

APPENDIX 3

Palmerston North City Council 2021 Development Contributions Policy

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2021 Development Contributions Policy

[1] Introduction

[1.1] Legislative Requirements and Powers

- .1 Council is required to have a Development Contributions Policy as a component of its Funding and Financial Policies under section 102(2)(d) of the Local Government Act 2002 (LGA02). Section 198 of the LGA02 gives territorial authorities the power to require a contribution for developments. Development Contributions provide Council with the means to fund infrastructure required due to growth.
- .2 The purpose of development contributions under section 197AA of the LGA02 is to enable territorial authorities to recover from those persons undertaking development a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.
- .3 Section 197AB of the LGA02 sets out 7 principles to take into account when preparing a development contributions policy or when requiring a development contribution as follows:
 - a) Development contributions can only be required when the effect of development is to require territorial authorities to have provided, or to provide, new or additional assets or assets of increased capacity.
 - b) Development contributions should be determined in a manner that is generally consistent with the capacity life of assets, and in a way that avoids over-recovery of costs allocated to development contributions funding.
 - c) Cost allocations used to establish development contributions should be determined according to who benefits (including the community as a whole) as well as who created the need for assets.
 - d) Development contributions must be used for the purpose for which they were collected, and for the benefit of the district or part of the district in which they were required.
 - e) Sufficient information should be available to demonstrate what development contributions are being used for and why.
 - f) Development contributions should be predictable and consistent with the methodology and schedules in the development contributions policy.
 - g) When calculating or requiring developments contributions, territorial authorities may group development or categories of land use, provided administrative efficiencies are balanced with fairness and equity, and grouping across entire districts is avoided where practical.

[1.2] When a Development Contribution is Required

- .1 A Development Contribution is required in relation to a development when:
 - a) the effect of that development is to require new or additional assets or assets of increased capacity in terms of network infrastructure, reserves and community infrastructure; and
 - b) the Council incurs capital expenditure to provide appropriately for those assets, i.e. network infrastructure, reserves and community infrastructure.
- .2 The effect of a development in terms of impact on these assets includes the cumulative effect that a development may have in combination with other development. A Development Contributions Policy also enables Council to require a development contribution that is used to pay, in full or in part, for capital expenditure already incurred by the Council in anticipation of development.

[1.3] Limitations to the Application of Development Contributions

Council will not require a development contribution for the purposes of network infrastructure, reserves or community infrastructure in the following cases:

- a) Where it has, under Section 108(2)(a) of the Resource Management Act 1991 (RMA), imposed a condition on a resource consent in relation to the same development for the same purpose; or
- b) Where the developer will fund or otherwise provide for infrastructure such as a reserve, network infrastructure, or community infrastructure; or
- c) Where the territorial authority has received or will receive sufficient funding from a third party to fund particular infrastructure.

[1.4] Relationship to Resource Management Act 1991

- .1 Development contributions under the LGA02 are in addition to, and separate from, Financial Contributions under the RMA. While Council generally considers development contributions under this Development Contributions Policy as its main funding tool for infrastructure to provide for growth it may also require Financial Contributions under the RMA. Council may require a Financial Contribution, as a condition of consent, in accordance with any relevant rule in the District Plan under the RMA. Financial Contributions must not be applied as a condition on a consent where a Development Contribution has been required for the same purpose on the same development.
- .2 Despite the above the Council still has the power to require services or works for subdivisions or developments to avoid, remedy and mitigate the

environmental effects through resource consent conditions.

[2] City Vision and Goals

The Council outlines its City Vision and goals in Section 1 of the Long-Term Plan (LTP), which are:

[2.1] Vision:

Palmerston North: small city benefits, big city ambition.

[2.2] City Goals:

- .1 An innovative and growing city that is clever about the ways it uses its natural advantages to encourage and support innovation, entrepreneurship and new industries, and positions itself to take advantage of change to fuel sustainable growth, prosperity and wellbeing.
- .2 A creative and exciting city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people, and nurtures creative talent.
- .3 A connected and safe community: a city that includes, supports, connects and uses the talents and advantages of the whole community in the pursuit of prosperity and wellbeing. A city that has an international reputation as a safe city in which to live, study, work and play. A city that embraces its Iwi heritage and partnership, and where people connect with the city's past, celebrating its history and heritage.
- .4 An eco-city: we want a future focused city that plans for and cares about the future, enhancing its natural and built environment. Our city will realise the benefits to society from creating clean energy, lowering carbon emissions, and reducing our ecological footprint.
- .5 A driven and enabling Council and organisation that works as one team with its communities and is a catalyst and enabler for change in the city.

[3] Overview of Development Contributions Policy

Section 201 of the LGA02 outlines the required contents of a Development Contributions Policy. The following section is consistent with this requirement of the Act.

[3.1] Purpose of a Development Contributions Policy

The key purpose of the Development Contributions Policy is to ensure that growth, and the cost of infrastructure to meet that growth, is funded by those who cause the need for that infrastructure. Development Contributions are not a tool to fund the cost of maintaining infrastructure or improving levels of service. This cost will be met from other sources.

[3.2] Trigger for Taking a Development Contribution

- .1 Under Section 202 of the LGA02 Council may apply a development contribution for developments generating increased reserves, network or community infrastructure demands upon the granting of:
 - a) A resource consent; or
 - b) A building consent; or
 - c) An authorisation for a service connection.
- .2 A resource consent, building consent or authorisation for a service connection is only a trigger for taking developing development contributions in the sense of timing, not in the definitional context. The application of development contributions by Council upon the granting of a resource consent, building consent or authorisation for service connection is subject to clause 1.2 and 1.3 of this Policy.

[3.2.1] Preferred Stage of Applying a Development Contribution

It is Council's preference to apply a development contribution at the first stage of development, which is generally at the subdivision consent stage. It is not the intent of the Policy to delay the payment of contribution to subsequent consent/development stages. Deferring payment of development contributions to subsequent stages is both administratively onerous and also results in the same request at all subsequent development stages. Council considers that the subdivision consent stage is generally the most appropriate stage to take a development contribution for the following reasons:

- a) Practicality of implementation;
- b) Economies of scale in implementation costs;
- c) Fairness; and
- d) Best available knowledge for projections and allocating budgets.

[3.2.2] Payment of Development Contributions at Subsequent Development Stages

- .1 While generally development contributions will apply at subdivision consent stage, Council will apply contributions at the building consent stage or at the service connection stage on all types of development where **additional units of demand** are created in the absence of subdivision.
- .2 The Council's experience is that occasionally units of demand are created on land already subdivided. In such cases, as a matter of equity, Council will assess and seek the appropriate development contribution at the building consent or service connection stage. If additional units of demand are created in the absence of subdivision or outside of the building consent stage Council will require a development contribution at service connection stage.
- .3 Refer also to clause 5.2 (Amount, Payment and Collection of Development Contributions) and clause 5.3 (Transitional Provisions) of the Policy.

[3.2.3] Determining the Contribution Payable based on the Type of Development

- .1 There are three types of development categories in assessing a Development Contribution. These include:
 - a) Residential;
 - b) Non-Residential; and
 - c) Rural.
- .2 Development is categorised by type to adequately reflect the demand that type of development has on our infrastructure networks. When Council levies a development contribution, the expected dominant nature of activities in the underlying zone will generally determine the type of development contribution payable. For example, the dominant activity in the industrial zone will be assumed to be non-residential and will therefore be subject to a non-residential development contribution.
- .3 However, there are exceptions where the underlying zone will not appropriately reflect the dominant activity proposed for a development. For example, a residential development / dwelling in a non-residential zone. In this circumstance it may be appropriate to levy a 'residential' unit of demand to that development where there is certainty that it will be the dominant activity on that particular site.

[3.3] Activities Requiring a Development Contribution to Meet the Costs of Growth

- .1 Council may require a development contribution from any development for the following:
 - a) Capital expenditure **expected** to be incurred as a result of growth; and/or
 - b) Capital expenditure **already** incurred in anticipation of development.
- .2 Funding Council's capital expenditure for growth with development contributions must be considered alongside Council's other funding tools. Development Contributions will be required from development under this Policy to meet the growth component of the future capital expenditure budgets, not met from other sources, for Community Facilities: network infrastructure, community infrastructure and reserves. Table 1 identifies activities Council will require a development contribution on.

Table 1: Activities requiring a Development Contribution

ACTIVITIES	COMMUNITY FACILITIES
Water	Network Infrastructure
Wastewater	Network Infrastructure
Roading	Network Infrastructure
Stormwater	Network Infrastructure
Parks and Reserves – Buildings and Works	Community Infrastructure
Parks and Reserves – Land	Reserves

- .3 In section 13 of the Policy is a schedule of assets that form Council's capital expenditure for growth for which development contributions will fund. The schedule of assets provides information regarding the planned programme of capital works that are yet to take place and capital works that have already taken place in anticipation of development (back works).

[3.4] Capital Expenditure Council Expects to Incur as a Result of Growth

- .1 The total estimated capital expenditure Council expects to incur, as a result of growth, to meet increased demand for network infrastructure, reserves, and community infrastructure over the next 20 years, is summarised in Table 2. The total growth component, excluding funding from other sources, of the capital expenditure budgets will be funded by development contributions.

Table 2: Summary of 20 Year Estimated Capital Expenditure and Funding for Growth¹

Activity	Total Planned Capital Expenditure Work	Total Level of Service Component	Third Party Funding	Total Estimated Growth Component (20 Years)	Total Estimated Growth Component included in the 10 Year Plan (10 Years)	Total Estimated Growth Component to be funded by the 2018 Development Contributions Policy ²
Water	73,648,510	44,424,602	-	29,223,908	25,487,294	21,378,469
Wastewater	386,237,597	309,452,700	-	76,784,897	76,104,897	57,330,349
Roading	353,654,781	254,828,281	147,840,309	98,826,500	62,974,000	49,583,900
Stormwater	33,544,000	20,625,000	-	12,919,000	12,419,000	10,222,950
City Reserves – Reserves and Community Infrastructure	49,797,137	43,280,575	10,565,000	6,516,561	5,117,223	3,919,058
Local Reserves – Reserves and Community Infrastructure	20,500,728	-		20,500,728	11,204,473	8,312,000

- .2 In determining the total estimated growth component to be funded by Development Contributions, careful consideration was given to those matters listed under section 101(3) of the LGA 02 for each individual activity (network infrastructure or community facility). Key considerations included:
- a) The nature and operation of the activity;
 - b) An analysis of who will benefit from the planned capital expenditure work; and
 - c) An analysis of who will cause the need for the planned capital expenditure work.
- .3 A detailed description of each activity, the funding approach taken for each activity and justification for the funding approach taken for each activity is included in section 6 of this Policy.
- .4 The reasons for the difference between the total estimated growth component and the total estimated growth component to be funded by this Development Contributions Policy are:

- a) Many of the growth works planned over the next 20 years will provide capacity beyond the 20 year planning horizon of this Development Contributions Policy; and
- b) The local reserves costs represent future costs in Kelvin Grove (including the Whakarongo Residential Area) and Aokautere only.
- c) The stormwater costs represent future costs in Kelvin Grove (including the Whakarongo Residential Area), Aokautere and the North East Industrial Zone Extension Area only.

[3.5] Capital Expenditure Council has Incurred in Anticipation of Development
Development contributions will also be required from development to meet the cost of capital expenditure already incurred in anticipation of development, where Council has assessed it appropriate and reasonable. The capital expenditure already incurred to meet increased growth demand for network infrastructure, reserves and community infrastructure over the next 20 years is summarised in Table 3 and will be funded by development contributions.

Table 3:
Summary of Capital Expenditure Council has Incurred in Anticipation of Development

¹ The values in Table 2 are based on the actual splits between levels of service and growth not the broad categories the individual programmes within each activity most relate to.

² As estimated in June 2018.

TOTAL CAPITAL EXPENDITURE INCURRED IN ANTICIPATION OF DEVELOPMENT TO BE FUNDED BY DEVELOPMENT CONTRIBUTIONS³

Water	\$4,529,997	
Wastewater	\$3,339,498	
Roading	\$7,912,253	
Stormwater	\$4,158,122	
City Reserves – Reserves and Community Infrastructure	\$2,037,923	
Local Reserves – Reserves and Community Infrastructure	\$2,147,126	

[3.6] Council Use of Development Contributions

- .1 Council will use development contributions only on the activity for which they are collected. This will be undertaken on an aggregated project basis for each of the activities.
- .2 Where Council anticipates funding from a third party for any part of the growth component of the capital expenditure budget, then this proportion is excluded from the total estimated growth component to be funded by development contributions in Table 2. Similarly, third party funding received for capital expenditure Council has incurred in anticipation of development has also been excluded from figures represented in Table 3.

[3.7] Level of Service

The level of service component of Council's identified infrastructure works, for the network activities, relates to increasing the level of infrastructure provision due to higher public expectation, environmental or statutory obligation e.g. environmental standards for water quality or technological improvements. The level of service proportion of the identified infrastructure works will not be funded by development contributions. Approved Council Asset Management Plans for each activity define the relevant level of service for that activity.

[3.8] Implementation and Review

- .1 It is anticipated that this policy will be updated on a three yearly basis, or at shorter intervals if Council deems it necessary. Any review of the policy will take account of:
 - a) Any changes to significant assumptions underlying the Development Contributions Policy;
 - b) Any changes in the capital development works programme for growth;
 - c) Any changes in the pattern and distribution of development in the District;
 - d) Any changes that reflect new or significant modelling of the networks;
 - e) The regular reviews of the Funding and Financial Policies, and the LTP;
 - f) Any issues associated with the implementation of the Policy; and
 - g) Any other matters Council considers relevant.
- .2 The three year review period of the Policy is preferred and takes into account

the following:

- a) The need for certainty of the fee structure over a reasonable duration; and
 - b) Alignment with the required statutory update of the Council's LTP.
- .3 The Policy would only be reviewed at a shorter interval than the preferred three-year period where there was a significant change in the projected growth rates and assumptions, or issues associated with the implementation of the Policy arise, or a large growth capital work is required that was not anticipated.

