

Development Contributions Policy (2025/26)

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1. INTRODUCTION

Development contributions (DCs) are the contributions that the Council levies on the developers of new properties, and new development that place additional demand on infrastructure in the District. These funds are used to provide the additional reserves, roads and/or water, sewer and stormwater (drainage) services needed to meet the demands generated by new residential and non-residential developments. Contributions, therefore, are used to cater for the growth in demand for infrastructure that comes from new properties or activities.

This Development Contributions Policy (the Policy) sets out the basis on which development contributions will be charged. The aim of the Policy is to share the cost of infrastructure fairly between the owners of existing properties, and the owners and developers of new properties or developments.

This document provides the Council's policy base that states what it will do in relation to levying development contributions. Accompanying it are the appendices and related maps (for Development Contribution Areas).

The schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

Development contributions include those that relate to District-wide growth, scheme growth, and specific Development Contribution Areas (DCA). The location of any particular development will determine which development contributions apply.

2. POLICY CONTEXT

2.1 Statutory context

2.1.1 Development Contributions

The *Local Government Act 2002* (LGA 2002) provides powers to levy development contributions. The power to require contributions is set out in Section 198 of LGA 2002:

A territorial authority may require a development contribution to be made to the territorial authority when —

- (a) A resource consent is granted under the *Resource Management Act 1991* (RMA) for a development within its district
- (b) A building consent is granted under the *Building Act 2004* for building work situated in its district (whether by the territorial authority or a building consent authority)
- (c) An authorisation for a service connection is granted.

LGA 2002 Section 198(4A) also provides for the levying of development contributions when granting a certificate of acceptance (under the Building Act 2004 Section 98), if a development contribution would have been payable on the building consent had one been obtained for the work that is the subject of the certificate of acceptance.

The principles that underpin this Policy with respect to development contributions are set out in LGA 2002 Section 197AB.

2.1.2 Financial Contributions

Financial contributions are contributions levied under the RMA. Section 108(10) of the RMA provides the conditions under which financial contributions can be imposed on resource consents.

Financial contributions, imposed under the District Plan, can be taken to address environmental effects of activities irrespective of whether they result from growth, for example, to pay the costs of services such as roads, water supplies, sewerage and drainage systems that must be developed to address adverse effects on the environment.

Financial contributions can also be taken to offset adverse effects that may result from developments, as environmental compensation. Financial contributions will be used when the effect of development directly contributes to the need for physical works on Council services and when the effect of the development has not been foreseen in the Long Term Plan (LTP).

Financial contributions are based on actual expenditure. Council's ability to levy financial contributions is included in the District Plan. This Policy relates only to development contributions.

2.1.3 Legislation

References to a statute or a provision of a statute includes that statute or provision as amended, modified, substituted or re-enacted from time to time and any regulations, orders in council and other instruments issued or made under that statute from time to time.

2.2 Assumptions

2.2.1 Introduction

This Policy uses a range of assumptions and forecasts about population growth, and the demand that will be placed on infrastructure by different types of development. These assumptions assist with planning for growth, and help determine how the cost of growth will be recovered for different types of development.

2.2.2 Population forecasting

The key assumption underpinning this Policy is that the District's population will continue to grow. The household unit equivalents (HUEs) are the basis upon which development contributions will be assessed. For the purposes of calculating the additional residential HUEs for a given period, the estimated number of households that is anticipated at the end of the LTP period is determined by dividing the projected population by the anticipated average number of people per household across the District. The additional households required to accommodate the projected population is then determined by subtracting the number of households at the beginning of the period from the estimated number at the end of the period.

The 24/25 Policy was based on the District having a projected population of 81,742 by 30 June 2033, and that an estimated 32,696 HUEs based on the assumption of 2.5 people per household will be required to accommodate this projected population. The 2025/26

update was prepared by ensuring growth forecasts within each DC calculation were updated by extending the previously forecasted figures by a further year. These projections are consistent with Statistics New Zealand's high variant projection for the District for 2033.

The following table sets out the anticipated population across the District based on the population projections for 30 June 2033. The Council uses its own growth model to produce high population projections as a balancing measure and to readjust projections as necessary.

	Estimated Resident Population 30 June 2028	Projected Resident Population 30 June 2033
Total	76,015	81,742

2.2.3 Business Zones

New allotments in Business Zones will be treated for development contributions purposes as for any other new allotment created in any other Zone within the District. As a minimum, contributions equivalent to one HUE will be charged for any new allotment created by subdivision in a Business Zone, and prior to the release of the Section 224(c) certificate. Note however, a development contribution of greater than one HUE may be applied to a new allotment created within a Business Zone if the additional demand anticipated to be created from that allotment is assessed to be greater than one HUE.

