financial Contribution for Roading

The maximum contribution required for upgrading a road or roads that serve a subdivision and/or development and other land shall be 100% of the actual cost provided that the actual contribution levied shall be a fair and reasonable contribution having regard to Policy 15.4.3 and the following matters:

- (a) **The current status and standard of the road both leading to and fronting the site, and the adequacy of that road for its current use.**
- (b) **The standard and classification of the road required as a result of the subdivision and/or development.**
- (c) **The expenditure required to meet this standard.**
- (d) **The use or likely future use of the road by other parties and the contributions (if any) to be made or already made by such parties.**
- (e) **The contributions made by Central Government or other agencies or organisations towards the development of the road, and any contribution (if any) already made by the subdivider and/or developer.**

Cross Reference
Objectives 15.3.1,
15.3.2
Rule 15.6.2

Explanation

Subdivision and development can have significant implications for the District's roading infrastructure. To ensure that the public's interest is protected, the maximum contribution payable when roads need to be upgraded has been identified as the full actual cost. The actual amount levied must be determined on a case by case basis given the particular circumstances affecting each development. This policy sets out the matters that will be relevant when determining an appropriate contribution for roading.

15.4.12 Policy - Refund of Financial Contributions for Roading and Upgrading Services

In circumstances where a financial contribution has been taken under Policy 15.4.11 and an adjoining or nearby property subdivider and/or developer later benefits from the work carried out, the Council shall require that that subdivider and/or developer make an equitable contribution to the previous upgrading work on any subsequent subdivision and/or development and shall refund the subdivider and/or developer and/or Council that met the original cost of upgrading the road or other work on a pro rata basis.

*Cross Reference
Objectives 15.3.1,
15.3.2
Rule 15.6.2*

Explanation

This plan seeks to avoid a situation where the first subdivision and/or development on a road pays the full cost of upgrading that road, with later subdivisions and/or developments benefiting but not contributing to that cost. This would be an inequitable situation that must be remedied. Under this policy, subdivisions and/or developments benefiting from the original upgrading work shall be required to make an equitable contribution to that work, which will be refunded to the original subdivision and/or developer and/or Council, as the case may be.

15.4.13 Policy - Financial Contributions for Upgrading Services

The maximum contribution required for upgrading reticulated services that supply land to be subdivided and/or developed shall be 100% of the actual cost provided that the actual charge levied shall be a reasonable and equitable charge having regard to Policy 15.4.3 and the demand generated by the subdivision and/or development (including its future development potential) and the demand that will be generated by the future potential subdivision and/or development of other land serviced by the works to be upgraded.

*Cross Reference
Objectives 15.3.1,
15.3.2
Rule 15.6.3*

Explanation

Subdivision and development can have significant implications for the District's servicing infrastructure. To ensure the public's interest is protected, the maximum contribution payable when reticulated services need to be upgraded has been identified as the full actual cost. However, the actual amount charged must be determined on a case by case basis given the particular circumstances affecting each subdivision and/or development. This policy sets out the matters that will be relevant when determining an appropriate contribution.

15.4.14 Policy - Timing of Payment

Cross Reference
Objective 15.3.1
Method 15.5.1

To require that financial contributions generally be made at the earliest possible stage of the subdivision and/or development process provided that in circumstances where:

- (a) The adverse environmental effect created by the subdivision and/or development will not be immediate but at some determinable point in the future, or**
- (b) The full extent of the adverse environmental effect may not be known at the time the consent is granted,**

the Council may utilise techniques such as covenants, bonds, consent notices or the review of conditions to ensure effects generated at a later date are avoided, remedied, mitigated, or compensated for.

Explanation

The early payment of financial contributions enables necessary new facilities to be provided in advance of the demand for those services. There can be circumstances where the resultant effect of the activity will not occur until some time in the future. In some instances it would be unjust to require payment several years before the effect actually occurs. This policy highlights the mechanisms available to address this situation.

15.4.15 Policy – Network Utilities, Community Facilities and Emergency Service Activities

Cross Reference
Objective 15.3.1

To recognise and take into account that many network utilities, community facilities and emergency service activities enable people and communities to provide for their social, economic and cultural wellbeing and for their health and safety, when assessing the need for financial contributions in relation to subdivision and/or development to provide for such activities.

