DRAFT

DEVELOPMENT & FINANCIAL CONTRIBUTIONS **POLICY**

South Waikato District Council

Responsibility: Assets

COUNCIL POLICY

Consulting now: Jan/Feb2020

INTRODUCTION

1. South Waikato District has experienced steady population and economic growth recently, and this growth is forecast to increase further, especially in Putāruru. Population and business growth create the need for new subdivisions and developments, and these place increasing demands on the assets and services provided by Council. As a result, significant investment in new or upgraded assets and services is required to meet the demands of growth. Council intends to recover a fair, equitable, and proportionate portion of the capital costs of the infrastructure needed to support these developments through:

- Development contributions under the Local Government Act 2002 (LGA) for roading, reserves, water, and wastewater infrastructure, and financial contributions under the Resource Management Act 1991 for carparking, in Putāruru; and
- Financial contributions under the Resource management Act 1991 (RMA) for:
  - Water, wastewater, reserves, roading and carparking infrastructure in other urban areas; and
  - Reserve and roading infrastructure in rural areas.

NAVIGATING THIS DOCUMENT

2. This is Council's Development and Financial Contributions Policy (Policy). It outlines Council's approach to funding development infrastructure via development contributions under the LGA and financial contributions under the RMA. This Policy has two main parts; the policy summary and the policy details.

PART 1: POLICY SUMMARY

3. This section provides a summary of development and financial contributions. For development contributions, it provides key information if you want to know if development contributions apply to your development, how much the charges are, and when you will need to pay. The key parts of this section are:

- Liability for development contributions
- When development contributions are levied
- Determining your infrastructure impact
- The catchments and charges
- Your review rights
- Other administration matters
- Summary of financial contributions under the South Waikato District Plan
- Definitions

PART 2: POLICY DETAILS

4. This section is technical detail that provides the rest of the information needed to comply with the full requirements of the LGA for a policy on development and financial contributions. The key parts of this section are:

- Purpose of the Policy
- Legislative requirements and powers
- Catchment determination
- Significant assumptions of the Policy
- Cost allocation
- Calculating the development contribution charges
- Schedule I Development contribution charge calculations, including schedule of future projects
- Schedule II Past projects funded by development contributions
- Schedule III Development contribution maps

PART 1: POLICY SUMMARY

DEVELOPMENT CONTRIBUTIONS

LIABILITY FOR DEVELOPMENT CONTRIBUTIONS

5. If you are subdividing, building, connecting to Council's services, or otherwise undertaking some kind of development in Putāruru you may need to pay development contributions. Development contributions apply to developments:

- Within the areas shown in the Development Contribution Area Maps in Schedule III; or
- That connect to Council's water or wastewater services in or near Putāruru.

6. If you are subdividing or undertaking development outside the Development Contribution Area Maps in in Schedule III, not connecting to Council's reticulated services in or near Putāruru, or have a shortfall in car parking for your development, you may be required to pay financial contributions. This is discussed later in the policy.

7. In some cases, you may not be charged development contributions, or development contributions may be reduced, for your development if it is in (or near) Putāruru and:

- A development contribution for your allotment has already been paid (at least in part). For example, most new subdivision lots will already have development contributions levied and paid for one house; or
- Your allotment existed before 12 March 2020 and was within an urban zoning at that time under the South Waikato District Plan; or
- Your property was otherwise lawfully connected to a service as at 12 March 2020.

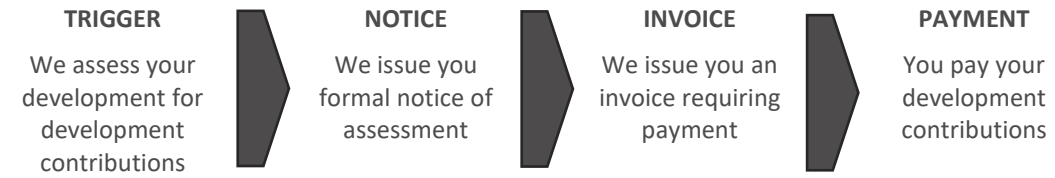
8. If these apply to your development, you may get a credit for development contributions which will reduce or eliminate any development contribution charges. Refer to the *credits* section below to see whether your development qualifies for any credits.

9. Times also change. Development of new infrastructure sometimes means that areas not previously liable for a development contribution become so. For example, a bare section on a subdivision may be liable for development contributions that previously constructed houses on the same subdivision were not.

10. If in doubt, contact Council and we can help.

WHEN DEVELOPMENT CONTRIBUTIONS ARE LEVIED

11. Once you apply for a resource consent, building consent, certificate of acceptance, or service connection the normal steps for assessing and requiring payment of development contributions are.



12. These steps are explained in more detail below.

TRIGGER FOR TAKING A DEVELOPMENT CONTRIBUTION

13. Council can require a development contribution for a development upon the granting of:

- A resource consent.
- A building consent or certificate of acceptance.
- An authorisation for a service connection for water, wastewater or stormwater services.

14. Council will generally require development contributions at the earliest possible point (i.e. whichever consent, certificate, or authorisation listed above is granted first). For new developments, the resource consent is often the first step in the process and therefore the first opportunity to levy development contributions. For some types of land use consents, development contributions may instead be required at the building consent stage as it is not always clear what will be built at land use consent stage. Where development contributions were not assessed on the first consent, certificate or authorisation for a development this does not prevent the Council assessing contributions on a subsequent consent, certificate or authorisation for the same development.

15. Development contributions will be assessed under the Policy in force at the time the application for resource consent, building consent or service connection was submitted, accompanied by all required information.

Assessment

16. On receiving an application for resource consent, building consent, application for certificate of acceptance, or service connection, Council will check that:

- The development (subdivision, building, land use, or work) generates a demand for reserves or network infrastructure; and
- The effect of that development (together with other developments) is to require new or additional assets or assets of increased capacity in terms of reserves or network infrastructure; and
- Council has incurred or will incur capital expenditure to provide appropriately for those assets. This includes capital expenditure already incurred by Council in anticipation of development.

17. Council has identified the assets and areas that meet these requirements for developments in Putāruru, and these are outlined in Schedule I (projects) and Schedule III (development contribution maps). In general, if your development is within the catchment map and/or is connecting to council services in Putāruru, you will need to pay development contributions.

18. Where a resource consent or building consent is required but does not generate additional demand for reserves or network infrastructure (such as a minor boundary adjustment), no development contribution will be required.

19. If a subsequent resource consent (including a change to a condition of a resource consent), building consent, certificate of acceptance, or service connection is sought, a new assessment may be undertaken using the development contributions policy in force at that time. Any increase or decrease in the number of Household Units Equivalents (HUEs) or for roading – the Land in Development (LIDs), relative to the original assessment, will be calculated and the contributions adjusted to reflect this.

20. This means Council will require additional development contributions where additional units of demand are created, and development contributions for those additional units of demand have not already been required. These are sometimes called *top ups*. Examples of where these would be needed include:

- Minimal development contributions have been levied on a commercial development at subdivision or land use consent stage as the type of development that will happen will only be known at building consent stage.
- Development contributions levied at the subdivision or land use consent stage were for a small home, but the home built is larger or is subsequently extended.
- The nature of use has changed, for example from a low demand intensity commercial use to a high demand intensity commercial use.

NOTICE

21. You will normally be issued a development contribution notice when your resource consent, building consent, certificate, or service connection is granted. In some cases, the notice may be issued earlier or later. The notice is an important step in the process as it outlines the activities and the number of HUEs assessed for development contributions (or for roading, LIDs), as well as the charges that will apply to your development. It also triggers your rights to request a development contributions reconsideration or to lodge an objection (see the section on y*our review rights* below).

22. Development contributions notices do not constitute an invoice or an obligation to pay for the purposes of the Goods and Services Tax Act 1985. A tax invoice will be issued at the time of supply, which shall be the earlier of Council issuing an invoice to the applicant or payment of the development contribution.

INVOICE

23. You will be issued an invoice for your development contribution charges to provide an accounting record and to initiate the payment process. The timing of the invoice is different for different types of developments. See Table 1. If there is a delay between when a notice is issued and when an invoice is issued, the Council may adjust the charges levied in the invoice to account for inflation.

Table 1: Invoice Timing

	INVOICE TIMING
Building consent	At granting the building consent
Certificate of acceptance	Prior to issuing a certificate of acceptance
Resource consent for subdivision	At the time of application for a certificate under section 224(c) of the Resource Management Act 1991. An invoice will be issued for each stage of a development for which 224 (c) certificates are sought, even where separate stages are part of the same consent.
Resource consent (other)	At granting of the resource consent
Service connection	At granting of the service connection for water, wastewater or stormwater services

24. Despite the provisions set out above, if a development contribution required by Council is not invoiced at the specified time as a result of an error or omission on the part of Council, the invoice will be issued when the error or omission is identified. The development contribution remains payable.

PAYMENT

25. You must pay your development contributions by the due dates in Table 2.

Table 2: Payment Due Date

	PAYMENT DUE DATE
Building consent	20th of the month following the issue of the invoice
Certificate of acceptance	Prior to issuing the certificate of acceptance
Resource consent for subdivision	Prior to release of the certificate under section 224(c) of the Resource Management Act 1991 (the 224(c) certificate)
Resource consent (other)	20th of the month following the issue of the invoice
Service connection	Prior to issuing the connection approval

26. It's important you pay on time. Until you have paid the development contributions in full, Council may:

- Prevent the commencement of a resource consent.
- Withhold a certificate under Section 224(c) of the RMA.
- Withhold a code compliance certificate under Section 95 of the Building Act 2004.
- Withhold a service connection to the development.
- Withhold a certificate of acceptance under section 99 of the Building Act 2004.