Further contributions may be levied on land-use or building consents if the proposed activity will place additional demand on infrastructure.

2.2.4 District Wide Reserves assumption

A smaller contribution is required for Rural Zones, which is made on the assumption that people living in these areas will provide their own local open spaces but still generate demand for District-wide reserves of various categories.

2.2.5 Network infrastructure assumptions

General

- It is assumed that all Residential Zone allotments consume the same unit of demand, except as provided for under multi-unit developments and as provided for drainage.
- The District will continue to grow in line with population forecasts and new infrastructure assets designed to cater for additional growth-related capacity will be required.

Water

- As for the general network infrastructure above.
- A standard on-demand water connection is a 15mm internal diameter pipe, and that a higher contribution will be levied if a larger connection is requested

Sewer

- The costs of reticulating, treating and disposing of sewage for lots connected to sewer systems are in proportion to the volume of sewage produced.
- No adjustment is made for sewage strength or seasonal flow variations.
- Sewage disposal assessment is in relative proportion to the inflow of water to the lot, assuming the standard water connection is a 15mm internal diameter pipe.

- Adjustments to contributions payable will be made for connections where the pipe size exceeds the standard connection size.

Drainage

- The drainage from Residential 1, 2, 3, 5, 6 and 6A Zone allotments will have the same volume of runoff.
- Exceptions may occur when developments are undertaken which provide for a significantly higher run-off co-efficient than is anticipated for residential development.

Roading

- The District's roading network is a single integrated network, and the components of upgrades and additions that represent improvements to strategic and arterial roads on network designed to cater for growth are separate from projects that cater solely for growth and relate to development contributions areas.
- Additional growth of allotments in the District will result in additional volumes of vehicle movements, and developers, therefore, should contribute to the cost of providing an appropriate roading network.
- For planning purposes, the number of vehicle movements per day will be the same regardless of lot size, for a single household unit.
- The growth-related component of projected expenditure of strategic and arterial roads as set out in the Council's Long-Term Plan will provide the basis for calculating the general roading contribution.
- Development contributions will only be sought for roads for the growth component of expenditure on strategic and arterial roads and DCA. Funds required for upgrading local roads will be obtained from other sources.

3. POLICY OBJECTIVE

The Council is levying development contributions to ensure that the growth-related capital expenditure identified in the LTP (future and past expenditure) is appropriately recovered from those who are directly benefiting, rather than having existing ratepayers bear all of the costs.

Development contributions will be levied when the effect of the development, or the cumulative effects of developments, contributes to the need for the development of physical works or Council services and when these works or services have been allowed for in the LTP.

While the greater part of capital expenditure included in the calculation of development contributions is recovered within the term of the LTP, Section 106 2(a) of the LGA 2002, and more specifically clause 1(2) of Schedule 13, notes capital expenditure occurs beyond the term of the LTP.

Clause 1(2) of Schedule 13 of the LGA 2002 states:

A territorial authority may identify capital expenditure for the purposes of calculating development contributions in respect of assets or groups of assets that will be built after the period covered by the long-term plan and that are identified in the development contributions policy.

3.1 Support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993

The Tuahiwi Village area known as Kaiapoi Māori Reserve 873 was a Crown Grant to Ngāi Tūāhuriri people in 1848 following the Kemp's Deed purchase of the rights to most of the land and natural resources of the South Island. The purpose of the Tuahiwi Reserve MR873 area was to provide kāinga nohanga (a place of residence) and mahinga kai (cultivation and gathering of food).

As part of the Crown Grants Act (No. 2) of 1862, each whanau group was assigned 14 acres of the land. Today there are many thousands of descendants of the original grantees who whakapapa to this land. While the land is currently held in both Māori and freehold property titles, most of it has been alienated through the acts and omissions of government agencies over more than 150 years.

The proposed zoning in the Proposed District Plan (notified in 2021) is Special Purpose Zone (Kāinga Nohoanga) that supports development of Māori land to fulfil the purpose of the Tuahiwi Reserve MR873 and commitments made as part of the Kemp's Deed purchase of the South Island.

It is considered that with the loss of opportunity for development came a lack of investment in infrastructure, which now means that investment in infrastructure is required to support development enabled by the operative and proposed District Plan zoning rules. Some of this required infrastructure has been constructed and is included in the 2025/26 draft development contribution schedules.

The Council believes it has a role to encourage owners of Māori land to retain that land and to develop it in ways that benefits its owners, their whanau, and their hapū.

4. POLICY STATEMENT

4.1 Definitions

Allotment - has the meaning given to it in Section 218(2) and (3), Resource Management Act 1991.