[3.9] Development contribution applications for land within a Boundary Reorganisation Scheme under the Local Government Act 2002

Development contributions for subdivision or development of land within an area subject to a Boundary Reorganisation Scheme under the Local Government Act 2002 will be assessed and payable under the Palmerston North City Council Development Contributions Policy only after the Scheme comes into effect. The expected dominant nature of activities in the underlying zone will generally determine the area and type of development contribution payable. Further guidance on determining a contribution payable based on the type of development is provided in section 3.2.3.

[4] Significant Assumptions of the Development Contributions Policy

[4.1] Approach to Methodology

In developing a methodology for the Development Contributions Policy, Council has taken an approach to ensure that the cumulative effect of development is considered from a system-wide perspective. This policy considers the specific infrastructure demands created by individual developments in the context of Council's wider community responsibilities as an infrastructure service provider.

[4.2] Development Contribution Areas

For the purposes of development contributions the City is broken into twenty one development contribution areas based on activity service catchments (Refer to Map 1 in Appendix A to this policy). This map is indicative only and zones may change during the life of this Policy. Where a zone does change, for example from rural to residential, then the principles of Section 3.2.3 shall apply. Where a rural zone is changed to a residential or non-residential zone those fees attributable to Development Contribution Area B shall apply and be based on the dominant type of development within the new zone.

[4.3] Planning Horizons

A 20-year timeframe is being used as a basis for forecasting growth and applying a development contribution. This is consistent with Council's asset management

³ As calculated in June 2018.

planning horizons. Benefits will be distributed over that timeframe with averaging to avoid the effects of lumpy infrastructure⁴ works within any given year on development contributions.

[4.4] Projecting Growth

- .1 To estimate the number of residential and rural developments Council expects over a 20-year period, this policy has used, and has maintained consistency with, Council's urban growth planning and asset management planning data. Projected growth for residential and rural development is a medium growth scenario based on a specific Palmerston North projection, which also accommodates the additional margins required by the National Policy Statement for Urban Development. Based on this growth the rate of accumulating population growth is projected to be 1.3% over a 20-year period. Over the next 20-year period, the rate of accumulating household growth is projected to increase by 1.4% per annum for the first 10 years and 1.2% per annum for the following 10-year period. This represents 9,171 new households in the City over the 20 year period.
- .2 Council has used past trends in non-residential land uptake to estimate the area of non-residential development Council expects each year. This represents approximately 6.8ha of non-residential development in the City. This estimate recognises that a number of non-residential developments within the City will be classified as non-residential brownfield redevelopment.

[4.5] Best Available Knowledge

Development contributions are based on capital expenditure budgets from Council Asset Management Plans, which in turn feed into the LTP budgets. 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 practicable, to reflect better information as it becomes available, as per Section 3.8 of this policy.

[4.6] Growth in the District

Continued greenfield residential development will take place in Kelvin Grove (including the Whakarongo Residential Area) and the Aokautere/Summerhill area units respectively in the short to medium term. Within the Kelvin Grove area the Whakarongo Residential Area became operative in the District Plan in 2014. It is envisaged that the Whakarongo Residential Area will provide additional greenfield land supply to the market in the short to medium term. Kikiwhenua Residential Area became operative in the District Plan in 2021. This is the first stage of the wider Kākātangiata Growth Area (formerly referred to as City West), which is intended to provide medium to long term growth for greenfield housing. During the course of the 20-year period covered by the Policy other greenfield residential areas will be required to meet the projected growth, as directed by the Innovative and Growing

⁴ Lumpy infrastructure is where in any given year there are large sums assigned given the discrete nature of the development work.

City Strategy. Further residential development within existing developed residential areas and brownfields development in the Hokowhitu Residential Area are also assumed within the district. Further rural development, in particular rural-residential development, in the district is assumed to continue at current trends.

Non-residential development is expected to continue within all relevant zones, in particular the Business Zones, the North East Industrial Zone and the North East Industrial Zone Extension Area. Where any new Greenfield areas are rezoned prior to an update of the Policy Section 4.2 shall apply.

[4.7] Unit of Demand

Different types of measurements are used to allocate units of demand for each community facility to residential, rural and non-residential developments (refer to clause 6.6.2 and table 4 – Units of Demand for Community Facilities for further guidance). Council will demonstrate that it has attributed units of demand to particular developments or types of developments on a consistent and equitable basis. For all activities a differentiation is made between residential, rural and non-residential development due to the demand and use they place on the network activities. A specific explanation of units of demand allocated for each activity is provided in Section 6 of this policy. Clauses 6.6.4 – 6.6.7 provide specific guidance for measuring units of demand for certain types of activities and different development scenarios e.g. Multi-unit residential development and development in the absence of subdivision.

[5] Administration of Development Contributions

[5.1] Additional Considerations: Reconsiderations, Postponements, Refunds and Special Circumstances of Development Contributions

[5.1.1] Reconsiderations and Postponements

At the request of the applicant, the development contribution required on a development may be reconsidered or postponed.

[5.1.2] Reconsideration Criterion

- .1 An applicant may request the Council to reconsider a requirement to make a development contribution if the applicant has grounds to believe that:
 - a) The development contribution was incorrectly calculated or assessed under the 2018 Development Contributions Policy;
 - b) The Council incorrectly applied the 2018 Development Contributions Policy; and
 - c) The information relied upon to assess the applicant's development against the 2018 Development Contributions Policy, or the way the Council recorded or used the information when requiring a development contribution, was incomplete or contained errors.
- .2 A person may not apply for a reconsideration of a requirement for a

development contribution if the person has already lodged an objection to that requirement under section 199C and Schedule 13A of the LGA02.

- .3 A reconsideration must be applied for before a development contribution payment is made to Council. Council will not allow reconsiderations retrospectively.

[5.1.3] Postponements

Postponement of the land-based⁵ portion of a development contribution applicable to the balance lot⁶ of a development may be allowed in the following circumstances:

- a) The development contribution is deemed by Council to be manifestly excessive given that no immediate capital works or expenditure are planned or required by Council.

[5.1.4] Postponements Criterion

- .1 Postponements must be applied for before a development contribution payment is made to Council. Council will not allow postponements retrospectively.
- .2 The postponed land-based portion of a development contribution will be reassessed at the next and any subsequent development phase. .
- .3 In certain circumstances the Council may choose to only postpone part of the land-based portion of a development contribution applicable to the balance lot.
- .4 The postponed land-based portion of the development contribution that is applied at a subsequent development phase will be assessed on the development contribution charges applicable at that time.
- .5 Postponement of the land-based portion of a development contribution required on a development does not indicate that the development does not create additional units of demand.

[5.1.5] Process for Reconsideration of a Development Contribution

- .1 A request for reconsideration must be made within 10 working days after the date on which the applicant receives notice from the Council of the level of development contribution that the Council requires.
- .2 A request for reconsideration must be made in writing to the Council and identify the basis on which the reconsideration is sought.

⁵ The land-based portion of a development contribution includes those charges that are calculated on the area of land included within a development.

⁶ A balance lot is a remaining allotment not yet intended for development that will be developed at a later date.

- .3 The Council will consider the request for reconsideration with respect to the criteria set out in clause 5.1.2 of the Policy.
- .4 The Council may reject, uphold, reduce or cancel the original amount of development contribution required and shall communicate its decision in writing to the person who lodged the request within 15 working days of receiving the request.
- .5 The Council will make the decision, by way of delegation to officers to an appropriate level, on the papers without convening a hearing.
- .6 A person who requested the reconsideration may object to the outcome of the reconsideration in accordance with section 199C and Schedule 13A of the LGA02.
- .7 An applicant may request a remission for a development contribution fee assessed prior to 8 September 2014 under clause 5.1.5 of the 2012 Development Contributions Policy as if the Policy had not been subsequently amended or replaced on or after 8 September 2014.

[5.1.6] Process for Consideration for Postponement of Development Contribution

- .1 Any request for postponement of a development contribution shall be made by notice in writing, from the applicant to Council, before development contributions required on the development are paid. Any request for postponement shall set out reasons for the request.
- .2 In undertaking the review:
 - a) Council shall consider the request as soon as reasonably practicable.
 - b) Council may, at its discretion postpone the original amount of development contribution required on the development and shall communicate its decision in writing to the applicant within 15 working days of receiving the request.
 - c) Council will make the decision, by way of delegation to officers to an appropriate level, and on the papers.
- .3 Where Council decides to consider such a postponement the following matters will be taken into account:
 - a) The Development Contributions Policy.
 - b) The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by Council in its capital works programme.
 - c) Existing uses on the allotment area of the proposed development.
 - d) Development contributions paid and/or works undertaken and/or land set aside as a result of:
 - i) Development Contributions.
 - ii) Agreements with Council.
 - iii) Financial Contributions under the RMA.
 - e) Any other matters Council considers relevant.

- f) The timing, likelihood and type of capital works or expenditure planned or required within or surrounding the postponed balance lot.
- .4 In any case, Council retains the right to uphold the original amount of development contributions levied on any particular development.
- .5 The applicant may request a further review of an officer's determination on a request for postponement. That review will be undertaken by the Council's Hearings Committee. No further review will be available unless:
 - a) The further request is received by Council together with the prescribed fee within 20 working days of receipt of the officer's decision; and
 - b) The Hearings Committee gives leave for a further review.
- .6 The Hearings Committee will determine an application for leave on the papers. The Hearings Committee may give leave for a further review only if it is clearly arguable that the development contributions are manifestly excessive.
- .7 A Council decision must not have the practical effect of altering the methodology of this policy including the underlying averaging approach inherent to the calculation of units of demand.

[5.1.7] Objection

- .1 An applicant may object to the assessed amount of a development contribution required by the Council.
- .2 The right to make an objection applies irrespective of whether a reconsideration of a requirement for a development contribution has been requested.
- .3 Pursuant to section 199C of the LGA02, the right to make an objection does not apply to challenges to the content of the Development Contributions Policy.

[5.1.8] Objection Criterion

- .1 An objection may be made only on the grounds that the Council has:
 - a) Failed to properly take into account features of the objector's 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 city or within parts of the city; or
 - b) Required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or

- c) Required a development contribution in breach of section 200 of the LGA02 (Limitations applying to requirement for a development contribution); or
- d) Incorrectly applied its development contributions policy to the objector's development.

[5.1.9] Process for Objection

- .1 An objection must be made to Council within 15 working days after the date on which the applicant received notice from the Council of the level of development contribution that the Council requires.
- .2 If the applicant has received notice of the outcome of a reconsideration under clause 5.1.5(.4) of the Development Contributions Policy, the 15 working day clause in 5.1.9(.1) begins on the day after the date on which the applicant receives written notice of the reconsideration outcome.
- .3 The request to the Council for an objection must:
 - a) Be in writing; and
 - b) Set out the grounds and reasons for the objection; and
 - c) State the relief sought; and
 - d) State whether the objector wishes to be heard on the objection.
- .4 The Council will as soon as practicable after receiving the objection select no more than 3 development contributions commissioners to decide the objection.
- .5 A hearing on an objection need not be held if:
 - a) The objector has indicated they do not wish to be heard or has otherwise agreed that no hearing is required; or
 - b) The development contribution commissioner/s who will hear and decide the objection are satisfied, having regard to the nature of the objection and the evidence already provided, that they are able to determine the objection without a hearing.
- .6 The selected development contribution commissioners will give parties notice of the date by which briefs of evidence relating to the objection must be exchanged. Briefs of evidence, and any additional or amended evidence, must be exchanged not later than 10 working days before:
 - a) The commencement of a hearing; or
 - b) If there is no hearing, a date fixed by the commissioners.
- .7 Written copies of the development contributions commissioners' decision will be served on the objector and the Council within 15 working days after:
 - a) The end of the hearing; or

- b) If no hearing is held, the last day of the commissioners' consideration of the evidence.

.8 If an applicant objects to the Council's requirement that a development contribution be made, the Council may recover from the applicant, pursuant to section 150A of the LGA02, its actual and reasonable costs in respect of the objection. The costs the Council may recover include:

- a) The selection, engagement, and employment of the development contributions commissioners; and
- b) The secretarial and administrative support of the objection process; and
- c) Preparing for, organizing, and holding the hearing.

.9 An applicant may object to a development contribution fee assessed on or after 8 September 2014 under clause 5.1.9 of the 2015 Development Contributions Policy.

[5.2.0] Refunds

.1 The refund of money and return of land if development does not proceed and refund of money or return of land if not applied to specified reserves purposes will be applied in accordance with Sections 209 and 210 of the LGA02 as set out in Appendix B.

.2 Any refunds will be issued to the consent holder of the development to which they apply and will not be subject to any interest or inflationary adjustment.

[5.2] Amount, Payment and Collection of Development Contributions

.1 Any resource consent, building consent or service connection applications received on or after the date the 2018/28 LTP came into effect (1 July 2018) will be subject to a development contributions charge under this Policy (the 2018 Policy).

.2 The development contribution payable during the life of this Policy shall not be less than the amounts shown in the attached schedule of fees and shall increase annually on 1 July of each year, in accordance with the following formula:

$$DC = BC \times (PPIC / PPIB)$$

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs)⁷ for the base year⁸.

.3 Subject to the Council's powers under section 208 LGA 02 the development contribution assessed under this Policy may be paid at any time until the consent or authorisation that triggered the assessment lapses or expires. If the consent or authorisation lapses or expires, a new consent will be required in which case the development contribution payable will be re-assessed. If the development contribution is not paid within 12 months of the date the assessment was made, then the development contribution shall increase annually on 1 July each year by the amount of increase in the Producer's Price Index – Construction for that year.

.4 Development contributions payable on resource consents, building consents or service connections will not be re-assessed following an update to the Policy.