27. Where invoices remain unpaid beyond the payment terms set out in this Policy, Council will start debt collection proceedings, which may involve the use of a Credit Recovery agent. Council may also register the development contribution under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.

DETERMINING YOUR INFRASTRUCTURE IMPACT

28. In order to have a consistent method of charging for development contributions, our Policy is mainly centred around the concept of a household unit equivalent or "HUE" for infrastructure. In other words, a normal home and the demands it typically places on our infrastructure.

29. Table 3 summaries the demand characteristics of each HUE which represents an average household living in a single dwelling.

Table 3: HUE demand characteristics

SERVICE	UNIT OF MEASUREMENT	DEMAND PER HUE
Water	Litres per day	600 litres per day
Wastewater	Litres per day	540 litres per day
Reserves	People	2.7 people

30. Roading is assessed differently to the other services. The unit of demand used for roading is Land in Development (LIDs). One LID is equivalent to 1,000m^2. This approach better reflects the roading project and land in Putāruru that this Policy covers and provides more certainty to Council and developers.

RESIDENTIAL DEVELOPMENT

31. In general, the number of HUEs charged is one per new allotment or dwelling created, although special assessments can apply (refer to the s*pecial assessments* section below). When calculating the number of HUEs for a residential subdivision, Council will use the number of new allotments created by subdivision, less:

- Any credits relating to the site (refer to the *credits* section below).
- Any allotment which, by agreement, is to be vested in Council or the Crown for a public purpose.
- Any allotment required as a condition of consent to be amalgamated with another allotment.

32. Retirement units and accommodation units will be assessed as 0.5 HUEs for each service.

33. Any residential or rural residential developments within the Putāruru roading development contribution catchment in schedule III will be assessed for roading development contributions on the same basis as non-residential development. i.e. per LID.

NON-RESIDENTIAL DEVELOPMENT

34. Non-residential subdivisions, land uses, or building developments are more complicated as they don't usually conform with typical household demand for each service.

35. In these cases for water and wastewater, Council makes a HUE "equivalent" assessment based on the characteristics of the development and demand loadings likely to be placed on the services. To provide consistency, the demand characteristics in Table 3 have been converted for assessing non-residential developments based on gross floor area (table 4). Council will use these rates for determining HUEs for non-residential developments for water and wastewater unless it seeks a special assessment for a development.

Table 4: HUE per 100 m^2 GFA

SERVICE	HUE
Water	0.4
Wastewater	0.4

36. If no proper assessment of the likely demand for water or wastewater is able to be carried out at the subdivision consent stage, a development contribution based on one HUE will be charged for each new allotment created and Council will require an assessment to be carried out at the building consent stage. This later assessment will credit any development contributions paid at the subdivision consent stage.

37. For roading, the unit of demand used for assessing charges is LIDs, and one LID is equivalent to 1,000m^2. Unlike water and wastewater, a full assessment for development contributions will generally be undertaken for roading if land is subdivided.

38. Non-residential developments are not subject to development contributions for reserves, as per section 198A of the LGA.

SPECIAL ASSESSMENTS

39. Developments sometimes require a special level of service or are of a type or scale which is not readily assessed in terms of HUEs or LIDs – such as large-scale primary sector processors or petrol stations. In these cases, Council may (at its discretion) decide to make a special assessment of the HUEs / LIDs applicable to the development. In general, Council will consider the need for a special assessment for one or more services where it considers that:

- The development is of relatively large scale; or
- The development may have a significantly greater or lower impact than is envisaged in the averaging implicit in this Policy; or
- A non-residential development may use more than 2 m^3 of water per day.

40. The demand characteristics in Table 3 will be used to help guide special assessments for water, wastewater, and reserves.

41. If a special assessment is sought, Council may require the developer to provide information on the demand for reserves or network infrastructure generated by the development. Council may also carry out its own assessment for any development and may determine the applicable development contributions based on its estimates.

42. Council may also exercise its discretion to make a special assessment for small homes where it is provided information by the applicant that demonstrates that a small home (or homes) will be provided with certainty. Special assessments for small homes are guided by the parameters outlined in Table 5.

Table 5: Small homes special assessment guidance

	MINOR DWELLING	SMALL DWELLING	STANDARD DWELLING
No. of Bedrooms	1	2	3 or more
HUE Discount (all services)	50%	25%	Nil
Proportion of HUE Payable for all charges	0.5	0.75	1

43. Council may enter into agreements with developers or landowners to give effect to a special assessment and bind the applicant to any conditions that accompany the special assessment.

44. Should development be proposed or occur later that is inconsistent with a special assessment or non-residential assessment, Council may require top up development contributions. When assessing the required top ups for small homes that have benefited from a special assessment and have been subsequently extended, Council will be guided by the parameters in Table 6.

Table 6: Small homes top up charges (HUEs)

TYPE OF EXTENSION	TOP UP PROPORTION PAYABLE	TOTAL PROPORTION PAID
Extend Minor Dwelling to a Small Dwelling	0.25	0.75
Extend Minor Dwelling to a Standard Dwelling	0.5	1
Extend Small Dwelling to a Standard Dwelling	0.25	1

CREDITS

45. Credits are a way of acknowledging that your section, home or business may already be connected to, or lawfully entitled to use, one or more Council's services – or a development contribution has been paid previously. Credits can be applied to a development contribution assessment to reduce or eliminate the need for a development contribution for a service for a development. Credits cannot be refunded and can only be used for development on the same site and for the same service in respect of which they were created.

46. Credits will be given for properties in (or near) Putāruru when:

- A development contribution for your allotment has already been paid (at least in part). For example, most new subdivision lots will already have development contributions levied and paid for one HUE; or
- Your allotment existed before 12 March 2020 and was within an urban zoning at that time under the South Waikato District Plan (i.e. urban residential or urban industrial, commercial, or retail zoning). This excludes rural or rural residential properties; or
- Your property was otherwise lawfully connected to a service as at 12 March 2020.

47. Credits given will be determined in accordance with Table 7.

Table 7: Standard credits

	CREDIT FOR EACH SERVICES FOR WHICH A DEVELOPMENT CONTRIBUTION HAS BEEN PAID	CREDIT FOR URBAN ALLOTMENTS THAT EXISTED BEFORE 12 MARCH 2020	CREDIT FOR LAWFULLY CONNECTED SERVICE AS AT 12 MARCH 2020
Residential sections	The number of HUEs / LIDs paid	1 HUE for all services	1 HUE for the service(s) connected
Non-residential sections		A 'before and after' assessment of demand, using a special assessment or the conversion factors set out in Table 4, will be undertaken to determine credits and any increase in demand on services. Council will be guided by actual use over the period 1 January 2010 - 12 March 2020 when making this assessment.	

48. Credits may also be considered:

- For reserves where the developer provides reserves as part of their development in agreement with Council, and these reduce the need for Council to purchase and/or develop reserves to cater for growth as proposed in this Policy. Credits will not be considered for land provided as esplanade reserve or drainage reserve.
- Under a development agreement where a developer, rather than Council, provides one or more of projects listed in schedule 1. See the section on *development agreements* below.

THE CATCHMENTS AND CHARGES

49. There is currently just one area within South Waikato that development contributions apply – Putāruru. The catchments within Putāruru where development contributions apply for each infrastructure service are mapped in Schedule III. Each service has a slightly different catchment, so not all charges apply in all areas. For example, development contributions for roading apply only to an industrially zoned catchment.

50. The related development contribution charges per HUE for water, wastewater and reserves, and per LID for roading, are in Table 8.

51. For each infrastructure service for which development contributions are required, the development contribution payable is calculated by multiplying the number of HUEs (or LIDs for roading) generated by your development by the charge for that service. This is then aggregated for all services to give your total charge.

52. For example, a three-lot residential development in Putāruru will pay three times the water, wastewater and reserves charges, totalling $58,152 (GST inc). The development contribution for roading does not apply in this case, so is not charged.

53. These charges may be adjusted for inflation annually in line with the Producers Price Index outputs for Construction, as permitted by sections 106 (2B) and (2C) of the LGA. Please check Council's website www.southwaikato.govt.nz for the latest charges.

Table 8: Development contribution charge per HUE / LID 12 March 2020 (GST inclusive)[1]

SERVICE	PUTĀRURU
Water (HUE)	$8,365
Wastewater (HUE)	$9,968
Reserves* (HUE)	$1,051
Roading (LID)**	$6,427

*Applies only to residential developments in the areas defined in schedule III.

**Applies only in the area defined in schedule III.

YOUR REVIEW RIGHTS

54. If you think we have made a mistake in assessing the level of development contributions for your development, you are entitled under the LGA to request a reconsideration or even lodge a formal objection.

RECONSIDERATION

55. Reconsideration requests are a process that formally requires Council to reconsider its assessment of development contributions for your development. You can make a request for reconsideration if you have grounds to believe that:

- The development contribution levied was incorrectly calculated or assessed under this Policy; or
- We have incorrectly applied this Policy; or
- The information we used to assess your development against this Policy, or the way that we have recorded or used that information when requiring a development contribution, was incomplete or contained errors.

56. To seek a reconsideration, you must:

- Lodge your reconsideration request within 10 working days of receiving your development contribution notice.
- Use the reconsideration form (found on www.southwaikato.govt.nz) and supply any supporting information with your form.
- Pay the reconsideration fee at the time of application, as set out in Council's Schedule of Fees and Charges.