Explanation

Utilities generally do not generate a demand for services (particularly reserves) because most are unstaffed. Expansion of network utility services is undertaken in response to consumer demand and generally promotes the social and economic wellbeing of the community. Community facilities are also developed in response to a community demand for services and therefore do not generate that demand themselves. Emergency service activities enable the community to provide for their health and safety and this is a relevant factor in assessing the impact of subdivision and/or development for such activities.

15.5 FINANCIAL CONTRIBUTION PROCESS

15.5.1 General - Timing of Payment

*Cross Reference
Policy 15.4.14*

(a) Financial contributions of money shall generally be paid as follows:

- (i) In the case of a resource consent for land use prior to the commencement of the use.
- (ii) In the case of a resource consent for subdivision prior to the issue of a certificate under section 224 of the Act.

provided that in circumstances where the adverse effect (or a significant portion of that effect) created by the subdivision and/or development will not occur until some time in the future then Council may defer the financial contribution through the use of covenants, bonds, consent notices or the review of conditions as appropriate.

- (iii) In the case of financial contributions of money on permitted activities, prior to the issue of the building consent or commencement of the activity.

(b) Financial contributions of land shall vest in Council immediately upon the land being able to legally vest.

15.5.2 Credits and Refunds

*Cross Reference
Policy 15.4.3*

(a) Where:

- (i) A resource consent which includes a condition requiring a financial contribution lapses or is cancelled or surrendered in accordance with the provisions of the Act; or
- (ii) The activity or relevant part of the activity in respect of which the resource consent was granted does not proceed

Council shall pay or return to the person entitled in accordance with 15.5.3(a)(v) below the financial contribution less a value equivalent to the costs incurred by the Council in relation to the activity and its discontinuance provided that Council shall not repay or credit the value of any work or services actually provided as the result of a financial contribution of money before the resource consent lapses, or is cancelled or surrendered, or does not proceed.

(b) With respect to assessing financial contributions for reserves the following credits shall apply:

- (i) In the case of residential subdivision and/or development, a credit will be given for any financial contribution paid at the time of a previous subdivision and/or land use consent.
- (ii) In the case of subdivision, credit will be given for the number of allotments that existed prior to the subdivision, including the number of allotments that could have accommodated dwellings in the context of residential subdivision.

- (iii) Credit will be given when facilities for general public use are provided as part of the subdivision and/or development.
- (c) When as a condition of a resource consent a financial contribution was made in respect to the provision of two or more household units on one allotment without subdivision and the allotment is subsequently subdivided to create separate allotments to accommodate those household units no further financial contribution shall be required.
- (d) Where a financial contribution is made for the provision of a particular work or service and the Council subsequently resolves not to proceed with that work or to provide that service or where the work does not proceed within a time period of 10 years from the date that the contribution is paid or such shorter or longer time period as stated in the resource consent, the financial contribution shall be refunded to that person entitled in accordance with 15.5.3(a)(v) below plus the value of any interest accrued on the financial contribution whilst in the possession of the Council less the costs incurred by the Council in relation to design or other costs incurred in planning for the provision of that particular work or service.

15.5.3 General Administration

- (a) Council shall keep a register of all financial contributions made which shall contain the following information:
- (i) A description of the activity on which the contribution was imposed.
 - (ii) The amount of the financial contribution.
 - (iii) The name of the person making the contribution, the description of the property concerned and the date on which the contribution was made.
 - (iv) The purpose for which the financial contribution was imposed and made.
 - (v) The name of the person entitled to any refund or credit.
- (b) Financial contributions received in the form of money shall be used in reasonable accordance with the purpose for which it was received.
- (c) All financial contributions are calculated and stated exclusive of GST.
- (d) The subdivider and/or developer shall be responsible for meeting the costs of assessing the value of development, works and/or land as required to calculate the value of a financial contribution.
- (e) All monetary contributions stated in this Plan shall be indexed in accordance with the Works Construction Cost Index as at 30 June 1998.

Cross Reference
Policies 15.4.3,
15.4.8, 15.4.12

Note: see Rule
15.6.7

15.6 RULES: CIRCUMSTANCES AND LEVEL OF FINANCIAL CONTRIBUTIONS

Note: In considering a resource consent application under rules in this Plan, in the absence of specific policy in this Plan the Council may have regard to other policies related to assessment matters, including relevant policies in the Regional Policy Statement for Otago, and regional plans.