.5 If payment of development contributions is not received Council will exercise its powers outlined in Section 208 LGA02. Those provisions state that until a development contribution required in relation to a development has been paid or made under section 198, a territorial authority may:

- a) In the case of a development contribution required under section 198(1)(a), -
 - i) Withhold a certificate under section 224(c) of the Resource Management Act 1991;
 - ii) Prevent the commencement of a resource consent under the Resource Management Act 1991;
- b) In the case of a development contributions required under section 198(1)(b), withhold a code of compliance certificate under section 95 of the Building Act 2004;
- ba) in the case of a development contribution required under section 198(4A), withhold a certificate of acceptance under section 99 of the Building Act 2004;
- c) In the case of development contribution required under section 198(1)(c), withhold a service connection to the development; and
- d) In each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.

[5.3] Transitional Provisions

.1 Any resource consent, building consent or service connection applications received on or after the date the interim 2004/2005 – 2013/2014 10 Year Plan came into effect (1 July 2004) but before any subsequent Policy came into

⁷ December 2010 Quarter (=1000)

⁸ The year the Development Contributions Policy was updated

effect will be subject to a development contributions charge under the 2004 Policy and will not be reassessed based on the fees applicable under the 2006 Policy or any other Development Contributions Policy adopted by Council.

- .2 Any resource consent, building consent or service connection applications received on or after the date the 2006/2007 – 2015/2016 10 Year Plan came into effect (1 July 2006) but before any subsequent Policy came into effect will be subject to a development contributions charge under the 2006 Policy and will not be reassessed based on the measure of a unit of demand and fees applicable under the 2007 Policy or any other Development Contributions Policy adopted by Council.
- .3 Any resource consent, building consent or service connection applications received prior to the date the 2007/2008 Annual Plan came into effect (1 July 2007) will not be subject to Producer's Price Index – Construction adjustment.

[5.4] Valuing of Land

Council will no longer accept land as a development contribution. All land requirements for reserves purposes will be obtained through sale and purchase agreements outside of this development contributions policy. Future land requirements for reserves purposes are budgeted for in Council's Recreation and Community Facilities Asset Management Plan. Council will use structure plans and where appropriate, designation processes under the RMA to identify future reserve requirements.

[5.5] Special Circumstances

- .1 Council reserves the discretion to enter into specific arrangements outside the Development Contributions Policy with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of units of demand. Where a development is considered to be a special circumstance, an individual assessment will be undertaken by Council to determine the effect of the development on the network infrastructure, reserves and community facilities and the development contributions amount payable.
- .2 A development may be identified as a special circumstance for one of the following reasons:
 - a) The potential effect the development may have on the capacity of the network infrastructure, reserves and community infrastructure is likely to be greater than that taken into account when developing a methodology for the Development Contributions Policy and calculating the development contributions charges per unit of demand.
 - b) The development is likely to require the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type

or scale which is not readily assessed in terms of units of demand.

- .4 Significant adverse effects on infrastructure of particular developments will be considered as part of the evaluation of application for resource consent and may influence consideration of the application in the absence of agreed mitigation with the Council.

[5.6] Development Agreements

- .1 Pursuant to section 207A of the LGA02, a developer may request that the Council enter into a contractual agreement with the developer to provide infrastructure as an alternative to paying all or part of a development contribution. The contractual agreement in this instance is called a "development agreement".
- .2 Pursuant to section 207B of the LGA02, the Council will consider the request for a development agreement and provide written notice to the developer of its decision on the request, and the reasons for the decision without unnecessary delay.
- .3 The content and effect of a development agreement must comply with sections 207D and 207E of the LGA02.

[5.7] Non-Residential Brownfield Redevelopment

- .1 Non-residential brownfield redevelopment⁹ generally places negligible increased demand on the capacity of the network infrastructure. This is because it occurs in established areas and the new or altered activities and buildings established on the site generally place a similar demand on the network infrastructure as the previous activity or building. For this reason non-residential brownfield redevelopment does not create additional units of demand.
- .2 Non-residential brownfield redevelopment will generally occur on allotments that have not paid development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies).
- .3 The alteration of an existing non-residential building or construction of a new non-residential building may still create additional units of demand and be subject to development contributions (refer to sections 6 and 7 for further guidance) e.g. the extension of a non-residential building established after 1

⁹ Brownfield redevelopment means further development of sites that are developed at or over 40% site coverage, or were at some time in the past at or over 40% site coverage, provided the buildings located on the site were established prior to 1 July 2004, and specifically includes:

- further subdivision of the site;
- alterations and additions to existing buildings; and
- the demolition of existing buildings and construction of new buildings

July 2004 located on an allotment that has not paid any development contributions in the past based at the subdivision stage.

The applicant shall provide sufficient information to enable the Council to determine whether or not:

- a) A development is a non-residential brownfield redevelopment: and
- b) Existing or past site coverage was or is legally established under the RMA and or the Building Act.

[5.8] Massey University – Turitea Campus

The Massey University Turitea Campus¹⁰ is made up of a number of different sites. For the purposes of clause 5.7 (Non-Residential Brownfield Redevelopment), the various sites that make up the Massey University Turitea Campus shall be considered as one site.

[5.9] Tax – GST

Development contributions required will incur a Goods and Services Tax upon assessment of a contribution payable.

[5.10] Cross Area Development

In the situation where a proposed development lies partially in each of two or more development contribution areas, the development contribution for the entire development will be calculated based on the contribution applicable to the development contribution area that contains the majority of the development allotment area.

[6] Community Facilities: Network Infrastructure, Reserves and Community Infrastructure

[6.1] Water

- .1 The water reticulation network is made up of four service catchments, being the Palmerston North, Ashhurst, Longburn, and Bunnythorpe urban areas. Each of the defined service catchments of the water reticulation system is characterised by interdependent components. For the purposes of development contributions, the water reticulation network is optimised to include only those components necessary to the effective operation of the network-wide system.
- .2 Interdependence within the network creates a need for integrated management of the operation of these necessary components. As such, the management of this network is undertaken with network-wide supply and demand issues in mind. This network is referred to as the 'Integrated Water Network' and its components in the service catchments are defined visually

on Map 2 in Appendix C.

.3 The Integrated Water Network for water is made up of:

- a) All trunk and distribution pipelines, valves, and hydrants 200 mm in diameter or larger
- b) All reservoirs
- c) All water sources capable of delivering more than 1,000 m³/day, including but not limited to the Turitea Water Treatment Plant and all bores
- d) Any pipe(s) that are not trunk or distribution pipelines but provide capacity to the Integrated Network

The Integrated Network contains trunk mains and distribution mains. These pipelines have an important function in transferring water from source (trunk mains) to a series of pipes that convey water to areas or groups of streets (distribution mains). Local pipes receive water from distribution mains and serve individual properties. Local pipes are part of the overall water network but in most cases, but not all, do not form part of the integrated network for the purpose of the Development Contributions Policy.

.4 Inadequate capacity in a trunk or distribution main can have a significantly greater impact on the overall operation of the water network than inadequate capacity in a smaller localised pipe.

.5 The requirement to provide water in sufficient volumes at a required pressure and for the extinguishing of fires guide the decision of which components of the overall water network make up the Integrated Network. Achieving the required flows and pressures established in Council's level of service for every property (including at extreme ends of the network) means that those pipes conveying water from source to trunk mains and distribution mains need to have sufficient capacity to ensure levels of service are met. As growth occurs the capacity of trunk and distribution mains need to be increased to ensure levels of service are maintained.

[6.1.1] Development Contributions Approach

A development contribution for the identified water service catchments will be based on the value of future identified growth works and growth works incurred in anticipation of development on each of the service catchments in the 'Integrated Water Network'. The anticipated future works on the 'Integrated Water Network' in each area are identified in the Palmerston North City Council's Water Asset Management Plan and the values are summarised in Table 2 in Section 3.4 of this Policy. The value of growth works incurred in anticipation of development is summarised in Table 3 in Section 3.5 of this Policy.

¹⁰ Massey University Turitea Campus means land that is occupied by Massey University whether leasehold or freehold that is zoned Institutional within the Palmerston North City District Plan.

[6.1.2] Who Gets Charged?

Under the above outlined method, all new developments in the service catchments will be subject to a development contribution within identified development contribution areas. The only exclusions (at present) are:

- a) Developments in the rural area that are not connected to the City water systems (Development Contributions Area A); and
- b) Developments in Longburn and Bunnythorpe that have a separate water network on which no future growth works are planned (at present) (Development Contribution Areas Q and R).

[6.1.3] Justification for Approach

All growth works on the 'Integrated Water Network' are considered to contribute to the function of the integrated network. All components of the integrated network also have excess capacity that will cater for anticipated future capacity uptake. Any identified capital development growth-related works undertaken on the identified integrated network add to the capacity of the existing integrated network directly.

[6.1.4] Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.
- .2 The following factors have been used to portion out the 20-year residential and non-residential growth costs for water:
 - a) an average residential – non-residential water demand ratio;
 - b) the average number of equivalent household units per hectare; and
 - c) the residential and non-residential growth projections.
- .3 All residential and non-residential development is assumed to create a unit of demand. All rural development is assumed to create zero units of demand.
- .4 The measure for a residential unit of demand is:
 - a) per additional allotment at subdivision; or
 - b) per connected equivalent household unit at building consent or service connection.
- .5 The measure for a non-residential unit of demand is:
 - a) per 100m² of allotment area at subdivision; or
 - b) per 100m² of Gross Floor Area (GFA) at building consent or service connection.
- .6 The measures for units of demand is summarised at the end of this section in Table 4.
- .7 Refer also to clause 5.5 (Special Circumstances) and clause 5.7 (Non-Residential Brownfield Redevelopment).

- .8 Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.2] Wastewater

- .1 The wastewater reticulation network is made up of three discrete service catchments. The first service catchment is made up of the Palmerston North, Ashhurst and Bunnythorpe urban areas. The second service catchment is Longburn. The third service catchment are pressure sewer areas, which are intended to service Kakatangiata, North East Industrial Zone Extension, and the Napier Road Residential Extension Area. Each of the defined service catchments of the wastewater system is characterised by a combination of interdependent components. For the purpose of development contributions, the wastewater network is rationalised to include only those components necessary to the effective operation of the network-wide system.
- .2 Interdependence within the network creates a need for integrated management of the operation of these necessary components. As such, the management of the identified network is undertaken with network-wide supply and demand issues in mind. This network is referred to as the 'Integrated Wastewater Network' and its components are defined visually on Map 3 in Appendix D
- .3 To be considered part of the Integrated Wastewater Network an asset must first have a direct connection to and be hydraulically linked to the existing Integrated Network. The Integrated Network for wastewater is made up of:
 - a) Any trunk or collector gravity pipe of 250mm or larger.
 - b) Pump stations and associated pressure pipelines at Jickell Street, Massey, College Street, Tremaine Avenue, and Ashhurst.
 - c) Any new pump station carrying a flow equivalent to that produced by 3,000 persons (35 l/sec) or more.
 - d) Wastewater treatment plant(s) serving Palmerston North, Ashhurst, and Bunnythorpe, and any oxidation ponds.
 - e) Any pipe(s) that are not a trunk or collector gravity pipe of 250mm but provide capacity to the Integrated Network.

The Integrated Network contains a series of main trunk pipelines which carry large volume of flows to the treatment plant. Collector pipes convey flows from local streets to the trunk mains. A number of smaller more localised pipes connect into each collector or directly to the trunk mains.
- .4 Wastewater pipes serving individual properties or pipes in a local street connecting to another street do not contribute to or have a very limited impact on the overall operation of the wastewater network. However, overloading of one trunk main or collector pipe could have significant network wide operational impacts due to hydraulic inter-connectivity of the trunk pipes. Inadequate capacity in one trunk could have an effect on another trunk placing the entire system under stress.

- .5 There is a degree of interdependence between the trunk systems that creates a requirement for management and operation of the system at a network level. The inter-dependency of the trunks and the resulting requirement to manage system operation at a network level enable identification of those components that form the Integrated Network. Consequently, the demarcation of components at trunk and collector level and, in the case of pump stations, at a capacity level, is considered appropriate for determining which components of the system form the Integrated Network.
- .6 *The Integrated Wastewater Network and Villages – Ashhurst, Bunnythorpe and Longburn* – Both Ashhurst and Bunnythorpe are connected to the existing Integrated Network and the nature of the connection means they are hydraulically linked with the City's Integrated Network. For these reasons both Ashhurst and Bunnythorpe are considered as part of the City's Integrated Network for wastewater. The wastewater trunk main serving Longburn is directly connected to the treatment plant. However the trunk main is not connected to or hydraulically linked to the City's Integrated Network. For these reasons Longburn it is not considered part of the City's Integrated Network.

[6.2.1] Development Contributions Approach

The development contribution is based on the value of future identified growth works and growth works incurred in anticipation of development in each of the service catchments in the 'Integrated Wastewater Network'. The anticipated future works on the 'Integrated Wastewater Network' are identified in the Palmerston North City Council's Wastewater Asset Management Plan and the value is summarised in Table 2 in Section 3.4 of this Policy. The value of growth works incurred in anticipation of development is summarised in Table 3 in Section 3.5 of this Policy.

[6.2.2] Justification for Approach

All growth works on the 'Integrated Wastewater Network' are considered to service any allotment within the specified boundary, up to a uniform service level, at any time. All necessary components of the integrated networks also have excess capacity that will cater for anticipated future capacity uptake. Any identified capital development growth-related works undertaken on the identified integrated network add to the capacity of the existing integrated network directly.

[6.2.3] Who Gets Charged?

Under the above outlined method, all new developments in the Palmerston North, Ashhurst and Bunnythorpe service catchments will be subject to a development contribution within identified development contribution areas. The only exclusions (at present) are:

- a) developments in the rural area that are not connected to the City wastewater systems (Development Contributions Area A); or
- b) developments in Longburn that have a separate wastewater network on which no future growth works are planned (at present)

(Development Contributions Area R).