[1] GST has been applied at the rate of GST as at 12 March 2020 (15%). Should the rate of GST change, the charges will be adjusted accordingly. The GST exclusive charge per activity can be found in schedule I.

57. Applications with insufficient information or without payment of fee will be returned to the applicant, with a request for additional information or payment.

58. Once you have provided Council with all required information and paid the reconsideration fee, your request will be considered by a panel of a minimum of two, and a maximum of three, staff. You will be notified of Council's decision within 15 working days from the date on which Council receives all required relevant information relating to the request.

OBJECTIONS

59. Objections are a more formal process that allow you to seek a review of Council's decisions. A panel of up to three independent commissioners will assess the objection. The decisions of the commissioners are binding on Council.

60. You may make an objection only on the grounds that Council has:

- Failed to properly take into account features of your development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the district or parts of the District; or
- Required a development contribution for community facilities not required by, or related to, your development, whether on its own or cumulatively with other developments; or
- Required a development contribution in breach of section 200 of the LGA; or
- Incorrectly applied this Policy to your development.

61. Schedule 13A of the LGA sets out the objection process. If you wish to pursue an objection, you must:

- Lodge your request for an objection within 15 working days of receiving notice to pay a development contribution, or within 15 working days of receiving the outcome of any request for a reconsideration.
- Use the objection form (found on www.southwaikato.govt.nz) and supply any supporting information with your form.
- Pay a deposit.

62. You are liable for all costs incurred in the objection process including staff and commissioner time, and other costs incurred by Council associated with any hearings, as provided by section 150A of LGA. However, you are not liable for the fees and allowances costs associated with any external Council witnesses.

OTHER ADMINISTRATION MATTERS

REFUNDS

63. Sections 209 and 210 of the LGA state the circumstances where development contributions will be refunded, or land returned. In summary, Council will refund or return to the consent holder development contributions paid if:

- The resource consent:
  - lapses under section 125 of the RMA; or
  - is surrendered under section 138 of the RMA; or
- The building consent lapses under section 52 of the Building Act 2004; or
- The development or building in respect of which the resource consent or building consent was granted does not proceed; or
- Council does not provide the reserve or network infrastructure for which the development contributions were required.

64. The Council may retain any portion of a development contribution referred to above of a value equivalent to the costs incurred by the territorial authority in relation to the development or building and its discontinuance.

65. Development contributions for reserves are taken to support a 30-year programme in Putāruru. Consequently, a 30-year period shall apply for the purposes of section 210(1)(a) of the LGA.

LIMITATIONS TO THE IMPOSITION OF DEVELOPMENT CONTRIBUTIONS

66. Council is unable to require a development contribution in certain circumstances, as outlined in section 200 of the LGA, if, and to the extent that:

- It has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose; or
- The developer will fund or otherwise provide for the same reserve or network infrastructure; or
- A third party has funded or provided, or undertaken to fund or provide, the same reserve or network infrastructure.
- The territorial authority has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance.

67. In addition, Council will not require a development contribution in any of the following cases:

- Where, except in the case of a new dwelling, the value of any building work for which a building consent is required is less than $20,000 exclusive of GST, unless the building consent is for a change of use.
- Where, in relation to any dwelling, replacement development, repair or renovation work generates no additional demand for reserve or network infrastructure.
- Where a building consent is for a bridge, dam (confined to the dam structure and any tail race) or other public utility.

MAXIMUM DEVELOPMENT CONTRIBUTIONS FOR RESERVES

68. Section 203 of the LGA prohibits Council from charging development contributions for reserves that exceed the greater of:

- 7.5% of the value of the additional allotments created by a subdivision; and

- The value equivalent of 20 square metres of land for each additional household unit or accommodation unit created by the development.

69. The development contributions for reserves in Putāruru is $1,051 (GST inc) per HUE, which translates to 7.5% of an allotment value of approximately $14,013. If the market value of a lot is likely to fall below $14,013 a valuation supplied by a registered valuer may be provided and the reserves contributions will instead be calculated at 7.5% of the market value.

BONDING FOR DEVELOPMENT CONTRIBUTIONS

70. Bonding may be available for development contributions over $100,000, at the discretion of Council. Bonds:

- Will only be accepted where the bond is guaranteed by a registered trading bank.
- Shall be for a maximum period of 24 months, subject to later extension as agreed by an authorised officer.
- Will have an interest component added, at an interest rate of 2 percent per annum above the Reserve Bank 90-day bank bill rate on the day the bond document is prepared. The bonded sum will include interest, calculated using the maximum term set out in the bond document.
- Shall be based on the GST inclusive amount of the contribution.

71. If the discretion to allow a bond is exercised, all costs for preparation of the bond documents will be met by the applicant.

DEVELOPMENT AGREEMENTS

72. Council and a developer may enter into specific arrangements for the provision and funding of particular infrastructure under a development agreement, including the development contributions payable by the developer, as provided for under sections 207A-207F of the LGA. For services covered by a development agreement, the agreement overrides the development contributions normally assessed as payable under this Policy.

FINANCIAL CONTRIBUTIONS

SUMMARY OF FINANCIAL CONTRIBUTIONS UNDER THE SOUTH WAIKATO DISTRICT PLAN

73. Council charges financial contributions under the Resource Management Act 1991 (RMA) in the district for roading and reserves, and in urban areas also for water and wastewater. This excludes the areas of Putāruru that are subject to development contributions for reserves, water

and wastewater. All of Putāruru is excluded from roading financial contributions.[2] Financial contributions for carparking may also apply in business and industrial zones (including the Putāruru business zone). Financial Contributions can be money, land, or a combination of both.

74. Council believes that it is reasonable for developers to contribute (through financial contributions) to the joining of the existing network, that has been paid for by current and previous ratepayers and to contribute funds toward upgrades necessary to accommodate growth. It has determined that developers need to pay a percentage amount of financial contributions towards certain infrastructural services and public assets so that ratepayers do not have to bear the entire financial burden that development places on infrastructure.

75. This is reflected in the District Plan in Chapter 7 of the Operative South Waikato District Plan - Objectives and Policies for the District's Infrastructure and Development. In particular, 7.1.1, which seeks to ensure that there is not an inequitable distribution of the costs of development on infrastructure, and therefore existing ratepayers, and that those developing should contribute a fair and reasonable sum towards those costs.

76. Details about how financial contributions are calculated and applied through the resource consent process are located in Section 10.9 of the Operative District Plan for roading, water, wastewater and reserves, and 11.4 for carparking.

77. The 2019/2020 charges, including discounts, are listed below. These charges are adjusted annually and Council may reduce or remove any and all discounts at any time using the Special Consultative Procedure under s.83 of the LGA - so please go to our Schedule of Fees and Charges to see the current charges. Further information on financial contributions can be found in the District Plan. Both the Schedule of Fees and Charges and the District Plan can be found on our website https://www.southwaikato.govt.nz.

Table 9: Financial contribution charges at 1 July 2019 (GST inclusive at 15%).

SERVICE	ACTUAL CONTRIBUTION	DISCOUNTED COUNCIL CHARGE
Roading	$9,285	$3,714 (60% discount)
Reserves	$1,588	$617 (60% discount)
Stormwater[3]	$2,368	$474 (80% discount)
Water	$2,681	$536 (80% discount)
Wastewater	$3,552	$710 (80% discount)
Car parking	$5,054	$2,527 (50% discount)

[2] For the purposes of this section, Putāruru is defined as land with a zoning of an urban character within the Putāruru area (i.e. urban residential or urban industrial, commercial, or retail zoning). It excludes land zoned rural or rural residential.

[3] Council intends to cease taking financial contributions for stormwater from 1 July 2020.

78. The method of calculating most of the financial contributions is based on the existing value of the network and the number of rateable units in the district that are charged for use of the particular network (either the Uniform Annual General Charge (UAGC) or alternatively a rate for the specific network).

79. The financial contribution will be adjusted annually based on the latest valuation of the asset as at 1 July, multiplied by an adjustment factor to provide a discount to the level of contribution charged. The purpose of the adjustment factor is to enable Council to annually adjust the level of the contribution in response to the level of development activity within the District. The adjustment factor and the contribution amounts will be set annually through the Annual Plan process and advertised through the Schedule of Fees and Charges.

80. Financial contributions in the form of money as part of a subdivision consent must be paid prior to the issue of a certificate pursuant to Section 224 of the Resource Management Act 1991. Financial contributions in the form of land as part of a subdivision shall be vested in Council and shown on the survey plan approved pursuant to Section 223 of the Act.

81. Where a subdivision is to be staged, it may be appropriate that the financial contribution also be staged to recognise the incremental increase in effects as the stages are developed. The conditions of the subdivision or land use consent should state the timing for the payment of the contribution.

82. Allotments created for the purpose of accommodating infrastructure and network utility operations shall be exempt from the payment of financial contributions in respect of those allotments.

83. If the developer undertakes related mitigation works outside of the subdivision with the agreement of Council, the value of this work may be discounted when determining the level of financial contribution payable.

FINANCIAL CONTRIBUTIONS FOR ROADING

84. A financial contribution towards upgrading the existing roading network is charged on the basis of the number of additional residential, rural, commercial, or industrial allotments (except where an allotment is created for the purpose of infrastructure or network utility operations). The financial contribution payable shall be the charge multiplied by the number of additional lots created.

85. The contribution addresses the cumulative impact of the additional traffic created through subdivision and other development, and the resulting increase in demand for capacity within the roading network.