15.6.1 PROVISION FOR OPEN SPACE, RECREATION AND RESERVE NEEDS

*Cross Reference
Policies 15.4.2,
15.4.5 to 15.4.7,
15.4.10*

(1) Circumstance - Subdivision Consent

A financial contribution of money (except as determined in accordance with Policy 15.4.5) towards the provision and/or enhancement of open space, recreation and reserve needs of the District may be levied on subdivision resource consents in the Residential, Rural, Business, Industrial and Rural Settlement Resource Areas (excluding boundary adjustments or subdivision resulting in an amalgamation of titles) and a financial contribution in terms of this rule shall be made with respect to allotments intended to accommodate a residential activity.

(a) Level of Monetary Contribution:

*Cross Reference
The dollar sums
quoted are
subject to Rule
15.6.7*

- (i) Subdivision in Residential, Business and Industrial Resource Areas - \$1000.00 per allotment
- (ii) Subdivision in Rural Settlement and Rural Resource Areas - \$500.00 per allotment
- (iii) Notwithstanding (i) and (ii) above, where an allotment has an assessed value of \$5,000 or less, the contribution shall equate to 10% of the value of the allotment

(b) Level of contribution in the form of land:

- (i) Esplanade reserve/esplanade strip/access strip – see Rule 16.7.13 p16:17.
- (ii) Reserve for recreation purposes in Residential and Rural Settlement Resource Areas - 100m² per allotment provided that in no case where land is to vest for reserve purposes shall the area be insufficient in area for the intended use and the land shall be acceptable to Council for vesting for reserve purposes.
- (iii) Reserve for open space/recreation purposes in the Business and Industrial Resource Areas - 10% of the land area of each allotment.
- (iv) Reserves for Other Purposes (eg amenity or heritage purposes) – the area of land that contains the particular resource to be conserved shall include a buffer zone to protect its values where this is necessary.

(2) **Circumstance - Permitted Activities (Dwellings)**

15.6.1 (cont'd)

A financial contribution of money towards the provision and enhancement of the open space and recreation resources of the District may be payable on permitted activities for the erection of new dwellings where no subdivision is required.

Note: contributions previously paid in the context of subdivision consent will be credited and no contribution shall be payable on the erection of the dwelling where a contribution has been paid for the allotment that is to be occupied by that dwelling or where the dwelling replaces an existing dwelling and the number of dwellings on site will not increase as a result of the development.

(a) **Level of Contribution** in Residential, Business and Industrial Resource Areas - \$ 1000

*Cross Reference
The dollar sums
quoted are
subject to Rule
15.6.7*

(b) **Level of Contribution** in Rural Settlement and Rural Resource Areas - \$ 500

(3) **Circumstance - Land Use Consent**

A financial contribution towards the provision and/or enhancement of the open space recreation and reserve needs of the District may be levied on any land use consent for the purposes set out in Policy 15.4.2.

The level of contribution payable shall be determined having regard to (1) and (2) above.

15.6.2 **PROVISION FOR ROADING**

*Cross Reference
Policies 15.4.2,
15.4.11, 15.4.12*

(1) **Circumstance - Construction of New Roads**

Where the construction of a road or carriageway is required within a subdivision and/or development subject to land use consent, a financial contribution of up to 100% of the cost of all works involved in the form of money and/or land, may be required.

Council shall determine whether any carriageway not formed on any existing road reserve shall vest in Council as legal road OR shall be an access lot OR shall be subject to easements of right of way on a case by case basis having regard to the effect on the public interest.

(2) **Circumstance - Upgrading of Roads Servicing New Subdivision/Development and Other Areas of Land**

Where any subdivision and/or development subject to land use consent generates the need to upgrade a road serving and/or fronting the subdivision and/or development, a financial contribution may be levied for that purpose.

The level of contribution shall be up to 100% of the cost of that upgrading in the form of money and/or land. The actual contribution charged will be assessed in accordance with Policies 15.4.3 and 15.4.11.

(3) **Circumstance - Benefit of Previous Works**

15.6.2 (cont'd)

Where any subdivision and/or development subject to land use consent occurs on a road that has been upgraded as a result of an earlier subdivision and/or development, a financial contribution may be levied.

The maximum contribution shall be an equitable proportion of the original cost of all works plus indexation based on the Works Construction Cost Index to meet inflationary costs over the intervening period.

This rule shall not have effect on a subdivision and/or development that occurs ten years or more after the original road upgrading work took place.

Any contribution made under this rule shall be refunded to the original subdivider and/or developer or Council pro rata to their relative contributions to the original upgrading work.