[6.2.4] Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.
 - .2 Production of wastewater correlates closely with the consumption of water. Therefore the following factors have been used to portion out the 20-year residential and non-residential growth costs for wastewater:
 - a) an average residential – non-residential wastewater demand ratio.
 - b) the average number of equivalent household units per hectare.
 - c) the residential and non-residential growth projections.
 - .3 All residential and non-residential development is assumed to create a unit of demand. All rural development is assumed to create zero units of demand.
 - .4 The measure for a residential unit of demand is:
 - a) per additional allotment at subdivision; or
 - b) per connected equivalent household unit at building consent or service connection.
 - .5 The measure for a non-residential unit of demand is:
 - a) per 100m² of allotment area at subdivision; or
 - b) per 100m² of GFA at building consent or service connection.
 - .6 The measures for units of demand is summarised at the end of this section in Table 4.
 - .7 Refer also to clause 5.5 (Special Circumstances), clause 5.7 (Non-Residential Brownfield Redevelopment).
 - .8 Further guidance on measuring units of demand is provided in sections 6.6 and 7.
- #### **[6.3] Rooding**
- .1 The roading network service is contained within the Palmerston North City Council territorial boundary. The roading network is characterised by a combination of interdependent components. Interdependence within the network creates a need for integrated management of operation of these components. As such, the management of the network is undertaken with network-wide supply and demand issues in mind.
 - .2 For the purposes of development contributions, the roading network is considered to be an unrestricted system. This means that the roading network can be accessed by anyone at any time in the City. The roading network is defined visually on Map 4 in Appendix E.

- .3 To be considered part of the Integrated Roding Network a road must be classified, or proposed to be classified, in the Palmerston North City District Plan roding hierarchy as either a Major Arterial, Minor Arterial or Collector Road.

[6.3.1]Development Contributions Approach

- .1 Development contributions are applied citywide and are based on the value of future identified growth works and growth works incurred in anticipation of development on the roding network. The anticipated future growth capital development works are identified in the Palmerston North City Council's Roding Asset Management Plan and the values are summarised in Table 2 in Section 3.4 of this Policy. The value of growth works incurred in anticipation of development is summarised in Table 3 in Section 3.5 of this Policy. The development contribution for the roding network is based on the proportion of these works that have been assessed as the result of increased demand generated by new residential, rural and non-residential development.
- .2 The proportion of future growth works resulting from increased demand attributable to new residential and non-residential development is determined by Council from data collected for Palmerston North City Council's Transportation Management Plan.

[6.3.2]Who Gets Charged?

Under the above outlined method, all new developments in all development contribution areas will be subject to a development contribution for the roding network.

[6.3.3]Justification for Approach

All components included in the development contribution for the roding network are considered to service any allotment within the specified boundary, up to a uniform service level, at any time. The current network also has excess capacity that has been planned and will cater for anticipated future capacity uptake. Any identified capital development works undertaken on the network enhance the capacity of the existing integrated network directly.

[6.3.4]Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.
- .2 The following factors have been used to portion out the 20-year rural, residential and non-residential growth costs for roding:
- a) average vehicle trip generation data for residential and non-residential activities.
 - b) the residential and non-residential growth projections.

- .3 All residential, non-residential and rural development is assumed to create a unit of demand.
- .4 The measure for a residential and rural (dwellings) unit of demand is:
- a) per additional allotment at subdivision; or
 - b) per connected equivalent household unit at building consent or service connection.
- .5 The measure for a non-residential unit of demand is:
- a) per 100m² of allotment area at subdivision; or
 - b) per 100m² of GFA at building consent or service connection.
- .6 The measure for a rural (other) unit of demand is:
- a) per 100m² GFA at building consent or service connection.
- .7 The measures for units of demand is summarised at the end of this section in Table 4.
- .8 Refer also to clause 5.5 (Special Circumstances) and clause 5.7 (Non-Residential Brownfield Redevelopment).
- .9 Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.4] Stormwater

- .1 The stormwater network is defined using a catchment-based approach because it is dependent on natural geographical features and events. The stormwater network is characterised by a number of relatively autonomous service catchments and within each of these is an integrated system of interdependent network components. For the purposes of this policy there are thirteen defined service catchments that make up twenty one development contribution areas.
- .2 Stormwater infrastructure development within service catchments is based on a defined level of service, as outlined in Council's Stormwater Asset Management Plan, under a fully developed catchment scenario. For the purpose of development contributions specific demand analysis has been undertaken on existing service catchments and infrastructure requirements have been identified as a result.

[6.4.1]Development Contributions Approach

- .1 A stormwater development contribution for each of the thirteen service catchments is based on the value of components to be located within each in order to meet the defined level of service under the fully developed catchment scenario. Anticipated future components are identified in Council's Stormwater Asset Management Plan capital development budgets.

- .2 Current and planned future stormwater infrastructure provided in the thirteen service catchments is anticipated to cater for the entire catchment when it is fully developed. Thus, in partially developed service catchments, infrastructure provision identified will specifically cater for growth in that service catchment.

[6.4.2]Who Gets Charged?

Under the above outlined method, all new developments in development contribution areas F, G, H, I, J, K L, M, N, O, and P will be subject to a development contribution. New developments in other catchments will not be required to pay any development contributions for stormwater.

[6.4.3]Justification for Approach

- .1 Demand investigations, undertaken by Council, tested stormwater catchments under a fully developed scenario. Investigations suggested that additional development within existing developed stormwater catchments would have little effect on the demand for additional stormwater infrastructure. In contrast, additional development in partially developed catchments had a significant effect on the demand for additional stormwater infrastructure.
- .2 Only Aokautere, Kelvin Grove (including the Whakarongo Residential Area) and the North East Industrial Zone Extension Area stormwater service catchments will be subject to development contributions for stormwater as other identified stormwater catchments have level of service deficiencies that require remedy before it is appropriate to further develop infrastructure for growth, and thus apply a development contribution in these catchments. As a result of the findings of these demand investigations Council will apply development contributions to partially developed service catchments only. Identified partially developed catchments are illustrated on Map 5, 6 and 7 in Appendices F, G and H.

[6.4.4]Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.
- .2 The allotment area of development and hence information related to site coverage and impermeable surface area has been used to calculate a unit of demand.
- .3 All residential development is assumed to create one unit of demand. All rural development is assumed to create zero units of demand. All non-residential development is assumed to create two units of demand.
- .4 The measure of a unit of demand is per 700m² of allotment area.
- .5 The measures for units of demand is summarised at the end of this section in

Table 4.

- .6 Refer also to clause 5.5 (Special Circumstances) and clause 5.7 (Non-Residential Brownfield Redevelopment).
- .7 Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.5] Reserves and Community Infrastructure

- .1 The Palmerston North City reserves and community infrastructure asset comprises two distinct parts. They are: land zoned as reserve and identified for recreational purposes ("reserves"), and infrastructure associated with that zoned land ("community infrastructure"). Community infrastructure includes capital developments and facilities associated with the identified reserves, such as playgrounds, car parks, and fences.
- .2 The reserves and community infrastructure assets are also distinguished at two levels, these being "citywide" and "local".

RESERVES AND COMMUNITY INFRASTRUCTURE

...
"Citywide" "Local"

[6.5.1]Citywide Reserves and Community Infrastructure

The primary purpose of citywide reserves and community infrastructure is to provide active recreational facilities to the city community. Citywide reserves are destination reserves that are accessed for recreational purposes from all areas of the City and people within the Palmerston North City boundary. The citywide reserves and community infrastructure service catchment is illustrated on Map 8 in Appendix I.

[6.5.2]Local Reserves and Community Infrastructure

Identified local reserves and community infrastructure primarily serve a local area. The primary purpose of these assets is to provide amenity for local areas by breaking up the urban environment and also to provide for passive recreation. Local reserves are not considered destination type reserves. Local reserves and community infrastructure service catchments are illustrated on Maps 1, 9 & 10 in Appendices A, J & K.

[6.5.3]Development Contributions Approach

A city development contribution is based on the value of identified future provision of citywide reserves and community infrastructure and the provision that has incurred in anticipation of development.

A local development contribution is based on the value of identified future provision of local reserves and community infrastructure and the provision that has incurred in anticipation of development.

[6.5.4] Who Gets Charged?

- .1 All residential and rural developments (dwellings and additional allotments only) in all development contribution areas will pay a citywide development contribution for 'citywide' reserves and community infrastructure.
- .2 All residential development within the Kelvin Grove (including the Whakarongo Residential Area) and Aokautere/Summerhill development contributions areas will pay a development contribution for 'local' reserves and community infrastructure.

[6.5.5] Justification for Approach

- .1 The assumed demand for citywide reserves and community infrastructure is created and driven as a result of additional people, or residential households, being located within the Palmerston North territorial boundary. As citywide reserves and community infrastructure are destination reserves, increased demand can come from anywhere within the defined city boundary from both residential and rural development. Non-residential development is generally assumed to have no impact on the demand for citywide reserves and community infrastructure networks.
- .2 As one of the key purposes of 'local' reserves and community infrastructure is to provide amenity by breaking up the urban environment, it is assumed for the purposes of development contributions that the key driver and demand for the provision of such 'local' assets is the take up of land in a defined local area. While local population increase within a defined local area does have a bearing on the provision of local reserves, ultimately there is only a finite land area in which to provide local reserves. Residential development is considered to have an impact on the provision of local reserves because of the development of land area and the need for local reserves to provide amenity by breaking up the urban environment and provide for passive recreation needs.

[6.5.6] Legislative Considerations

- .1 A development contribution for reserves may not exceed the greater of 7.5% of the value of additional allotments created by a subdivision and the value equivalent of 20 square metres of land for each additional household unit created by the development.
- .2 A development contribution for community infrastructure must not exceed the amount calculated by multiplying the cost of the relevant unit of demand calculated under clause 1 of schedule 13 by the number of units of demand assessed for a development or type of development, as provided for in clause 2 of Schedule 13 of the LGA02.

[6.5.7] Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential and rural demand.
- .2 For citywide reserves, information regarding the average resident populations and households has been used to calculate a unit of demand for citywide reserves and community infrastructure.
- .3 For local reserves, information regarding the average allotment area of development and hence information related to public access [to](#) reserve areas available has been used to calculate a unit of demand for local reserves and community infrastructure.
- .4 For **citywide reserves and community infrastructure**, all residential and rural development (dwellings and allotments only) is assumed to create one unit of demand. The measure of a unit of demand for citywide reserves and community infrastructure is per additional allotment at subdivision or per equivalent household unit at building consent or service connection.
- .5 For **local reserves and community infrastructure**, all residential development is assumed to create one unit of demand (Aokautere / Summerhill and Kelvin Grove areas only). All rural development is assumed to create zero units of demand. The measure of a unit of demand for local reserves and community infrastructure is per 700m² of allotment area.
- .6 The measures for units of demand is summarised at the end of this section in Table 4.
- .7 Refer also to clause 5.5 (Special Circumstances).
- .8 Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.6] Units of Demand for All Community Facilities Requiring a Development Contribution

[6.6.1] Key Criterion in Assessing Contributions under the Policy

- .1 The **key criterion** that Council uses to assess whether a development contribution is payable on a proposed development is '**units of demand**' and the characteristics of that unit of demand.
- .2 **Units of demand** can be assessed at subdivision, building consent and service connection stage.
- .3 **Units of demand** can also be created outside of the subdivision process i.e. an additional dwelling on an existing lot. Therefore the Policy enables Council to assess units of demand created at the building and service connection stage also.

- .4 It is Council's preference to assess and apply a development contribution at the first stage of development, namely the subdivision consent stage. The reasons for this are set out in Section 3.2.1 of this Policy and Council will apply this preference consistently.

[6.6.2] Measuring Units of Demand

- .1 Different types of measurements are used to allocate units of demand for each community facility to residential, rural and non-residential developments.
- .2 The measures for units of demand is summarised at the end of this section in Table 4.
- .3 Further guidance on measuring units of demand is provided in clauses 6.6.4 - 6.6.7 and section 7.

Water and Wastewater

- a) **Residential:** The measure of a residential unit of demand for water and wastewater is per additional allotment at subdivision or per connected equivalent household unit at building consent or service connection.
- b) **Rural:** Not applicable.
- c) **Non-Residential:** The measure of a non-residential unit of demand for water and wastewater is per 100m² of allotment area at subdivision or per 100m² of GFA at building consent or service connection.
- d) Whether a lot or site has existing services on site or at the boundary does not necessarily determine an existing unit of demand i.e. the placement of a new dwelling on a site with existing services.

.5 Roading

- a) **Residential:** The measure of a residential unit of demand for roading is per additional allotment at subdivision or per connected equivalent household unit at building consent or service connection.
- b) **Rural:** The measure of a rural (dwellings) unit of demand for roading is per additional allotment at subdivision or per equivalent household unit at building consent or service connection. The measure for a rural (other) unit of demand for roading is per 100m² GFA.
- c) **Non-Residential:** The measure of a non-residential unit of demand for roading is per 100m² of allotment area at subdivision or per 100m² of GFA at building consent or service connection.

.6 Citywide Reserves and Community Infrastructure

- a) **Residential:** The measure of a residential unit of demand for Citywide Reserves and Community Infrastructure is per additional allotment at subdivision or per equivalent household unit at building consent or service connection.

- b) **Rural:** The measure of a rural unit of demand for Citywide Reserves and Community Infrastructure is per additional allotment at subdivision or per equivalent household unit at building consent or service connection.
- c) **Non-Residential:** Not applicable.

.7 Stormwater and Local Reserves and Community Infrastructure

- a) **Residential:** Access to stormwater, local reserves and community infrastructure is limited to the land area within specific service catchment areas. Therefore the measure for a residential unit of demand for stormwater, local reserves and community infrastructure is per square meter of allotment area developed. Each equivalent household unit is assumed to occupy 700m² of allotment area.¹¹
- b) **Non-Residential:** Access to stormwater and community infrastructure is limited to the land area within specific service catchment areas. Therefore the measure for a non-residential unit of demand for stormwater and community infrastructure is per square metre of allotment area developed. Each equivalent household unit is assumed to occupy 700m² of allotment area.¹²
- c) **Rural:** Not applicable.
- d) **Non-Residential:** Not applicable to Local Reserves.