FINANCIAL CONTRIBUTIONS FOR CARPARKING

86. The payment of a financial contribution in lieu of providing on-site parking is an alternative approach in situations where the developer is unable to provide all of the car parking within their site, and Council agrees it is appropriate. This provision can only be applied within the Tokoroa Business Zone, the Putāruru Business Zone, and the Industrial Zone. Where a financial contribution is imposed it shall be used by Council for provision of additional car parking in the

locality. The financial contribution will be imposed as a resource consent condition and shall be determined in the following manner.

87. The charge is based on the cost of providing carparking adjusted annually and may also include an adjustment factor to provide a discount to the level of contribution.

FINANCIAL CONTRIBUTONS FOR URBAN WATER SUPPLY, WASTEWATER AND STORMWATER

88. An upgrading contribution for the existing urban water, wastewater and stormwater networks is charged on a per additional residential, commercial or industrial lot created basis (except where an allotment is created for the purpose of infrastructure or network utility operations). The financial contribution payable shall be the charge for each service multiplied by the number of additional lots created. However, a contribution shall only be charged in respect of water supply, wastewater and stormwater, if the relevant network is being utilised by a subdivision or development.

89. The contribution addresses the cumulative impact on the existing network and is based on 'buying in' to the existing network. Effectively this then entitles the contributor to use of the network as with existing ratepayers in the District and enables Council to increase the capacity of the network to meet the increasing demand for services.

90. If the Council requires larger sized services than those required by the development, Council shall meet any additional costs which will be recovered from future developments through the payment of financial contributions.

91. If the developer undertakes related mitigation works outside of the subdivision with the agreement of Council, the value of this work will be discounted when determining the level of financial contribution payable.

92. Council intends to cease taking financial contributions for stormwater from 1 July 2020.

FINANCIAL CONTRIBUTONS FOR URBAN AND RURAL RESERVES

93. A contribution shall be paid towards the existing reserves network charged on a per additional residential, rural, commercial, or industrial allotment created basis (except where an allotment is created for the purpose of infrastructure or network utility operations). The financial contribution payable shall be the charge multiplied by the number of additional lots created.

94. The contribution addresses the cumulative impact of the demand created on the reserves network through the subdivision of land and associated development, and the resulting demand for additional reserves, and enhanced facilities at existing reserves within the district.

DEFINITIONS

95. In this Policy, unless the context otherwise requires, the following applies:

LGA means the Local Government Act 2002.

Allotment (or lot) has the meaning given to allotment in section 218(2) of the Resource Management Act 1991.

Accommodation unit has the meaning given in section 197 of the LGA.

Asset Management Plan means the current Council document that outlines how Council will manage and provide infrastructure assets and services.

Bedroom means an area of a residential unit capable of being used for sleeping purposes that is not:

- the kitchen, bathroom(s), laundry and toilet(s);
- the dining room or living room (but not both) whether open plan with the kitchen or not
- entrance halls and passageways;
- garage; and
- any other room smaller than $6m^2$.

Capacity Life means the number of years that the infrastructure will provide capacity for, and associated HUEs / LIDs.

Catchment means the areas within which development contributions charges are determined and charged.

Community Facilities means reserves, network infrastructure, or community infrastructure as defined by the LGA, for which development contributions may be required.

Council means South Waikato District Council.

Development means any subdivision, building, land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure.

District means the South Waikato District.

Dwelling means a residential building designed for and occupied, in whole or in part, exclusively by one household, and ancillary activities excluding outdoor storage. Dwellings do not include the residential use of tents, buses or caravans/camper vans, whether in association with use of another building or not, except for a period not exceeding one month. This definition includes the construction, alteration, removal or demolition of dwellings, an existing dwelling moved within the same site, and new pre-fabricated dwellings that are constructed elsewhere and then moved onto the site.

Gross Floor Area / GFA means the sum of the floor areas of a building measured to the outside of the exterior walls or structural frame of the building, but excludes any basement, elevator shafts, stairwells and lobbies at each floor, roof space or other floor area allocated to car parking, loading docks, and machinery or plant space such as lift machinery, tanks, air conditioning and heating plants.

Land in development (LID) means land used for purposes other than rural land use, such as commercial, industrial, retail residential or rural residential activities and includes land used for that

purpose regardless of whether it has been subdivided or not. In subdivisions LID will include the land contained within all new allotments created but not land contained within any balance lot that is not yet under development. In developments that do not involve subdivision, LID covers all land used to undertake any activities hosted on the land and includes (but is not limited to) land used for access and internal movement, storage, processing, buildings and structures, parking, plant and equipment, and loading. In all cases, LID excludes land:

- used for rail sidings, or for stormwater detention or drains; or
- to be vested as road, utility, or stormwater reserve.

Network Infrastructure means the provision of transportation (roading), water, wastewater and stormwater infrastructure.

Reserves means land for public open space and improvements to that land needed for it to function as an area of usable green open space for recreation and sporting activities and the physical welfare and enjoyment of the public, and for the protection of the natural environment and beauty of the countryside (including landscaping, sports and play equipment, walkways and cycleways, carparks, and toilets). In this Policy, reserve does not include land that forms or is to form part of any road or is used or is to be used for stormwater management purposes.

Retirement Unit means any dwelling unit in a retirement village but does not include aged care rooms in a hospital or similar facility.

Retirement Village has the meaning given in section 6 of the Retirement Villages Act 2003.

RMA means the Resource Management Act 1991.

Policy means this Development and Financial Contributions Policy.

Service Connection means a physical connection to water, wastewater or stormwater services provided by Council.

Household unit equivalent (HUE) means demand for Council services, equivalent to that produced by an average household

Unit of demand means land in development (LID) or household unit equivalent (HUE).

PART 2: POLICY DETAILS

96. This section provides further development and financial contribution policy details, including those needed to fully comply with the requirements of the LGA.

PURPOSE OF THE POLICY

97. Council is required to have a policy on development contributions and financial contributions as a component of its funding and financial policies in its Long Term Plan under Section 102(2)(d) of the LGA. This Policy satisfies that requirement.

98. The purpose of the Policy is to ensure that a fair, equitable and proportionate share of the cost of infrastructure to meet that growth, is funded by those who cause the need for and benefit from the new or additional infrastructure, or infrastructure of increased capacity.

LEGISLATIVE REQUIREMENTS AND POWERS

ADOPTION OF POLICY

99. This Policy was adopted on 12 March 2020 and applies from that date.

REVIEW OF POLICY

100. This Policy will be reviewed on a three yearly basis but may be updated at shorter intervals if Council considers it necessary.

FUNDING GROWTH EXPENDITURE

101. South Waikato District has experienced steady population and economic growth recently, and this growth is forecast to increase further, especially in Putāruru. Population and business growth create the need for new subdivisions and development activity places increasing demand on the assets and services provided by Council. Significant investment in new or upgraded assets and services is accordingly required to meet the demands of growth.

102. The Council has decided to fund these costs from:

- Development contributions under the Local Government Act 2002 (LGA) for reserves, roading, water, and wastewater infrastructure, and financial contributions under the Resource Management Act 1991 for carparking, in Putāruru; and
- Financial contributions under the Resource management Act 1991 for:
  - Water, wastewater, reserves, roading and carparking infrastructure in other urban areas; and
  - Reserve and roading infrastructure in rural areas.

103. In forming this view, Council has considered the matters specified in section 101(3) of the LGA within our Revenue and Financing Policy, and within this Policy.

104. The Revenue and Financing Policy is Council's primary and over-arching statement on it approach to funding its activities. It outlines how all activities will be funded, and the rational for Council's preferred funding approach.

105. In addition, Council is required under Section 106(2)(c) of the LGA to explain within this Policy why it has decided to use development contributions and financial contributions to fund capital expenditure relating to the costs of growth. This assessment is below for all activities funded by development contributions and financial contributions - water, wastewater, stormwater, roading, carparking, and reserves.

106. A key feature of the Council's approach to funding is the use of financial contributions for most services in most of the district and development contributions in Putāruru for reserves, roading, water, and wastewater. Putāruru has been through an extensive urban development planning process and the reserves, roading, water, and wastewater infrastructure investment needed to service this growth over the next 10-30 years is considerable. This was an important influence on the decision to use the development contribution system to set stand-alone reserve, roading, water and wastewater charges for Putāruru. It ensures a better alignment between costs incurred and the charges levied and ensures the rest of the district does not unduly subsidise development in Putāruru.

Community outcomes (s. 101(3)(a)(i))

107. Council has considered whether development contributions and financial contributions are an appropriate source of funding considering each activity, the outcomes sought, and their links to growth infrastructure. Council has developed three outcomes to help achieve our vision of 'Healthy people thriving in a safe, vibrant and sustainable community':

- Growth - Activities and strategies that facilitate sustainable economic growth and lift community pride.
- Resilience - A resilient district with good infrastructure, services, a sound financial position, rates affordability and a healthy environment that has the ability to anticipate, resist, respond to and recover from significant change or events.
- Relationships - Strong relationships with Iwi and Māori, Pacific Peoples and community and business groups that can achieve growth and a resilient community.

108. These outcomes seek a well serviced growing community that is financially sustainable. Development contributions and financial contributions provide a mechanism for funding of water, wastewater, stormwater, roading, carparking, and reserves needed to achieve our growth ambitions that may not otherwise be affordable to our community. As dedicated growth funding sources, they also offer more secure funding for through which we can deliver on our vision and outcomes for new communities.