15.6.3 PROVISION OF INFRASTRUCTURE AND SERVICES

*Cross Reference
Policies 15.4.2,
15.4.13*

(1) **Circumstance - Physical Connection to Existing Services and Provision of Services within new Subdivisions/Developments**

The physical connection to public infrastructure and services and the provision of all new infrastructure and services within any subdivision and/or development subject to land use consent in serviced areas, shall be at the full cost of the subdivider and/or developer in the form of money.

This includes (but is not limited to) connection to, and the provision of, foul sewer, stormwater, water, electricity, and telecommunication reticulation; and provision of street lighting, footpaths, kerb crossings and vehicle entrances and fire hydrants and all incidental works.

(2) **Circumstance - Existing Services**

A financial contribution in the form of money may be levied on a subdivision and/or development subject to land use consent for the purpose of reimbursing Council or contributing to the capital cost actually incurred by Council in the 10 years before the lodging of the application for resource consent of providing any service to and/or within the land in the subdivision or the site of the development.

The level of contribution shall be up to the actual cost incurred by Council in providing the service to and/or within the land in the subdivision or the site of the development.

(3) **Circumstance – Headworks and Trunk Services, Upgrading Required**

A financial contribution may be levied on a subdivision and/or development subject to land use consent which cannot be accommodated by the existing services (if developed to their ultimate capacity) for the purposes of upgrading or extension of bulk services or infrastructure.

The level of contribution shall be the estimated cost of upgrading or extending services in the form of money and/or land. The contribution shall equate to the proportion of the cost of upgrading that relates to the demand imposed by the subdivision or development.

15.6.3(3)
(cont'd)

(4) Circumstance - Connections to Sewage Schemes from Outside Serviced Area

A financial contribution may be levied on a subdivision and/or development subject to land use consent which is located outside a serviced area where the activity is required or seeks to connect to a community sewage scheme. The level of contribution shall equate to the proportion of the cost of extending reticulation and the proportion of the cost of providing treatment works capacity that is proportional to the loading that will result from the subdivision and/or development.

(5) Circumstance - Connection to Water Scheme from Outside Serviced Area

A financial contribution may be levied on a subdivision and/or development subject to a land use consent which is located outside a serviced area where the activity is required or seeks to connect to a community water scheme.

The level of contribution (per connection) in this circumstance shall equate to the proportion of the cost of extending reticulation and the cost of providing water treatment and reservoir capacity that is proportional to the loading that will result from the subdivision/development.

(6) Circumstance - Lowburn Sewer Extension

A financial contribution of \$2000.00 (exclusive of goods and services tax) shall be payable for each allotment that is created by subdivision for residential purposes or that is intended to accommodate a dwelling or for each new dwelling erected on an allotment existing under a separate certificate of title on or before 12 March 1994 and which is in the area served by the extension to the Cromwell sewer system along State Highway 6 to Lowburn and the Pisa Moorings locality.

Cross Reference
The dollar values quoted are subject to Rule 15.6.7

(7) Circumstance - Bannockburn Water Scheme Supply

A financial contribution of \$2700.00 (exclusive of goods and services tax) shall be payable for each allotment that is created by subdivision for residential purposes or that is intended to accommodate a dwelling or for each new dwelling erected on an allotment existing under a separate certificate of title on 1 July 1998 and which is in the area served by the Bannockburn Water Scheme provided that the financial contribution in terms of this rule shall be \$5000.00 (exclusive of goods and services tax) for subdivision or the erection of a new dwelling on the Jocelyn Road extension to the Bannockburn Water Scheme.

Cross Reference
The dollar values quoted are subject to Rule 15.6.7

(8) Circumstance - Alexandra Reservoir Upgrading

A financial contribution of \$1350.00 (exclusive of goods and services tax) shall be payable for each allotment that is created by subdivision for residential purposes or that is intended to accommodate a dwelling at Alexandra as a contribution to the cost of upgrading the Alexandra water supply system by constructing a new reservoir.

15.6.3 (cont'd)

Cross Reference
The dollar values
quoted are
subject to Rule
15.6.7

15.6.4 DEVELOPMENT IMPACT LEVY

Cross Reference
Policies 15.4.2,
15.4.4

(1) Circumstance - Resource Consent For Developments Exceeding \$5,000,000 in Value

A development impact levy may be charged on any development requiring resource consent that exceeds a value of \$5,000,000 for the purpose of achieving the objectives and policies of this plan and/or the purpose and principles of the Resource Management Act and in particular, avoiding, remedying or mitigating adverse effects on:

- (i) Public facilities, infrastructure and services including roading and waste water systems.
- (ii) Amenity values, in particular visual amenity values.
- (iii) The impact on the community or any group within the community.