[6.6.3] Applying Units of Demand

- .1 Individual developments may create multiple units of demand for any of the given community facilities. To determine the number of units of demand created by development on a particular community facility the unit of demand factor is multiplied by the number of measures associated with the development as defined in 6.6.2 and shown in Table 4. Examples of applying the units of demand to development can be found in Section 10 of this policy.
- .2 Table 4 gives a summary of the assessed units of demand for residential, rural and non-residential development for each of the community facilities and should be read in conjunction with the Residential, Rural and Non-Residential Schedule of Contributions per Unit of Demand contained within section 8 of the Policy. The table also illustrates the measure associated with a unit of demand for each of the community facilities.

¹¹ The number of units of demand created is the total allotment area divided by the measure of 700m² where the allotment area is greater or lower than 700m²

¹² The number of units of demand created is the total allotment area divided by the measure of 700m² where the allotment area is greater or lower than 700m²

Table 4 – Units of Demand for Community Facilities

COMMUNITY FACILITIES	UNIT OF DEMAND			MEASURE: SUBDIVISION	MEASURE: BUILDING CONSENT AND SERVICE CONNECTION
	RESIDENTIAL	RURAL	NON-RESIDENTIAL		
Water	1	0	1	Residential: Per Additional Allotment Rural: Not Applicable Non-Residential: Per 100m ² of Allotment Area	Residential: Per Connected EHU Rural: Not Applicable Non-Residential: Per 100m ² GFA*
Wastewater	1	0	1	Residential: Per Additional Allotment Rural: Not Applicable Non-Residential: Per 100m ² of Allotment Area	Residential: Per Connected EHU Rural: Not Applicable Non-Residential: Per 100m ² GFA*
Stormwater	1	0	2 ¹³	Residential: 700m ² of Allotment Area Rural: Not Applicable Non-Residential: 700m ² of Allotment Area	Residential: 700m ² of Allotment Area Rural: Not Applicable Non-Residential: 700m ² of Allotment Area
Roading	1	1	1	Residential: Per Additional Allotment Rural: Per Additional Allotment Non-Residential: Per 100m ² of Allotment Area	Residential: One EHU Rural (Dwellings): One EHU Rural (Other): Per 100m ² GFA* Non-Residential: Per 100m ² GFA*
Citywide Reserves and Community Infrastructure	1	1	0	Residential: Per Additional Allotment Rural: Per Additional Allotment Non-Residential: Not Applicable	Residential: One EHU Rural (Dwellings): One EHU Rural (Other): Not Applicable Non-Residential: Not Applicable
Local Reserves and Community Infrastructure	1	0	0	Residential: 700m ² of Allotment Area Rural: Not Applicable Non-Residential: Not Applicable	Residential: 700m ² of Allotment Area Rural: Not Applicable Non-Residential: Not Applicable

*For fees applied at the building consent stage for non-residential development a minimum of 100m² GFA, or a minimum increase of 100m² GFA, applies.

¹³ Note: for the North East Industrial Zone Extension Area the unit of demand is 1.

[6.6.4] Measuring Units of Demand – Specific Guidance, Principles and Notes (Residential)

- .1 **Communal Residential Development:** For the purposes of establishing the number of equivalent household units that apply for communal residential developments, the maximum possible number of occupants on any given night is to be divided by 2.6, which is the average number of occupants per dwelling in Palmerston North (2013 Census).
- .2 **Accommodation Motel:** For the purposes of establishing the number of equivalent household units that apply for accommodation motels, the number of individual units that meet the definition of an equivalent household unit is to be multiplied by 0.48 (48%), which is the average occupancy rate for Palmerston North (Statistics New Zealand Accommodation Survey). For units that do not meet the definition of an equivalent household unit, the communal residential development measure can be used in combination with the average occupancy rate multiplier (0.48).
- .3 **Retirement Villages:** For the purposes of establishing the number of equivalent household units that apply for retirement villages, the total number of units within a development that meet the definition of a dwelling shall be multiplied by 0.44. Any part of a retirement village that does not meet the definition of a dwelling shall be assessed as a communal residential development.
- .4 In determining the final number of equivalent household units that apply to a particular development, a combination of the general measure of an equivalent household unit, the communal residential development measure of equivalent household units and the accommodation motel measure of equivalent household units may be used to recognise the specific composition of a particular development. For example, a retirement village that includes a combination of independent dwellings and communal living arrangements or an accommodation motel that includes a combination of fully serviced units, hostel accommodation and a managers unit.
- .5 **Small Dwellings:** Where a new dwelling is constructed that is below 100m² Gross Floor Area (for example a Minor Dwelling) and the development contributions for the dwelling are levied by Council at the building consent or service connection stage, the following calculation shall apply for the purposes of establishing the equivalent household unit of the dwelling:
$$\text{GFA of the dwelling} / 100 = \text{equivalent household unit}.$$
- .6 **Dependent Dwelling Units and Accessory Buildings:** where an existing dependent dwelling unit or accessory building is being used as an equivalent household unit a development contribution fee will be payable.
- .7 Refer to the residential development contributions assessment flowchart for further guidance.

[6.6.5] Measuring Units of Demand – Specific Guidance, Principles and Notes (Rural)

- .1 It is assumed that each additional rural allotment may accommodate an additional dwelling. Each additional rural allotment therefore creates one unit of demand for roading and citywide reserves and community infrastructure.
- .2 While most new rural development is likely to be dwellings, occasionally a more general rural activity may establish in the rural area e.g. a rural industry or milking shed. These types of activities are identified in table 4 above as Rural (Other) and attract one unit of demand per 100m² GFA at the building consent or service connection stage for roading only.
- .3 For the purposes of assessing units of demand for rural developments, Rural (Other) does not include accessory buildings.
- .4 Refer to the residential development contributions assessment flowchart for further guidance.

[6.6.6] Measuring Units of Demand – Specific Guidance, Principles and Notes (Non-Residential)

- .1 **General:** All new non-residential subdivisions are assessed and measured based on allotment area (per 100m²). Subsequent non-residential building development on sites that have paid development contributions based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) are assumed to have paid in full and therefore do not create additional units of demand.

Refer to the non-residential development contributions assessment flowchart for further guidance.
- .2 **Subdivision:**
 - a) Where the underlying allotment has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) and there is (or was) a non-residential building located on the site, the remaining lot¹⁴ is to be excluded from the final allotment area calculation.
 - b) Where the underlying allotment has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) and a building has never been located on the site, the entire site is subject to additional units of demand.
 - c) Where development contributions are applied at the subdivision stage they will be assessed and measured based on allotment area (per

¹⁴ A remaining lot is an allotment created as part of a new subdivision that remains with or provides for an existing non-residential building located on the original allotment.

- 100m²).
- d) Non-residential boundary adjustments and amalgamations will be assessed on a case by case basis. Refer to clause 11.1 Boundary Adjustments / Amalgamations for further guidance.
- e) Refer to the non-residential development contributions assessment flowchart for further guidance.

.3 Building Consent or Service Connection

- a) Where the underlying allotment of a particular development has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (the 2004 and 2006 Policies) and there is or was a building located on the site, the following principles shall apply when measuring units of demand:
 - i) Buildings established or approved between 1 July 2004 and 30 June 2007 (2004 and 2006 Policies) are not assumed to have paid in full should further development occur. Further development of these buildings may create additional units of demand.
 - ii) Buildings established or approved after 1 July 2007 (2007 Policy or later) that have paid development contributions at the building consent or service connection stage based on the GFA measure are not assumed to have paid in full should further development occur. Further development of these buildings may create additional units of demand.
 - iii) A new or additional building on an allotment with remaining development potential is assumed to create additional units of demand.
 - iv) As provided by clause 5.7 of this Policy, non-residential brownfield redevelopment does not create additional units of demand.
- b) Where the underlying allotment has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) and a building has never been located on the allotment, it is assumed that development on the site will create additional units of demand.

- c) Where development contributions are applied at the building consent or service connection stage they will be assessed and measured based on GFA (per 100m²) or the overall increase in GFA (per 100m²).
- d) For fees applied at the building consent stage for non-residential development a minimum of 100m² GFA, or a minimum increase of 100m² GFA, applies to ensure small insignificant buildings and alterations and additions to existing buildings are not levied development contributions. This will also ensure the application of the Policy does not become administratively onerous.
- e) Refer to the non-residential development contributions assessment flowchart for further guidance.

.4 Non-Residential Brownfield Redevelopment and Special Circumstances

- a) Refer to clauses 5.5 to 5.7 for further guidance on non-residential brownfield redevelopment and special circumstances.
- b) Refer to the non-residential development contributions assessment flowchart for further guidance.

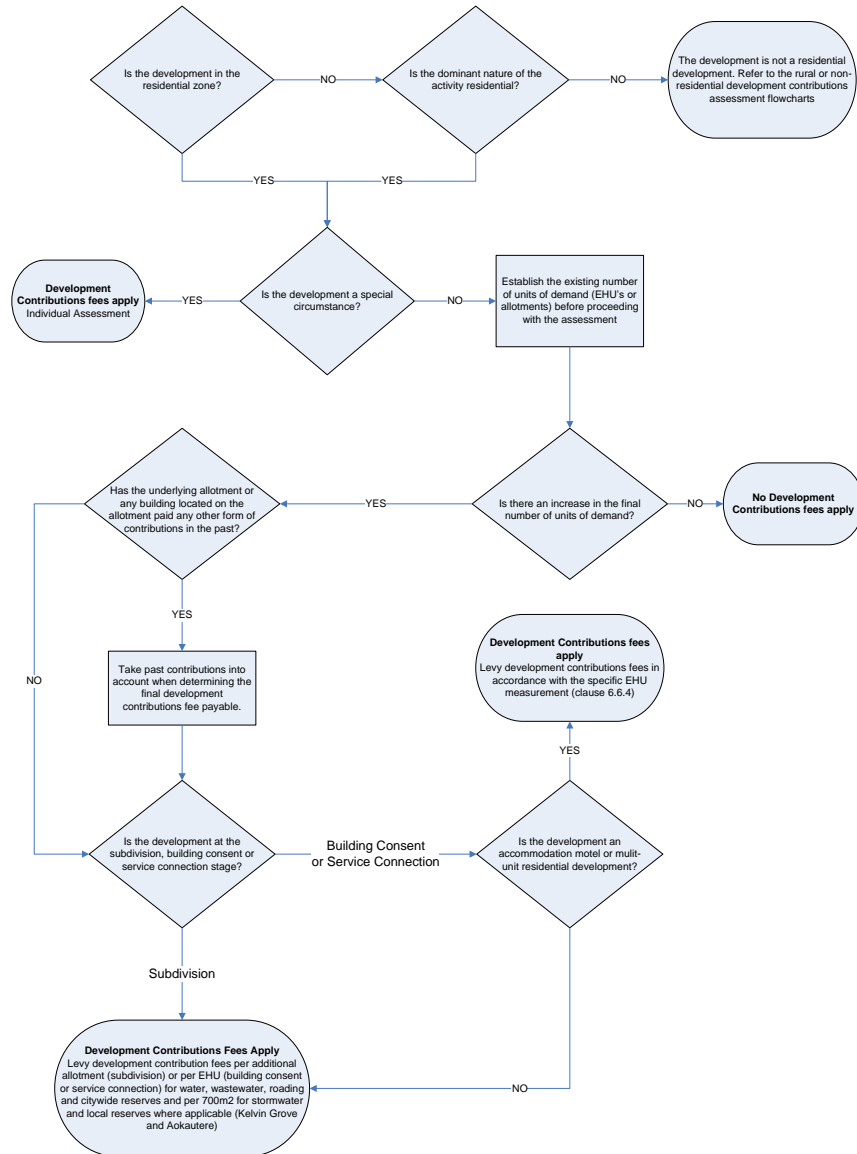
[6.6.7] Measuring Units of Demand – Specific Guidance, Principles and Notes (General)

- .1 **Stormwater and Local Reserves: Building development in the absence of Subdivision:** Where building development occurs in the absence of subdivision in a development contributions area that is subject to local reserves and stormwater charges, the total area of the underlying allotment will determine the stormwater and local reserves fees applicable.