Other funding decision factors (s. 101(3)(a)(ii) – (v))

109. Council has considered the funding of growth-related water, wastewater, stormwater, roading, carparking, and reserve infrastructure against the following matters:

- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals, and the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
- The period in or over which those benefits are expected to occur.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

110. A summary of this assessment is below.

Table 10: Other funding decision factors

WHO BENEFITS / WHOSE ACT CREATES THE NEED	A significant portion of Council's work programme over the next 10-30 years is driven by development or has been scoped to ensure it provides for new developments. The extent to which growth is serviced by and benefits from a project as well as how much it serves and benefits existing ratepayers is determined for each project. Council believes that the growth costs identified through this process should be recovered from development as this is what creates the need for the expenditure and /or benefit principally from new assets and additional network capacity. Where and to the extent that works benefit existing residents and businesses, those costs are recovered through rates. Th *catchment determination* section below outlines how Council determined the catchments for development contributions in this Policy.
PERIOD OF BENEFIT	The assets constructed for development provide benefits and capacity for developments now and developments in the future. In many cases, the "capacity life" of such assets spans decades. Development contributions allow development related capital expenditure to be apportioned over the capacity life of assets. Developments that benefit from the assets will contribute to its cost, regardless of whether they happen now or in the future. Financial contributions act in a similar way, although the nexus between the project cost and capacity life is not as strong as it is for development contributions.
FUNDING SOURCES & RATIONALE INCLUDING RATIONALE FOR SEPARATE FUNDING	The cost of supporting development in South Waikato is significant. Development contributions and financial contributions send clear signals to the development community about the cost of growth and the capital costs of providing infrastructure to support that growth. The benefits to the community are significantly greater than the cost of policy making, calculations, collection, accounting and distribution of funding for development contributions.

Overall impact of liability on the community (s. 101(3)(b))

111. Council has also considered the impact of the overall allocation of liability on the community. In this case, the liability for revenue falls directly with the development community. Council considers that the level of development and financial contributions are affordable and do not consider it likely that there will be an undue or unreasonable impact on the social, economic and cultural wellbeing of this section of the community. In relation to financial contributions, the Council has the ability to adjust (discounts) the charges based on decisions made during the Annual Plan Fees and Charges setting process.

112. Moreover, shifting development costs onto ratepayers is likely to be perceived as unfair and would significantly impact the rates revenue required from existing residents - who do not cause the need, or benefit directly from the growth infrastructure, needed to service new developments.

113. Overall, Council considers it fair and reasonable, and that the social, economic and cultural interests of South Waikato's communities are best advanced through using development contributions and financial contributions to fund the costs of growth-related capital expenditure for water, wastewater, stormwater, roading, carparking, and reserves.

CATCHMENT DETERMINATION

114. When setting development contributions, Council must consider how it sets it catchments for grouping charges by geographic areas. The LGA gives Council wide scope to determine these catchments, provided that:

- The grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
- Grouping by geographic area avoids grouping across an entire district wherever practical.

115. Council has determined that there will be one catchment for each service in Putāruru. These are shown in Schedule III.

116. For wastewater, water, and reserves, the catchment encompasses all of Putāruru and all future growth areas. The Council consider that this strikes the right balance between practical and administrative efficiency and considerations of fairness and equity for the following reasons:

- Putāruru identifies as a single community.
- At least some of the growth projects for each infrastructure service provide for the whole town – and for infill and greenfield developments. Therefore, these costs need to be shared by all development in Putāruru.
- It makes the development contributions system administratively simple to administer. South Waikato is a small council with a modest rating base and needs to tailor its policies and systems to suit.

117. For roading, a much smaller catchment has been set. This is primarily because the works proposed are to provide access to this area, and are not caused by or benefit development in the rest of Putāruru.

SIGNIFICANT ASSUMPTIONS OF THE POLICY

METHODOLOGY

118. In developing a methodology for the development contributions in this Policy, Council has taken an approach to ensure that the cumulative effect of development is considered across each catchment.

PLANNING HORIZONS

119. A 30-year timeframe has been used as a basis for forecasting growth and growth related projects. This is set out in Council's asset management plans.

120. South Waikato District has experienced steady population and economic growth recently, and this growth is forecast to increase further, especially in Putāruru. Statistics New Zealand (SNZ) figures confirm accelerated population growth in the South Waikato recently, with the number of residents increasing by 1.3% over the June year 2015-16, by 1.7% over 2016-17 and 0.8% over 2017-18. This reverses the population decline experienced previously. For example, until recently, South Waikato experienced population decline of 0.2% per annum.

121. Growth in this Policy used for Putāruru is based on an extensive planning exercise undertaken together with the Putāruru community. This has involved determining potential growth and growth areas and the infrastructure upgrades needed to service these areas. 30 years' worth of forecast growth and related infrastructure has been incorporated into this policy.

122. The key assumptions affecting future growth are:

- Ongoing population growth in Putāruru over the next 30 years of around 1% (or around 50 people) per annum – leading to a population of around 5,500 in 2048.
- Dwelling growth in Putāruru of around 20 dwellings per annum to accommodate population growth.

123. A five-yearly breakdown of the population and household forecast for Patururu is in table 11.

Table 11: Five-yearly breakdown of population and household forecasts

PUTĀRURU	2013 CENSUS	2018 (EST)	2023	2028	2033	2038	2043	2048
Population	3,940	4,114	4,323	4,544	4,776	5,019	5,275	5,544
Households		1,714	1,801	1,893	1,990	2,091	2,198	2,310

124. Council forecasts demand of approximately 200 HUEs / LIDs for business development over the next 30 years, needing up to 20 hectares[4] of business land to accommodate:

- Population growth with related business land; and
- Specific large-scale industries that have been mooted for Putāruru. These are not anticipated to be large 'wet' industries in this forecast.

125. The combined demand forecast is approximately 800 HUEs over 30 years – 600 HUEs for households and 200 HUEs / LIDs for business. Further information about these forecasts can be

[4] This will require around 40 gross hectares of land. The net value of 20 hectares used in this Policy excludes land used for roads or other reserves, land used for stormwater detention or conveyance, or land used for rail sidings.

found in Council's amended 2018-2028 Long Term Plan and on Council's website www.southwaikato.govt.nz.

BEST AVAILABLE KNOWLEDGE

126. Development contributions are based on capital expenditure budgets included in Council's asset management plans. The capital expenditure budgets and projected estimates of future asset works are based on the best available knowledge at the time of preparation. The Policy will be updated, as practical, to reflect better information as it becomes available.

KEY RISKS/EFFECTS

127. That the growth predictions do not eventuate, resulting in a change to the assumed rate of development. In that event, Council will continue to monitor the rate of growth and will update assumptions in the growth and funding predictions, as required.

128. That the time lag between expenditure incurred by Council and contributions received from those undertaking developments is different from that assumed in the funding model, and that the costs of capital are greater than expected. This would result in an increase in debt servicing costs. To guard against that occurrence, Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models, as required.

SERVICE ASSUMPTIONS

129. That methods of service delivery, and levels of service, will remain substantially unchanged and in accordance with Council's LTP and the Regional Infrastructure Technical Specification (RITS).

FUNDING MODEL

130. A funding model has been developed to calculate development contribution charges under this Policy. It accounts for the activities for which contributions are sought, the infrastructure projects related to growth, forecast growth and associated revenue. It houses growth projections for each catchment and each type of development. The funding model embodies several important assumptions, including that:

- All capital expenditure estimates are inflation adjusted and GST exclusive.
- The levels of service (LOS)/backlog, renewal and maintenance portions of each project will not be funded by development contributions. See the c*ost allocation* section below.
- The costs of the growth infrastructure programme over the next 30 years are spread over forecast growth over the next 30 years.
- Interest expenses incurred on debt accrued will be recovered via development contributions and shared equally over all forecast growth.
- Any debts incurred will be fully repaid by the end of 30 years.
- The development contributions charges will be adjusted each year based on the Producers Price Index Outputs for Construction provided by Statistics New Zealand. The adjustment will not apply to the interest cost portion of the charges. An average increase of 2.5% per annum has been used in the model.

COST ALLOCATION

131. Council must consider how to allocate the cost of each project between three principal drivers – growth, LOS/backlog, and renewal. Council's approach to cost allocation is summarised below.

- Where a project provides only for growth, 100% of a project's cost is attributed to growth. To qualify for this, there would have to be no renewal or level of service (for existing residents or businesses) component to the work.
- Where a project involves renewal near the end of an asset's useful life, the Council will generally value a stand-alone renewal project and use that to determine the proportion of a project's cost attributable to renewal. If the renewal is premature because of growth, the Council will still attribute some costs to renewal based on the current value of depreciation incurred at the time renewal.
- If a project also provides for LOS/backlog, Council will split the cost between growth and LOS generally based on the capacity the upgrade provides to each (but only after deducting any share of costs attributable to renewal).

CALCULATING THE DEVELOPMENT CONTRIBUTION CHARGES

132. This section outlines how the development contributions charges were calculated in accordance with section 203 and schedule 13 of the LGA.

PROCESS

133. The steps needed to determine growth, growth projects, cost allocations, and to calculate the development contributions charges are summarised in Table 12.