The level of contribution payable shall be determined in accordance with (3) Level of Contribution below.

(2) Circumstance - Adverse Effects that cannot be adequately Avoided or Remedied

A development impact levy may be charged on land use resource consents for the purposes stated in Rule 15.6.4(1) and specifically for the purposes of off-setting/compensating for the adverse effects of that development that cannot be adequately avoided or remedied through project design, financial contributions in terms of Rules 15.6.1, 15.6.2 and/or 15.6.3 or other means.

The level of contribution payable shall be determined in accordance with (3) Level of Contribution below.

(3) Level of Contribution under Circumstances (1) and (2) above.

The level of contribution payable under Circumstances (1) and (2) above shall not exceed 0.5% of the value of the development and may take the form of money and/or land.

For the purpose of this rule the value of the development means the estimated costs of the development including the cost of all improvements and fixed plant and machinery forming part of the development as determined by valuation of the work as at the date of application but does not include the value of the land affected by the development or any remedial works.

15.6.5 REPLACEMENT OR RELOCATION OF FACILITIES, UTILITIES AND INFRASTRUCTURE

*Cross Reference
Policy 15.4.2*

A financial contribution in the form of land and/or money, may be levied on any resource consent application for the purposes of replacing or relocating facilities, utilities, infrastructure and other community assets that would be disrupted by the proposed development.

The level of contribution shall be the full actual cost of carrying out any such work including the cost of providing for temporary facilities and works associated with the replacement or relocation of facilities, utilities, infrastructure and other community assets.

15.6.6 MAINTENANCE AND ENHANCEMENT OF GENERAL AMENITY VALUES

*Cross Reference
Policy 15.4.2*

(1) Circumstance - Requirement for Landscaping/Restoration

A financial contribution may be levied in the form of land and/or money on any subdivision and/or development subject to land use consent for the purpose of land restoration, landscaping, screening and/or planting.

The level of contribution payable shall be the actual cost of providing the required level of landscaping/restoration.

(2) Circumstance - Requirement for Fencing

A financial contribution may be levied in the form of money on any subdivision and/or development subject to land use consent for the purpose of fencing, including the fencing of any land to be vested as reserve or any existing reserve.

The level of contribution payable shall be the actual cost of providing the required level of fencing.

(3) Circumstance - Mitigation of Noise

A financial contribution may be levied in the form of money and/or land, for the purpose of mitigating the effects of noise.

The level of contribution payable shall be the full actual costs of achieving an adequate level of mitigation.

(4) Circumstance - Provision for Parking

A financial contribution in the form of money and/or land may be levied on any subdivision and/or development subject to land use consent for the purpose of providing adequate off-road parking.

The level of contribution payable shall be determined in accordance with Rule 12.7.2 page 12:16. Any contribution in the form of money shall be calculated on the basis of the value of that part of the land comprising the site that is equivalent to the parking requirement plus the cost of physically constructing parking spaces.

15.6.7 CALCULATION OF FINANCIAL CONTRIBUTION

- (a) All contributions are calculated exclusive of GST.
- (b) The subdivider/developer shall be responsible for meeting the costs of assessing the value of development, works and/or land as required to calculate the value of a financial contribution.
- (c) All monetary contributions stated in this Plan shall be indexed in accordance with the Works Construction Cost Index as at 30 June 1998.

15.6.8 EXEMPTIONS

Cross Reference
Policy 15.4.15

Financial contributions in terms of Rule 15.6.1 will not be required for network utilities, community facilities and emergency service activities.

15.7 ENVIRONMENTAL RESULTS ANTICIPATED

- 15.7.1** The provision of adequate and sustainable services (including roading and other infrastructure) to and within subdivisions and/or developments.
- 15.7.2** Maintenance and enhancement of public access to the District's areas of open space, recreation areas, reserves and margins of lakes and rivers where appropriate.
- 15.7.3** The provision and enhancement of recreation and reserve resources that meet the needs of the community.
- 15.7.4** Subdivision and/or development that maintains and/or enhances amenity values and the environmental quality of the District.
- 15.7.5** Equity in meeting the costs of providing infrastructure necessary to meet the needs of new subdivision and/or development.