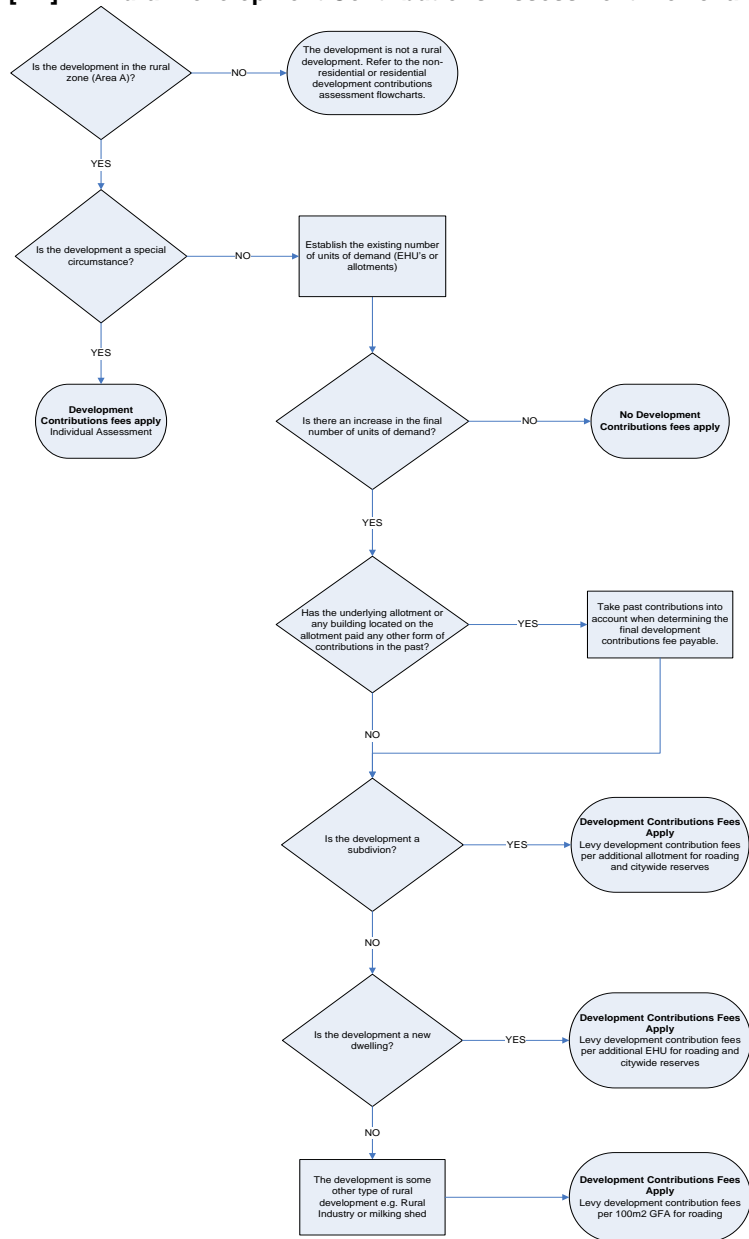
[7] Development Contributions Assessment Flowcharts

The following flowcharts have been included in the Policy to assist with determining whether or not development contributions fees apply. The flowcharts are for guidance purposes only.

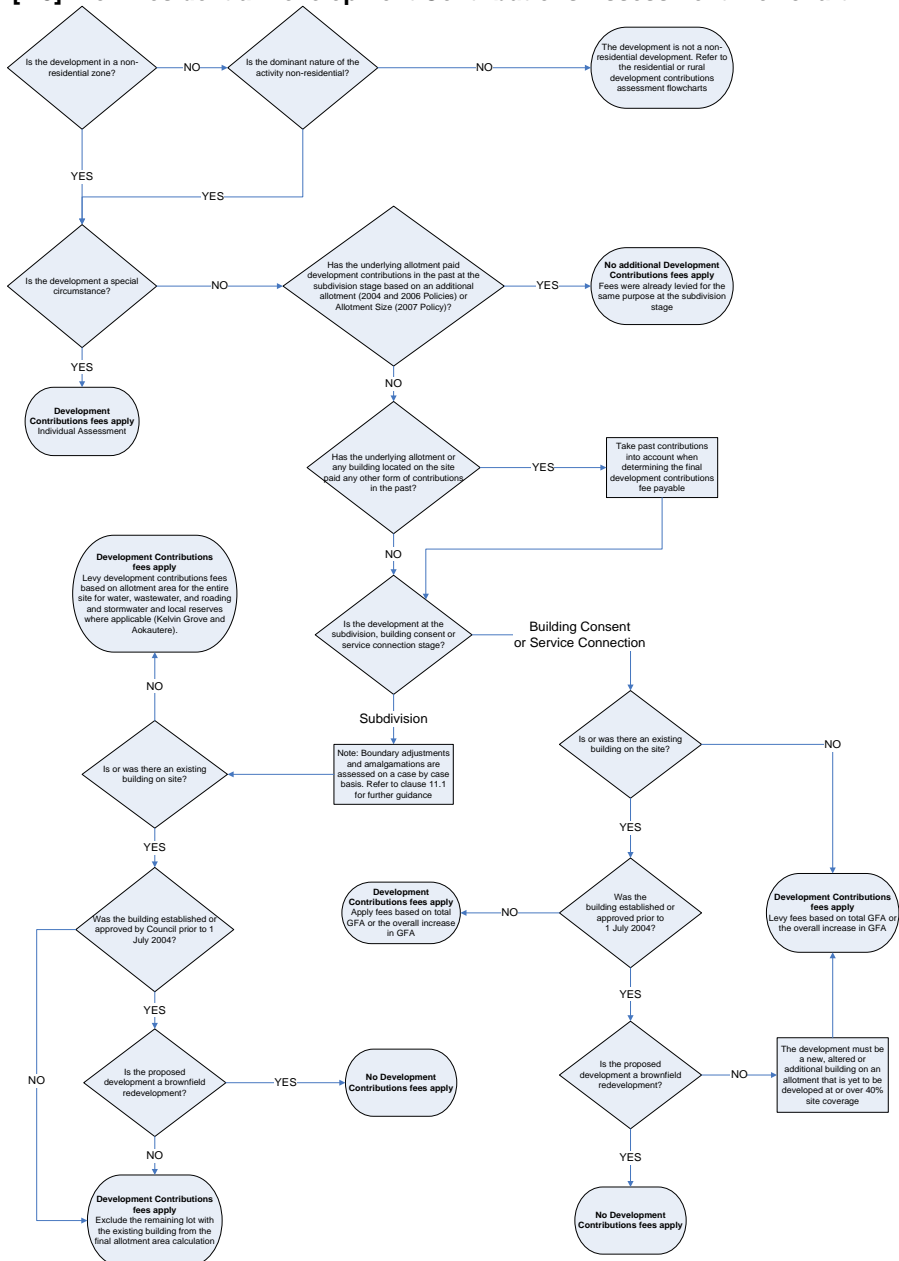
[7.1] Residential Development Contributions Assessment Flowchart



[7.2] Rural Development Contributions Assessment Flowchart



[7.3] Non-Residential Development Contributions Assessment Flowchart



[8] Schedule of Contributions Per Unit of Demand

The residential, rural and non-residential schedule of development contributions refer to Development Contributions Areas A to S. Area A is the rural area and is therefore excluded from the residential and non-residential schedule and is the only area listed in the Rural Area schedule. These areas relate to geographically defined development contribution areas in Appendix A, Map 1.

Each column of development contribution for the community facilities is per unit of demand as measured by Table 4. Section 10 shows examples of how to work out your development contribution for particular developments. All fees in the schedule are GST exclusive, however final assessment of development contribution payable will incur GST.

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS: RESIDENTIAL This schedule should be read in conjunction with Table 4 - Units of Demand for Community Facilities. The development contribution payable during the life of this Policy shall not be less than the amounts shown in the schedule of fees below and shall increase annually on 1 July of each year, in accordance with the following formula:

DC = BC x (PPIC / PPIB).

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees below.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs) for the base year.

TABLE 5: RESIDENTIAL FEES

COMMUNITY FACILITIES												
DEVELOPMENT CONTRIBUTION AREA	ROADING		WATER		WASTEWATER		STORMWATER		CITYWIDE RESERVES		LOCAL RESERVES	
	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION
MEASURE	Per Additional Allotment	Per EHU	Per Additional Allotment	Per Connected EHU	Per Additional Allotment	Per Connected EHU	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area	Per Additional Allotment	Per EHU	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area
B	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
C	\$2,529	\$2,529	\$682	\$682	\$4,989	\$4,989	\$1,843	\$1,843	\$739	\$739	\$3,278	\$3,278
D	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$384	\$384
E	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$4,303	\$4,303	\$739	\$739	\$702	\$702
F	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$50	\$50	\$739	\$739	\$384	\$384
G	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$574	\$574	\$739	\$739	\$384	\$384
H	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$2,363	\$2,363	\$739	\$739	\$384	\$384
I	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$338	\$338	\$739	\$739	\$384	\$384
J	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$2,433	\$2,433	\$739	\$739	\$384	\$384
K	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$693	\$693	\$739	\$739	\$702	\$702
L	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$1,442	\$1,442	\$739	\$739	\$702	\$702
M	\$18,197	\$18,197	\$2,501	\$2,501	\$4,989	\$4,989	\$8,403	\$8,403	\$739	\$739	\$4,213	\$4,213
N	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
O	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$3,023	\$3,023	\$739	\$739	\$0	\$0
P	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
Q	\$2,529	\$2,529	\$0	\$0	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
R	\$2,529	\$2,529	\$0	\$0	\$0	\$0	\$0	\$0	\$739	\$739	\$0	\$0
S	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$384	\$384
T	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$3,415	\$3,415	\$739	\$739	\$7,032	\$7,032
U	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$2,981	\$2,981

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS: RURAL

This schedule should be read in conjunction with Table 4 - Units of Demand for Community Facilities.

The development contribution payable during the life of this Policy shall not be less than the amounts shown in the schedule of fees below and shall increase annually on 1 July of each year, in accordance with the following formula:

$$DC = BC \times (PPIC / PPIB).$$

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees below.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs) for the base year.

TABLE 6: RURAL FEES

COMMUNITY FACILITIES													
DEVELOPMENT CONTRIBUTION AREA	ROADING			WATER		WASTEWATER		STORMWATER		CITYWIDE RESERVES		LOCAL RESERVES	
	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION, BUILDING CONSENT OR SERVICE CONNECTION (DWELLINGS ONLY)	BUILDING CONSENT OR SERVICE CONNECTION (OTHER)	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION
		(DWELLINGS ONLY)	(OTHER)										
MEASURE	Per Additional Allotment	Per EHU	Per 100m ² GFA	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Per Additional Allotment or Per EHU	Not Applicable	Not Applicable	Not Applicable
A	\$2,529	\$2,529	\$2,529	\$0	\$0	\$0	\$0	\$0	\$0	\$739	\$0	\$0	\$0

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS: NON-RESIDENTIAL

This schedule should be read in conjunction with Table 4 - Units of Demand for Community Facilities.

The development contribution payable during the life of this Policy shall not be less than the amounts shown in the schedule of fees below and shall increase annually on 1 July of each year, in accordance with the following formula:

$$DC = BC \times (PPIC / PPIB).$$

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees below.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs) for the base year.

TABLE 7: NON-RESIDENTIAL FEES

COMMUNITY FACILITIES												
DEVELOPMENT CONTRIBUTION AREA	ROADING		WATER		WASTEWATER		STORMWATER		CITYWIDE RESERVES		LOCAL RESERVES	
	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION
MEASURE	Per 100m ² of Allotment Area	Per 100m ² GFA	Per 100m ² of Allotment Area	Per 100m ² GFA	Per 100m ² of Allotment Area	Per 100m ² GFA	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area	Not Applicable	Not Applicable	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area
B	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0
C	\$809	\$2,529	\$11	\$3	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0
D	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0
E	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0
F	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$50	\$50	\$0	\$0	\$0	\$0
G	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$574	\$574	\$0	\$0	\$0	\$0
H	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$2,363	\$2,363	\$0	\$0	\$0	\$0
I	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$338	\$338	\$0	\$0	\$0	\$0
J	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$2,433	\$2,433	\$0	\$0	\$0	\$0
K	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$693	\$693	\$0	\$0	\$0	\$0
L	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$1,442	\$1,442	\$0	\$0	\$0	\$0
M	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$8,403	\$8,403	\$0	\$0	\$0	\$0
N	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0
O	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$3,023	\$3,023	\$0	\$0	\$0	\$0
P	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0
Q	\$809	\$2,529	\$0	\$0	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0

R	\$809	\$2,529	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
S	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0

[9] How to Work Out Development Contribution Payable

[STEP 1]

Go to Appendix A, Map 1 and check what development contribution area your development lies within.

[STEP 2]

Establish what type of development it is i.e. residential, rural or non-residential.
Determine the stage of development i.e. subdivision, building consent or service connection.

[STEP 3]

Check clause 6.6.4 Measuring Units of Demand – Specific Guidance and Notes.
Check the relevant Development Contribution Flowchart Contained in section 7 to ensure Development Contributions Fees are applicable.
Using the Unit of Demand (Table 4) in Section 6.6.3 establish how many units of demand your development will create for each of the community facilities.

[STEP 4]

Go to the relevant Development Contributions Schedule of Fees in Section 8 and identify the fees payable per unit of demand for your development contribution area.

[STEP 5]

Apply the Units of Demand to your development i.e. multiply the charges by the number of units of demand applicable.
Calculate your total development contribution by summing the individual community facilities charges established in steps 1-4 and add GST.

[EXAMPLES]

In Section 10.1-10.8 working examples of steps 1 through to 5 are provided to help you work out your development contribution payable.

[10] Examples

The examples below are intended as a simple illustration of the calculation process associated with the development contributions policy.

The figures used exclude GST.

[10.1] Development Contributions Calculation – Example 1 (Residential):
Consider the example of a proposed residential subdivision as shown in diagram 1 and 2. The proposed subdivision is for an original lot size of 4000m². The proposed subdivision will result in the creation of 3 new additional allotments each consisting of an area of 1000m². The Development Contributions applied will be worked out in relation to the new units of demand being created (3 additional allotments) that will contain a total area of 3000m². An example to work out the appropriate contribution is set out below.

Step1 What Development Contribution Area is the development in? Area H (Residential Activity)

Step 2 What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	4	4	4	4
How many existing units of demand are there?	Row 2	1	1	1	1
TOTAL demand created for each community facility	Row 3	3	3	3	3

(Note: An existing unit of demand is determined by either an existing equivalent residential unit on the site such as a dwelling or a past contribution has been paid in respect to that development. Refer to Section 11.2 for guidance)

Step 3: Calculate the Area Based Charges

Stormwater: $3000\text{m}^2/700\text{m}^2 = 4.2$

Local Reserves $3000\text{m}^2/700\text{m}^2 = 4.2$

These contributions are based on the total land area being developed (less area in road/s) i.e. the measure of a unit of demand is per 700m².