Table 12: Summary of development contribution charge calculation methodology

STEP	DESCRIPTION / COMMENT	EXAMPLE ($ GST EXC)
1. Forecast growth	Council estimates potential land supply and likely take up of that land. The estimates help provide household and business growth forecasts for up to 30 years. See the *Projecting Growth* section above for further information.	Council has established growth demand forecasts for Putāruru, and sufficient land to accommodate the growth for the next 30 years. This translates to 600 HUEs for residential growth and 200 HUEs / LIDs for business growth over that time.
2. Identify projects required to facilitate growth	Develop the works programme needed to facilitate growth. In some cases, Council may have already undertaken the work. The programme in this Policy is for 30 years.	The water programme over 30 years is outlined in Schedule I. It includes, for example, an upgrade to the Glenshea Booster Pump Station to deliver 60l/s in 2028/2029. The collective capacity life of the total water investment programme is 800 HUEs.
3. Determine the cost allocation for projects	The cost of each project is apportioned between renewal, growth, and LOS/backlog in accordance with the approach outline in the *cost allocation* section of this Policy.	The Glenshea Booster Pump Station upgrade will cost approximately $1m (inflated). 92% of the cost is attributable to growth and 8% to renewal. There is no LOS capacity provided by these

STEP	DESCRIPTION / COMMENT	EXAMPLE ($ GST EXC)
	Schedules I of this Policy outlines the amount required to fund growth from development contributions for each of these projects.	works. The cost attributable to renewal reflects the current value of cumulative depreciation on the assets replaced at the time of upgrade.
4. Divide growth costs by estimated growth	The growth costs from step 3 are summed and divided by the estimated growth (defined in HUEs or LIDs) within each catchment. i.e. Total Catchment Growth Costs (Step 3) / Total HUEs or LIDs.	Total water growth capital costs are approximately $7.3m (inflated) and growth HUEs for this programme are 800, generating a raw cost of $9,166 per HUE.
5. Adjust for interest costs and charge inflation adjustments	The raw cost requires adjustments in the funding model to ensure total revenue received over 30 years equals total costs after accounting for interest cost and annual inflation adjustment of the charges. As noted earlier, interest costs are also calculated on expected account balances for each service over the funding life of an asset. These costs are shared equally among all HUEs / LIDs in that catchment. These adjustments impact the final charges levied.	The raw cost of $9,166 is adjusted after accounting for interest costs and annual inflation adjustments to the charges, resulting in a 2019/2020 charge of $7,274. GST is then added to this charge. This charge will be adjusted annually to account for inflation.

134. Once completed, Council also considers the overall fairness and reasonable of the impact the allocation of liability on the community. In some cases, changes may be made to address unique circumstances, and these are recorded by Council.

SUMMARY OF CALCULATIONS

135. Schedule I summarises the calculation of the development contribution charge for each service. This include the relevant forecast capital expenditure on reserve and network infrastructure attributable to new growth, any outstanding debt on previous growth projects, interest costs, and the capacity life of the projects in HUEs / LIDs. For each activity and catchment, development contributions fund the programme on an aggregated basis.

SCHEDULE 1 – DEVELOPMENT CONTRIBUTION CHARGE CALCULATIONS AND SCHEDULE OF FUTURE PROJECTS FOR WHICH DEVELOPMENT CONTRIBUTIONS WILL BE USED

This schedule summarises the calculation of the development contribution charge for each service for each catchment. This include the relevant forecast capital expenditure on reserves and network infrastructure attributable to new growth (in accordance with section 201A of the LGA), outstanding debt on previous growth projects, interest costs, and the capacity life of the projects in HUEs / LIDs. Figures are inflation adjusted and exclude GST.

PUTĀRURU

Water

ID	Project Name	Project Description	Total Cost $	% For Growth	% Funded from other Sources	Growth Cost $	Year1 2020/ 2021 $	Year2 2021/ 2022 $	Year3 2022/ 2023 $	Year4 2023/ 2024 $	Year5 2024/ 2025 $	Year6 2025/ 2026 $	Year7 2026/ 2027 $	Year8 2027/ 2028 $	Year9 2028/ 2029 $	Year10 2029/ 2030 $	Years 11-30 2030/2031- 2050/2051	Recoverable Growth / Capacity Life (HUEs)	Development Contribution Charge
1015	Glenshea bore upgrade	Upgrade the existing bores to include a variable speed drive enabling the bores to deliver 50l/s	$442,150	78%	22%	$345,069	$345,069	0	0	0	0	0	0	0	0	0	0	800	$431
1018	Reservoir St pipe upgrade 1	Upsize 175m of main along Reservoir St from Glenshea pump station to Alexander Cres	$425,676	75%	25%	$317,895	$317,895	0	0	0	0	0	0	0	0	0	0	800	$397
1017	Reservoir St pipe upgrade 2	Upsize 600m of main along Reservoir St from Glenshea pump station to Arapuni St	$2,073,911	59%	41%	$1,217,711	0	0	0	0	0	$1,217,711	0	0	0	0	0	800	$1,522
1019	Sholson St pipe upgrade	Upsize 380m of main on Sholson St	$948,241	77%	23%	$734,411	0	0	0	0	0	$734,411	0	0	0	0	0	800	$918
1016	Glenshea booster pump station upgrade	Upgrade the Glenshea booster pump station, including upgrading the variable speed drives to enable the bores to deliver 60l/s	$1,018,315	92%	8%	$940,566	0	0	0	0	0	0	0	0	$940,566	0	0	800	$1,176
1020	Arapuni St pipe upgrade	New main on Arapuni St from Reservoir St to Grey St	$907,846	92%	8%	$837,196	0	0	0	0	0	0	0	0	0	$837,196	0	800	$1,046
1026	Waihou pump station resource consent	Extend Waihou pump station resource consent flow rate to 50l/s	$120,551	100%	0%	$120,551	0	0	0	0	0	0	0	0	0	0	$120,551	800	$151
1023	Waihou pump station upgrade	Upgrade the Waihou pump station to deliver 50l/s	$1,126,439	100%	0%	$1,126,439	0	0	0	0	0	0	0	0	0	0	$1,126,439	800	$1,408
1021	Duplicate Pinedale reservoir outlet	Construct new 240m long dedicated outlet from Pinedale reservoirs cross parallel to the existing main supplying the network on Pinedale Rd.	$1,693,030	100%	0%	$1,693,030	0	0	0	0	0	0	0	0	0	0	$1,693,030	800	$2,116
		Total Future Growth Expenditure				**$7,332,868**												**800**	**$9,166**
		DC Debt to Recover				**$0**												**800**	**$0**
		Loan Interest				**$1,182,347**												**800**	**$1,478**
		Total Development Contribution Expenditure				**$8,515,215**													**$10,644**
		Revenue and Cost Balancing Adjustment*																	**($3,370)**
		Adjusted Development Contribution																	**$7,274**

* Accounts for charges increasing over time with inflation, and ensures total revenue equals total costs over 30 years.

Wastewater

ID	Project Name	Project Description	Total Cost $	% For Growth	% Funded from other Sources	Growth Cost $	Year1 2020/ 2021 $	Year2 2021/ 2022 $	Year3 2022/ 2023 $	Year4 2023/ 2024 $	Year5 2024/ 2025 $	Year6 2025/ 2026 $	Year7 2026/ 2027 $	Year8 2027/ 2028 $	Year9 2028/ 2029 $	Year10 2029/ 2030 $	Years 11-30 2030/2031-2050/2051	Recoverable Growth / Capacity Life (HUEs)	Development Contribution Charge
1002	Overdale pump station storage upgrade 1	Construct 10m^3 of additional storage at Overdale pump station	$204,427	100%	0%	$204,427	$204,427	0	0	0	0	0	0	0	0	0	0	800	$256
1003	Buckland pump station storage	Construct 12m^3 of additional storage at Buckland pump station	$330,110	100%	0%	$330,110	$330,110	0	0	0	0	0	0	0	0	0	0	800	$413
1006	Grey St pump station upgrade 1	Additional pump for Grey St pump station to boost flow from 18 l/sec to a combined 25 l/s	$50,738	100%	0%	$50,738	$50,738	0	0	0	0	0	0	0	0	0	0	800	$63
1007	Central Putāruru gravity main upgrade	Upsize 430m of gravity main to 300mm between Arapuni St and Tirau St	$2,051,030	96%	4%	$1,974,842	$1,974,842	0	0	0	0	0	0	0	0	0	0	800	$2,469
1004	Buckland St pump station upgrade	Upgrade Buckland St pump station to 10.5 l/s	$505,211	97%	3%	$489,839	0	0	0	0	0	0	0	0	0	$489,839	0	800	$612
1008	Lorraine Moller Reserve wastewater main upgrade	Upgrade 171m of gravity main downstream of Lorraine Moller Reserve to 375mm	$780,780	92%	8%	$722,052	0	0	0	0	0	0	0	0	0	0	$722,052	800	$903
1009	Grey St pump station storage	Construct 36m^3 of additional storage at Grey St pump station	$718,392	100%	0%	$718,392	0	0	0	0	0	0	0	0	0	0	$718,392	800	$898
1013	Overdale pump station storage upgrade 2	Construct additional storage at Overdale pump station	$900,082	100%	0%	$900,082	0	0	0	0	0	0	0	0	0	0	$900,082	800	$1,125
1010	Lower Tiraui main upgrade	Upgrade 237m gravity main in “Lower” Tirau St to 375mm	$1,855,208	95%	5%	$1,759,494	0	0	0	0	0	0	0	0	0	0	$1,759,494	800	$2,199
1011	Grey St pump station rising main	Upgrade Grey St pump station rising main (1108m) to 200mm	$3,107,314	83%	17%	$2,565,681	0	0	0	0	0	0	0	0	0	0	$2,565,681	800	$3,207
1012	Grey St pump station upgrade 2	Upgrade Grey St pump station to 38 l/s	$132,499	100%	0%	$132,499	0	0	0	0	0	0	0	0	0	0	$132,499	800	$166
		Total Future Growth Expenditure				**$9,848,157**												**800**	**$12,310**
		DC Debt to Recover				**$0**												**800**	**$0**
		Loan Interest				**$465,807**												**800**	**$582**
		Total Development Contribution Expenditure				**$10,313,964**													**$12,892**
		Revenue and Cost Balancing Adjustment*																	**($4,224)**
		Adjusted Development Contribution																	**$8,668**

* Accounts for charges increasing over time with inflation, and ensures total revenue equals total costs over 30 years.

Reserves

ID	Project Name	Project Description	Total Cost $	% For Growth	% Funded from other Sources	Growth Cost $	Year1 2020/ 2021 $	Year2 2021/ 2022 $	Year3 2022/ 2023 $	Year4 2023/ 2024 $	Year5 2024/ 2025 $	Year6 2025/ 2026 $	Year7 2026/ 2027 $	Year8 2027/ 2028 $	Year9 2028/ 2029 $	Year10 2029/ 2030 $	Years 11-30 2030/2031-2050/2051	Recoverable Growth / Capacity Life (HUEs)	Development Contribution Charge
1031	Putāruru Parks and Reserves	Land and development programme for growth related reserves in Putāruru	$1,092,111	100%	0%	$1,092,111					$229,890					$521,723	$340,498	600	**$1,820**
		Total Future Growth Expenditure				**$1,092,111**												**600**	**$1,820**
		DC Debt to Recover				**$0**												**600**	**$0**
		Loan Interest				**$0**												**600**	**$0**
		Total Development Contribution Expenditure				**$1,092,111**													**1,820**
		Revenue and Cost Balancing Adjustment*																	**($906)**
		Adjusted Development Contribution																	**$914**

* Accounts for charges increasing over time with inflation, and ensures total revenue equals total costs over 30 years.

Roading

ID	Project Name	Project Description	Total Cost $	% For Growth	% Funded from other Sources	Growth Cost $	Year1 2020/ 2021 $	Year2 2021/ 2022 $	Year3 2022/ 2023 $	Year4 2023/ 2024 $	Year5 2024/ 2025 $	Year6 2025/ 2026 $	Year7 2026/ 2027 $	Year8 2027/ 2028 $	Year9 2028/ 2029 $	Year10 2029/ 2030 $	Years 11-30 2030/2031- 2050/2051	Recoverable Growth / Capacity Life (LIDs)	Development Contribution Charge
1030	Industrial Link Road	Industrial link access road off Princes Street	$898,837	100%	0%	$898,837		$260,475	$84,702	$553,660								200	$4,494
		Total Future Growth Expenditure				$898,837												200	$4,494
		DC Debt to Recover				$0												200	$0
		Loan Interest				$218,897												200	$1,094
		Total Development Contribution Expenditure				$1,117,734												200	$5,589
		Revenue and Cost Balancing Adjustment*																	$0
		Adjusted Development Contribution																	$5,589

* Accounts for charges increasing over time with inflation, and ensures total revenue equals total costs over 30 years.

SCHEDULE II – PAST PROJECTS FUNDED BY DEVELOPMENT CONTRIBUTIONS

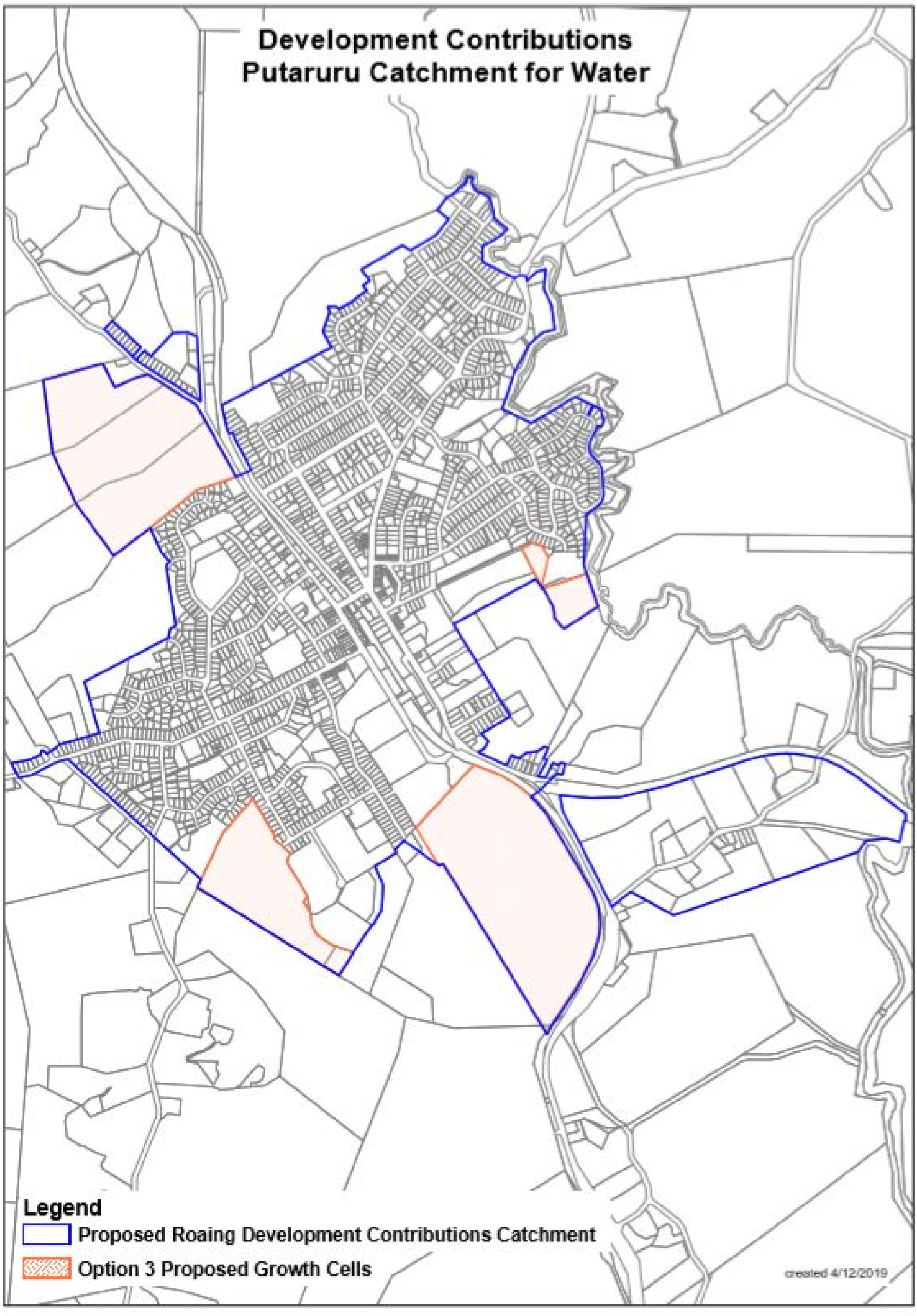
There are no projects undertake in the past for which development contributions are sought in this Policy. In future policies, past projects will be listed here in accordance with section 201A of the LGA

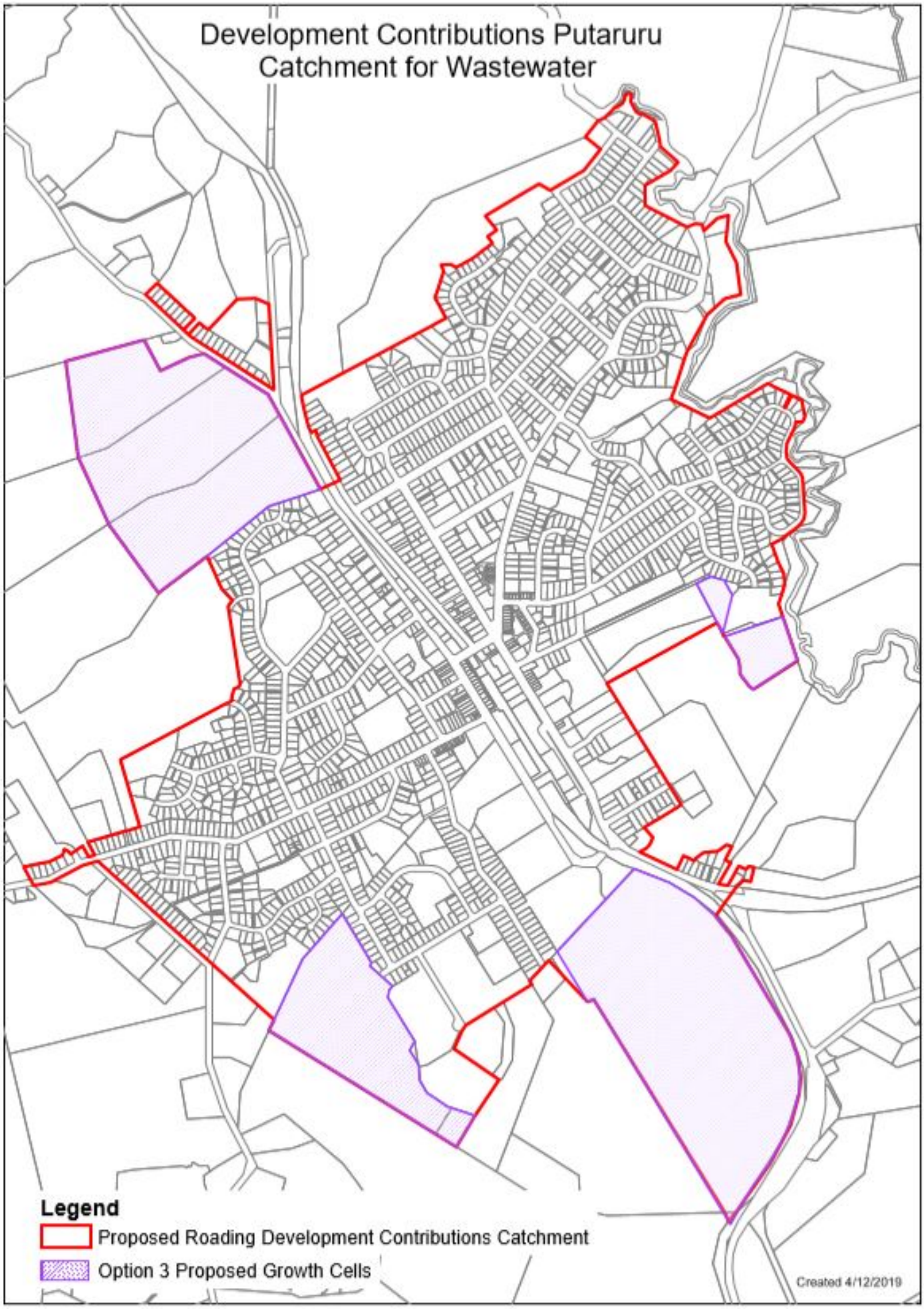
SCHEDULE III – DEVELOPMENT CONTRIBUTION MAPS

The maps in this section outline the boundaries of the catchments within which development contributions will apply.