Step 4: Calculate Final Development Contributions Payable

Water:	3 (additional allotments)	x	\$2,501	=	\$7,503
Wastewater:	3 (additional allotments)	x	\$4,989	=	\$14,967
Stormwater:	4.2 (3000 m ² /700 m ²)	x	\$2,363	=	\$9,925
Roading:	3 (additional allotments)	x	\$2,529	=	\$7,776
City Reserves:	3 (additional allotments)	x	\$739	=	\$2,217
Local Reserves:	4.2 (3000 m ² /700 m ²)	x	\$384	=	\$1,612

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE

\$44,000

Notes:

The remaining lot of 1000m² as shown in diagram 2 may also create a unit of demand and could be subject to a development contribution. If the remaining lot has a dwelling on it connected to all City services then it will not be subject to a further development contribution levy as it is assumed it has an existing unit of demand. If the remaining lot does not have a dwelling on it and has not paid a past contribution, or it has a dwelling that is not fully connected to infrastructure services then Council officers will assess this at the time of processing the consent for development and will advise applicants if additional contributions are required as a result of additional units of demand being assessed.

Diagram 1 – Original Lot Size

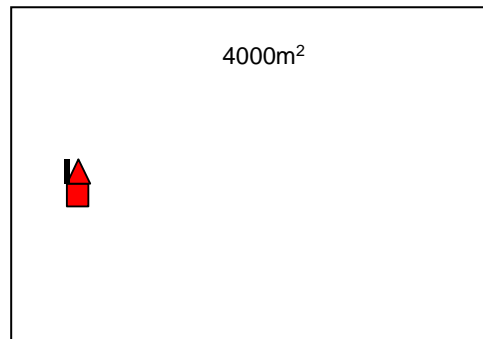
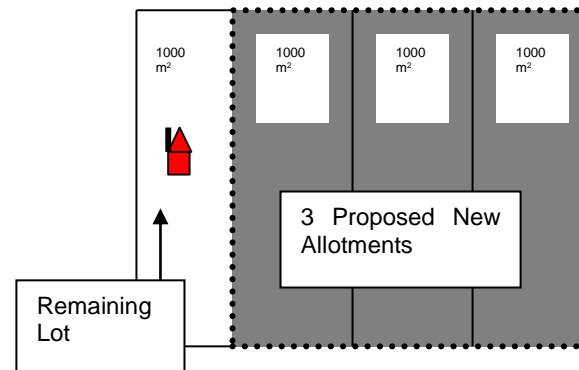


Diagram 2 – Proposed new allotments for original lot



[10.2] Development Contributions Calculation – Example 2 (Rural): Consider the example of a proposed rural subdivision as shown in diagram 3 and 4. The proposed subdivision is for an original lot size of 16ha. The proposed subdivision will result in the creation of 3 new additional allotments each consisting of an area of 4ha. The Development Contributions applied will be worked out in relation to the new units of demand being created (3 additional allotments) that will contain a total area of 12ha. An example to work out the appropriate contribution is set out below.

Step 1: What Development Contribution Area is the development in?
Area A (Rural Activity)

Step 2: What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	N/A	N/A	4	4
How many existing units of demand are there?	Row 2	N/A	N/A	1	1
TOTAL demand created for each community facility	Row 3	N/A	N/A	3	3

(Note: An existing unit of demand is determined by either an existing equivalent residential unit on the site such as a dwelling or a past contribution has been paid in respect to that development. Refer to Section 11.2 for guidance)

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Roading: 3 (additional allotments) x \$2,529 = \$7,776

City Reserves: 3 (additional allotments) x \$739 = \$2,217

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE **\$9,993**

Diagram 3 – Original Lot Size

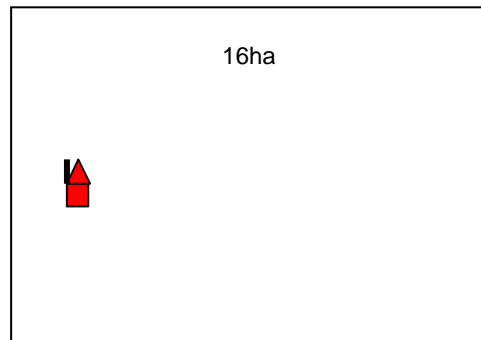
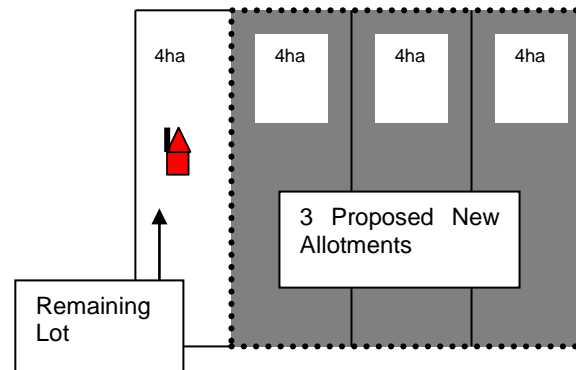


Diagram 4 – Proposed new allotments for original lot



[10.3] Development Contributions Calculation – Example 3 (Non-Residential):

Consider the example of a proposed non-residential subdivision. The proposed subdivision is for an original lot size of 10,000m² that has not paid any development contributions in the past at the subdivision stage. The original lot has an existing non-residential building located on it that was established prior to 1 July 2004. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The proposed subdivision will result in the creation of 3 additional allotments each consisting of an area of 2000m², leaving a 4000m² remaining lot that will provide for the existing building. The development contributions applied will be worked out in relation to the 3 new allotments that will contain a total area of 6000m². The remaining lot of 4000m² with the existing building established prior to 1 July 2004 is excluded from the allotment area calculation.

Step 1: What Development Contribution Area is the development in?
Area B (Non-Residential Activity)

Step 2: What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	10,000m ²	10,000m ²	10,000m ²	N/A
How many existing units of demand are there?	Row 2	4,000m ²	4,000m ²	4,000m ²	N/A
TOTAL demand created for each community facility	Row 3	6,000m ²	6,000m ²	6,000m ²	N/A

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (6000/100) = 60 Units of Demand (100m² of Allotment Area) x \$488
= \$29,280

Wastewater: (6000/100) = 60 Units of Demand (100m² of Allotment Area) x \$1531
= \$91,860

Roading: (6000/100) = 60 Units of Demand (100m² of Allotment Area) x \$809
= \$48,540

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE **\$169,680**

[10.4] Development Contributions Calculation – Example 4 (Non-Residential):

Consider the example of a proposed non-residential subdivision. The proposed subdivision is for an original lot size of 8,000m² that has not paid any development contributions in the past at the subdivision stage. The original lot has an existing non-residential building located on it that was established after 1 July 2004. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The proposed subdivision will result in the creation of 3 additional allotments each consisting of an area of 1500m², leaving a 3500m² remaining lot that will provide for the existing building. The development contribution applied will be worked out in relation to the 3 additional allotments that will contain a total area of 4500m². The remaining lot of 3500m² with the existing building established after 1 July 2004 is not included in the allotment area calculation.

Step1 What Development Contribution Area is the development in?
Area B (Non-Residential Activity)

Step 2 What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	8,000m ²	8,000m ²	8,000m ²	N/A
How many existing units of demand are there?	Row 2	3500m ²	3500m ²	3500m ²	N/A
TOTAL demand created for each community facility	Row 3	4,500m ²	4,500m ²	4,500m ²	N/A

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (4500/100) = 45 Units of Demand (100m² of Allotment Area) x \$488
= \$21,960

Wastewater: (4500/100) = 45 Units of Demand (100m² of Allotment Area) x \$1531
= \$68,895

Roading: (4500/100) = 45 Units of Demand (100m² of Allotment Area) x \$809
= \$36,450

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE **\$127,260**

[10.5] Development Contributions Calculation – Example 5 (Non-Residential):

Consider the example of a proposed extension to an existing non-residential building. The existing 5000m² building is located on an allotment which has not paid any development contributions in the past at the subdivision stage. The existing building was established after 1 July 2004. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The proposed extension will add 2000m² to the building. The development contributions applied will be worked out in relation to the 2000m² extension only.

**Step1 What Development Contribution Area is the development in?
Area B (Non-Residential Activity)**

Step 2 What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	7,000m ²	7,000m ²	7,000m ²	N/A
How many existing units of demand are there?	Row 2	5,000m ²	5,000m ²	5,000m ²	N/A
TOTAL demand created for each community facility	Row 3	2,000m ²	2,000m ²	2,000m ²	N/A

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (2000/100) = 20 Units of Demand (100m² GFA) x \$1,524
= \$30,480

Wastewater: (2000/100) = 20 Units of Demand (100m² GFA) x \$4,785
= \$95,700

Roading: (2000/100) = 20 Units of Demand (100m² GFA) x \$2,529
= \$50,580

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$176,760

Notes:

It is assumed for this example the activity is not a special circumstance.

If the underlying allotment in the above example had paid development contributions in the past then the GFA fees would not be applied.

[10.6] Development Contributions Calculation – Example 6 (Non-Residential):

Consider the example of a proposed new non-residential building. The new building is to be located on a vacant allotment which has not paid any development contributions in the past. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The new building will have a GFA of 9,000m². The Development Contributions applied will be worked out in relation to the GFA of 9,000m².

**Step1 What Development Contribution Area is the development in?
Area B (Non-Residential Activity)**

Step 2 What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	9,000m ²	9,000m ²	9,000m ²	N/A
How many existing units of demand are there?	Row 2	0m ²	0m ²	0m ²	N/A
TOTAL demand created for each community facility	Row 3	9,000m ²	9,000m ²	9,000m ²	N/A

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (9000/100) = 90 Units of Demand (100m² GFA) x \$1,524
= \$137,160

Wastewater: (9000/100) = 90 Units of Demand (100m² GFA) x \$4,785
= \$430,650

Roading: (9000/100) = 90 Units of Demand (100m² GFA) x \$2,529
= \$227,610

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$795,420

Notes:

It is assumed for this example the activity is not a special circumstance.

If the underlying allotment in the above example had paid development contributions in the past then the GFA fees would not be applied.

[10.7] Development Contributions Calculation – Example 7 (Non-Residential):

Consider the example of a proposed redevelopment involving the demolition of four existing non-residential buildings established prior to 1 July 2004 and the construction of one new non-residential building. The proposed redevelopment is located in an established area and meets the definition of non-residential brownfield redevelopment. Non-residential brownfield redevelopment generally places negligible increased demand on the capacity of the network infrastructure and therefore does not create additional units of demand.

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE: \$0.

[10.8] Development Contributions Calculation – Example 8 (Non-Residential):

Consider the example of a proposed new 500m² non-residential building. The new building is to be located a recently subdivided 1500m² allotment that paid development contributions based on allotment area at the time of subdivision under the 2007 Development Contributions Policy. The proposed new 500m² building does not create any additional units of demand.

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE: \$0.

[11] Guidance Notes

[11.1] Boundary Adjustments/Amalgamations

- .1 The Policy does not exempt boundary adjustments or amalgamations from being assessed for development contributions. Boundary adjustments and amalgamations create new lots, but not necessarily additional lots or additional allotment area, through subdivision. Where the new lot and the characteristics of that new lot are determined to **create additional units of demand** then a development contribution will be payable. Each circumstance will be assessed on a case-by-case basis.
- .2 One example is where a boundary adjustment or an amalgamation includes land where all or part of that land has not had contributions previously paid on it. Council will, in this instance, assess the contributions payable related to the specific development application.
- .3 The measure of a non-residential unit of demand for water, wastewater and roading is per 100m² of allotment area at subdivision or per 100m² GFA at building consent. In determining whether a non-residential boundary adjustment or amalgamation creates additional units of demand, the following matters will be taken into account:
 - a) Previous contributions paid;

- b) Whether or not the existing allotment(s) meet the definition of non-residential brownfield redevelopment;
- c) Whether or not the proposed allotment(s) meet the definition of non-residential brownfield redevelopment;
- d) The current or previous level of demand placed on the network infrastructure, reserves and community facilities;
- e) The level of demand the proposed boundary adjustment or amalgamation may place on the network infrastructure, reserves and community facilities;
- f) Whether or not it is more appropriate to levy development contributions at the building consent stage; and
- g) Any other matters Council considers relevant.

[11.2] Past Contributions and Determining an Existing Unit of Demand

- .1 Past contributions will be taken into account in assessing new units of demand. It is incumbent on the applicant to provide the necessary information, where possible, to show contributions have been paid on a particular development. Where past contributions can be validated, what these cover in terms of units of demand under the new Policy, and how they apply to new developments, will depend on the original intent of the contribution or agreement at that time. As the new Policy is different in methodology and application to the previous policy there will need to be an assessment made by Council officers on a case-by-case basis.
- .2 Where it is proven a past contribution has not been paid on a proposed development, and that development creates a unit of demand as defined in the Policy, then a development contribution will be assessed accordingly.
- .3 One example is where no past contribution has been paid on a vacant lot and where an applicant now proposes to build a house or further subdivide the lot. An existing vacant lot does not necessarily mean that there is an existing unit of demand. A determination, by staff on the application, will assess if past contributions were paid and what they covered, and if they were not paid what units of demand the particular proposed development now creates, if any.
- .4 Where a site is deemed to have existing units of demand:
 - a) Only present or past site coverage or equivalent household units legally established under the RMA or and or the Building Act will be counted as an existing unit(s) of demand; and

- b) Only site coverage or equivalent household units currently connected, or connected in the past, to Council's integrated network will be counted towards units of demand for water or wastewater.

[11.3] Granting consents does not assume that final contributions payment has been made

A development contribution can be levied either at the subdivision, building or service connection consent stage. Having a development contribution levied upon the granting of consent does not assume final payment. Under the Policy, payment of contributions is required prior to the issue of either: the 224 certificate (for subdivision), the code compliance certificate or certificate of acceptance (for building consent), or service connection. As such, full and final payment of development contribution charges on a specific development will not be assumed until one of these criteria has been met

[11.4] Development contributions on overlapping consents and future subdivision applications

In the case where two or more overlapping consent applications are being processed simultaneously in the same development area, full contributions (under whatever contribution regime existed at that time) will be levied on both applications until full payment has been received for one or the other as explained above. Once payment has been received for one of the two consents concerned, all contributions applicable to future subdivision applications will be revised to include those contributions already paid.