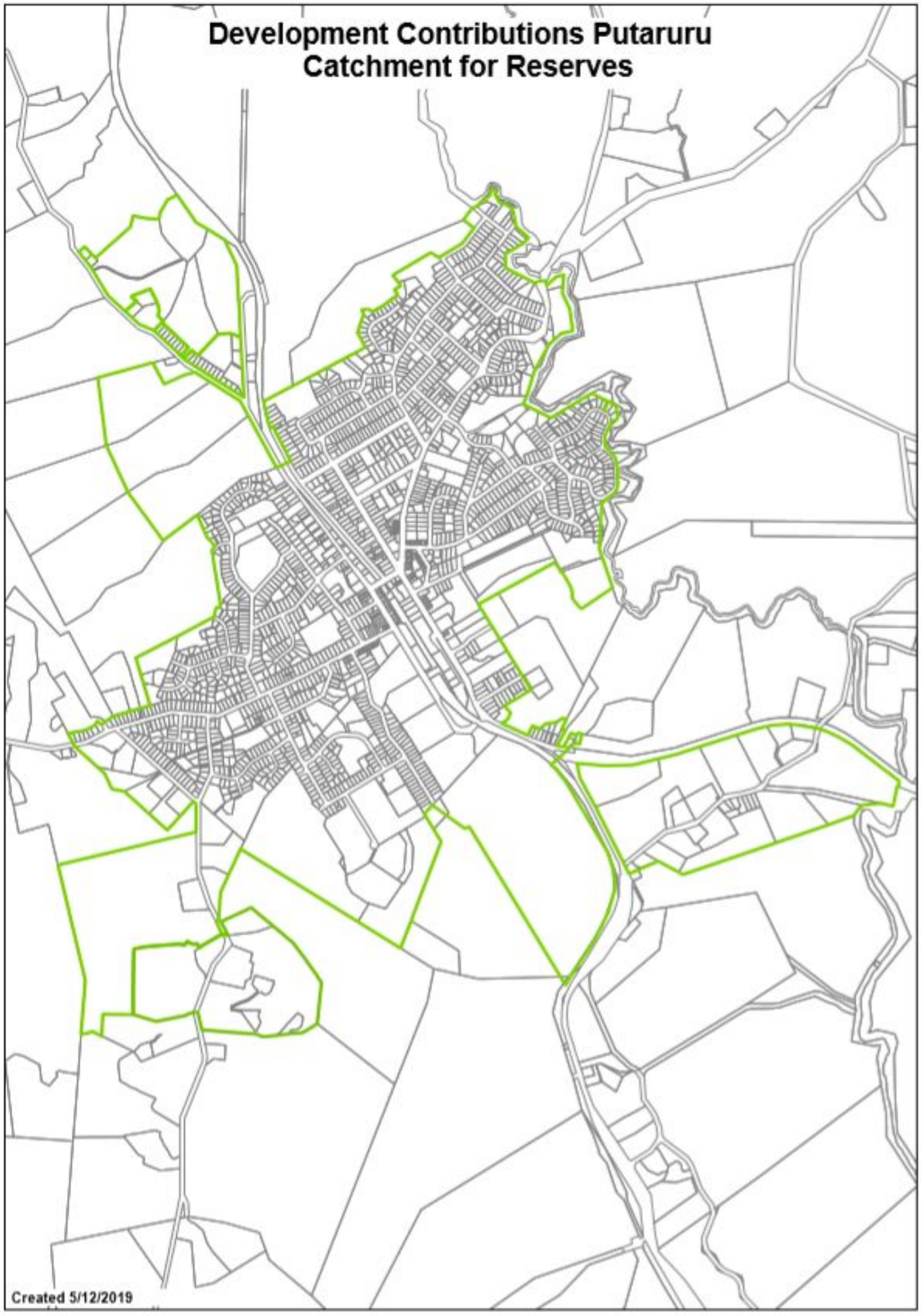
PUTĀRURU

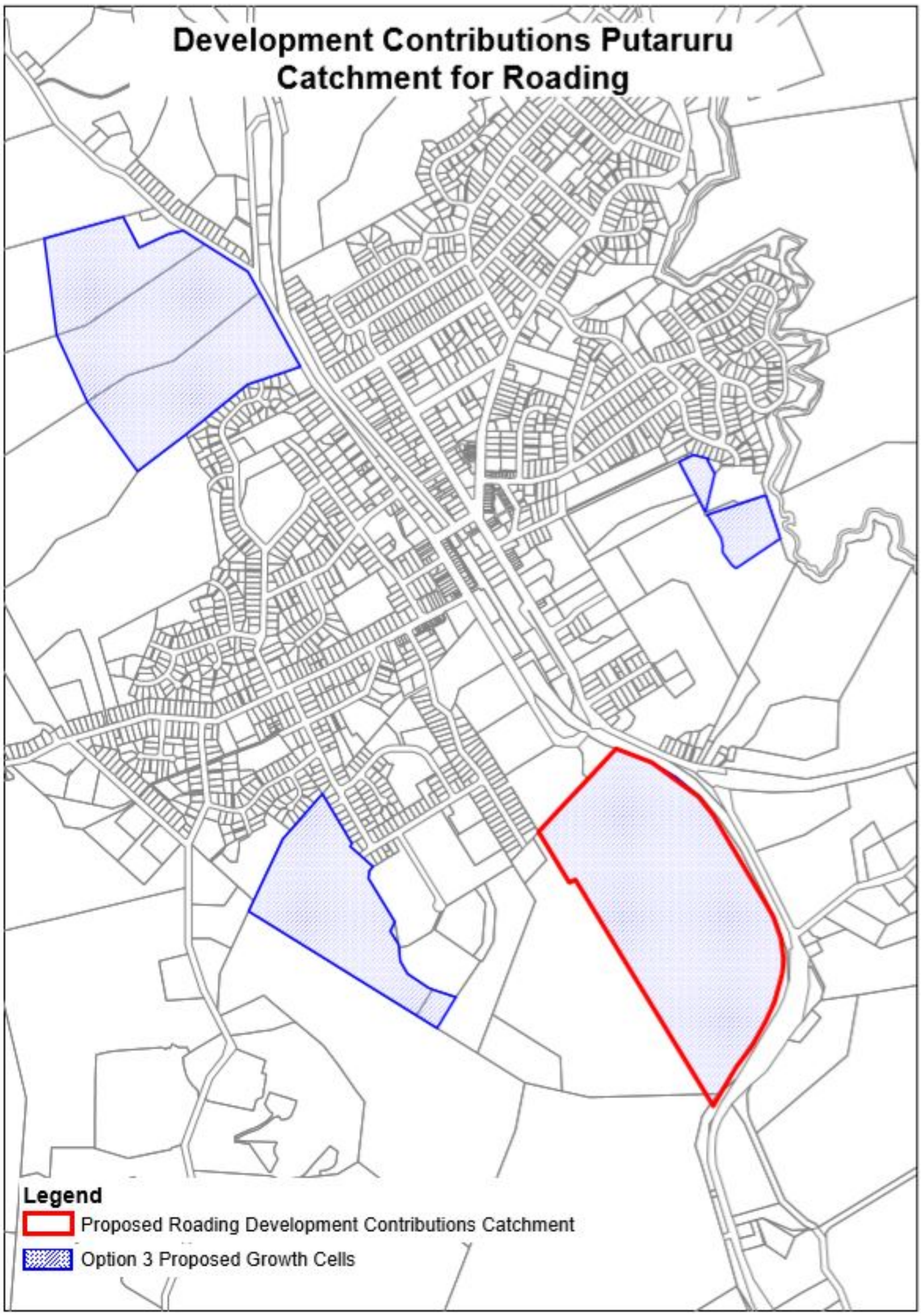
Water




Development Contributions Putaruru
Catchment for Wastewater
Legend
Proposed Roading Development Contributions Catchment
Option 3 Proposed Growth Cells
Created 4/12/2019

Reserves


Development Contributions Putaruru
Catchment for Reserves
Created 5/12/2019


Development Contributions Putaruru
Catchment for Roading
Legend
Proposed Roading Development Contributions Catchment
Option 3 Proposed Growth Cells