[12] Glossary of Terms

Accommodation Motel has the same meaning as Accommodation Motel in the Palmerston North City District Plan

"means land and/or buildings used for transient residential accommodation and includes the provision of playgrounds, spa pools and swimming pools. It does not include restaurants, bars or conference facilities".

Accessory Building has the same meaning as accessory building in the Palmerston North City District Plan:

"means a building not being part of the principal building, the use of which is incidental to that of any other building or buildings on the site. In the case of a site on which no building has been erected, it is a building incidental to the use of the principal building permitted on the site. This includes a garage, carport, tool shed, playroom, recreation room, glasshouse, shipping container, swimming pool, spa pool and sleepout."

Activity means a good or service provided by, or on behalf of, a local authority or a council-controlled organisation; and includes—

- (a) the provision of facilities and amenities; and
- (b) the making of grants; and
- (c) the performance of regulatory and other governmental functions.

Allotment has the meaning given to it in section 218(2) of the Resource Management Act 1991, and for the purposes of the development contributions policy only, excludes allotments to be vested with Council as roads.

Allotment Area is the total land area of an allotment, and for the purposes of the development contributions policy only, excludes 'limited development land' as defined in the Palmerston North City District Plan when applying units of demand to stormwater and local reserves only. It does include 'limited development land' where resource consent or building consent is obtained to develop 'limited development land'.

Applicant is the person/persons that apply for resource consent, building consent or service connection.

Asset Management Plan means Council documents that outline how the Council will manage and provide infrastructure assets.

Balance Lot means a remaining allotment not yet intended for development that will be developed at a later date.

Brownfield Redevelopment means further development of sites that are developed at or over 40% site coverage, or were at some time in the past, provided the buildings located on the site were established prior to 1 July 2004, and specifically includes:

- further subdivision of the site;
- alterations and additions to existing buildings; and
- the demolition of existing buildings and construction of new buildings.

Catchment means the area served by particular infrastructure.

Capital Expenditure means the cost council expect to incur to provide infrastructure assets for the running of network infrastructure, reserves and community infrastructure.

Community Facilities means reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199 of the Local Government Act 2002.

Community Infrastructure means the following assets when owned, operated, or controlled by a territorial authority:

- (a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated;
- (b) play equipment that is located on a neighbourhood reserve; and
- (c) toilets for use by the public.

Community Outcomes, in relation to a district or region, — means the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

Connected Equivalent Household Unit means an equivalent household unit with an existing unit of demand with direct access to a service connection.

Consent Holder is the person/persons that are the applicants to which resource consent, building consent or service connection was granted.

Development means

- (a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
- (b) does not include the pipes or lines of a network utility operator.

Development agreement means a voluntary contractual agreement made under sections 207A to 207F between 1 or more developers and 1 or more territorial authorities for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in 1 or more districts or a part of a district.

Development Contribution means a contribution -

- (a) provided for in a development contribution policy of a territorial authority; and
- (b) calculated in accordance with the methodology; and
- (c) comprising-
 - (i) money; or
 - (ii) land, including a reserve or esplanade reserve other than in relation to a subdivision consent), but excluding Maori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or
 - (iii) both.

Development Contribution Areas relate to defined indicative geographical areas to which a development contribution is applicable in relation to the service catchments within those areas for network infrastructure, community infrastructure and reserves.

Development contribution objection means an objection lodged under clause 1 of Schedule 13A of the LGA02 against a requirement to make a development contribution.

Development Contribution Policy means the policy on development contributions adopted under section 102(1) of the LGA02.

District means the district of a territorial authority.

Equivalent Household Unit has the same meaning as Dwelling and Dwelling Unit in the Palmerston North City Council District Plan.

“means any self-contained building or structure, or part thereof, that is used (or intended to be used) for a single household, and which is generally not available for public use”.

Financial Contribution has the same meaning as financial contributions in s108(9)(a)-(c) of the Resource Management Act 1991.

Goods and Services Tax (GST.) means goods and services tax under the Goods and Services Tax Act 1985 or any legislation substituted for the same.

Greenfield Areas are defined as those areas where building capacity exists on the perimeter of the city. Where land is zoned residential or industrial and has capacity to provide for future development it is considered a Greenfield site. Three defined Greenfield areas for the purposes of Development Contributions Policy are Kelvin Grove (including the Whakarongo Residential Area) Aokautere and North East Industrial Zone areas.

Gross Floor Area (GFA) has the same meaning as Gross Floor Area in the Palmerston North City District Plan:

“Is the sum of the gross area of all floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings.

In particular, gross floor area includes:

- (a) Elevator shafts, stairwells, and lobbies at each floor;
- (b) Floor space in interior balconies and mezzanines;
- (c) All other floor space not specifically excluded.

The gross floor area of a building shall not include:

- (1) Uncovered stairways;
- (2) Floor space in terraces (open or roofed), external balconies, breezeways, porches;
- (3) Roof vehicle parking, lift towers and machinery rooms on the roof, having a floor area of not more than 200 m²;
- (4) Public thoroughfare areas in malls (this does not include food-court areas);
- (5) Areas used exclusively for fire egress;
- (6) Switchboard areas / Plant rooms;
- (7) Public Toilets”.

LGA02 means the Local Government Act 2002 or any legislation substituted for the same.

Limited Development Land has the same meaning as Limited Development Land in the Palmerston North City District Plan:

“means any land in Aokautere which is not identified as developable land in Map 10.1 of the District Plan.”

Local Authority means a regional council or territorial authority.

Massey University – Turitea Campus means land that is occupied by Massey University whether leasehold or freehold that is zoned Institutional within the Palmerston North City District Plan.

Methodology has the same meaning as methodology in s197 of the Local Government Act 2002.

Communal Residential Development means any form of residential development that does not meet the definition of an *equivalent household unit*.

Network Infrastructure means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

Non-Residential Development means any activity in a non-residentially zoned area, excluding the rural zone, or where the predominant activity is not residential or rural.

Prepared Food & Beverage Outlet means a business primarily engaged in the preparation and serving of food and beverages for immediate consumption and without limiting the generality of this term includes takeaway food outlets and restaurants.

Remaining Lot means an allotment created as part of a new subdivision that remains with or provides for an existing building located on the original allotment.

Residential Development means any activity in a residentially zoned area or where the predominant activity is not non-residential or rural.

Retirement Village has the same meaning as Retirement Village in the Palmerston North City District Plan:

“means a comprehensive development which may include housing, recreational, welfare, and medical facilities which is intended principally or solely for retired persons or people with disabilities”.

RMA 1991 means the Resource Management Act 1991.

Rural Development means any activity in a rural zoned area or where the predominant activity is not non-residential or residential.

Schedule of Development Contributions means the schedule to the council’s development contributions policy required by section 201 of the LGA02 and setting out the information required by section 202, namely;

- the contributions payable in each district in respect of reserves, network infrastructure and community infrastructure
- the events giving rise to the requirement for development contribution
- specified by district and by activity.

Service Catchment means a catchment defined by reference to the characteristics of the service and the common characteristics of the geographical area (for example stormwater catchments).

Service Connection means a physical connection to a service provided by, or on behalf of, a territorial authority.

Service Station has the same meaning as Service Station in the Palmerston North City District Plan.

“means a business primarily engaged in the fueling of motor vehicles. This may also include mechanical repairs and servicing of motor vehicles. Retail sales for the convenience of the traveling public may also be included, provided such sales remain incidental and ancillary to the principal use of fueling motor vehicles.”

Site Coverage has the same meaning as Site Coverage in the Palmerston North City District Plan:

“means that portion of the net site area, expressed as a percentage, which may be covered by all buildings and storage space, including eaves, balconies and verandas in excess of 0.6 of a metre in width, but excluding uncovered swimming pools, decks of 0.5 of a metre in height or less, and ramps of 0.5 of a metre in height or less with handrails of an additional 0.9 of a metre in height or less. Where no garage is shown at the construction of a dwelling, an allowance for a garage of 18 m² will be added to the total building coverage.”

Subdivision has the same meaning as Section 218 of the Resource Management Act 1991.

Third Party Funds means funding or subsidy, either in full or in part, from a third party.

Unit of Demand means measure of demand for community facilities.

Wet Industry means any activity which seeks to use water or discharge wastewater at a rate exceeding 25m³/ha/day (or per area equivalent).

Wind Farm means wind turbines (other than a Domestic Wind Turbine and Microscale wind turbine) used to generate energy from the wind, and includes:

- turbines, including support pylons or towers
- ancillary buildings and structures including substations, maintenance building and communications equipment

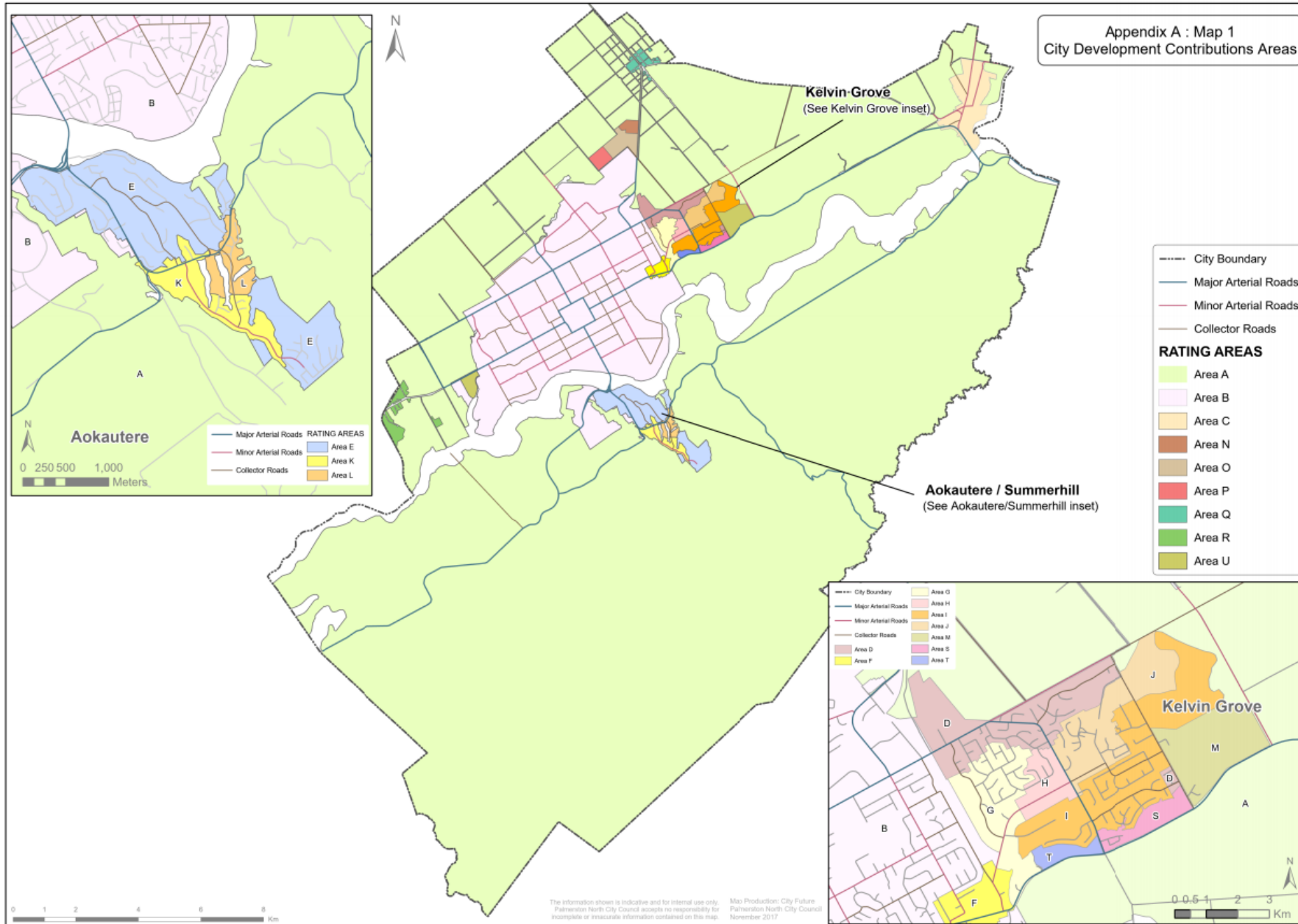
A Wind Farm excludes transmission lines and infrastructure associated with transmission lines.

[13] Schedule of Assets For Which Development Contributions Will Be Used (Planned programmes)

To be inserted

Schedule of Assets For Which Development Contributions Will Be Used (Back works)

To be inserted



Appendix B

Refund of development contributions

209 Refund of money and return of land if development does not proceed

[1] A territorial authority must refund or return to the consent holder or to his or her personal representative a development contribution paid or land set aside under this subpart if—

(a) the resource consent—

(i) lapses under section 125 of the Resource Management Act 1991

; or

(ii) is surrendered under section 138 of that Act; or

(b) the building consent lapses under section 52 of the Building Act 2004; or

(c) the development or building in respect of which the resource consent or building consent was granted does not proceed; or

(d) the territorial authority does not provide the reserve, network infrastructure, or community infrastructure for which the development contribution was required.

[2] A territorial authority may retain any portion of a development contribution or land referred to in subsection (1) of a value equivalent to the costs incurred by the territorial authority in relation to the development or building and its discontinuance.

210 Refund of money or return of land if not applied to specified reserve purposes

[1] If a development contribution has been required for a specified reserve purpose, a territorial authority must—

(a) refund money received for that purpose, if the money is not applied to that purpose within 10 years after the authority receives the money or other period specified in the development contribution policy; or

(b) return land acquired for the specified reserve purpose, if the authority does not use the land for that purpose within 10 years after the authority acquires the land or other period agreed by the territorial authority and the person who paid the development contribution.

[2] A territorial authority may retain part of the money or land referred to in subsection (1) of a value equivalent to the costs of the authority in refunding the money or returning the land.