Capital Expenditure – means the cost of capital expenditure identified in the LTP, or capital expenditure for the purposes of calculating development contributions in respect of assets or groups of assets that will be built after the period. It may also include historical capital expenditure incurred.

Development Contribution Area (DCA) – means a mapped area within the District which defines an area for which specific Development Contributions will be payable. DCA maps are included with the schedules that accompany this Policy.

Eastern District Sewer Scheme (EDSS) – means the Ocean Outfall and all four wastewater treatment plants (Kaiapoi, Rangiora, Woodend and Waikuku Beach) that discharge directly or indirectly into the Ocean Outfall under one discharge consent. The sewer development contribution has an additional component if the development is connected to the Eastern Districts Sewer Scheme.

Developments connecting to the EDSS are assessed as an EDSS DC as well as a reticulation DC based on the geographical location within the EDSS. The EDSS DC includes expenditures for both the ocean outfall, the four wastewater treatment plants and associated connecting trunk pipelines.

The only reticulated sewer scheme in the district that is not part of the EDSS is the Oxford scheme.

Household unit equivalent (HUE) – means a “unit of demand” that equates to the typical demand for infrastructure by an average household unit assessed at 2.5 persons per household.

Household unit - means a building or part of a building intended to be used as an independent residence, including, but not limited to, apartments, semi-detached or detached houses, units, and town houses. This is inclusive of a minor residential unit constructed in conjunction with a residential unit.

In addition, a second independent residential unit will be treated as a household unit for the purposes of calculating development contributions. To avoid any doubt, visitor accommodation units that are separately unit-titled shall be considered as separate household units.

Kāinga Nohoanga – means residential dwellings and/or accommodation for members of iwi or hapū groups on Māori land within the Māori Purpose zone – Kāinga Nohoanga zone, and includes all forms of accommodation for visitors and short-term residents, communal buildings and facilities.

Kāinga Nohoanga developments will be treated for development contribution purposes as follows:

- Residential dwellings will be treated as a household unit.
- Communal buildings and facilities will be treated as a multi-unit non-residential development.
- Other accommodation (including visitor accommodation) will be treated as a multi-unit residential development.

Māori Land in relation to the Special Purpose Zone – Kāinga Nohoanga – means land:

- a. that has been gazetted or determined by an order of the Māori Land court as having a particular land status as defined or provided for within Te Ture Whenua Māori Act 1993, which may apply to any form of ownership that is recognised or provided for under Te Ture Whenua Māori Act 1993; or
- b. where one or more owners of the land provide written confirmation from Te Runanga o Ngāi Tahu Whakapapa Unit that they are a direct descendant of the original grantees of the land.

Minor Residential Unit - means a self-contained residential unit that is ancillary to the principal residential unit, and is held in common ownership with the principal residential unit on the same site (National Planning Standard definition).

Where:

- a) access to, the minor residential unit shall be achieved from the same vehicle

- crossing as the principal residential unit on the site;
- b) the maximum GFA of the minor residential unit shall be 80m² (residential zone) or 90m² (rural zone) (excluding any area required for a car vehicle garage or carport up to a maximum of 40m²);
 - c) there shall be only one minor residential unit per site in the residential zones;
 - d) in the rural zones:
 - (i) there shall be only one minor residential unit per site; or
 - (ii) there shall be only one minor residential unit per delineated area within a site; or
 - (iii) for any site where there is a residential unit and a bonus residential unit there shall be a maximum of two minor residential units per site; and
 - (iv) a minor residential unit shall only be erected on a site less than 4ha where the site exists and is a site or allotment that was created by subdivision and was on a subdivision consent between 1 October 1991 and 24 February 2001 (inclusive of both dates); and
 - e) in the Large Lot Residential Zone, a minor residential unit may only be established on a site where the average density of any minor residential unit and principal residential unit achieves an average site density of one residential unit per 5,000m² of site area.

Note: The above definition includes the National Planning Standard definition and is contained within the Proposed District Plan.

The above definition will apply once the appeals period closes in relation to decisions on the Proposed District Plan, providing no appeals are lodged that relate to minor residential units.

Until then, if the Dwellinghouse definition contained in the Operative District Plan is complied with, the secondary dwelling will be considered a minor residential unit for the purpose of assessing development contributions. This means the secondary dwelling will need to be no more than 75m² in gross floor area and located within 30m the primary dwellinghouse.

Multi-unit residential development – means development involving more than one residential unit (excluding any minor residential unit) undertaken comprehensively over one or more sites, and may include zero lot development, townhouses, apartments or terrace housing.

For the purpose of calculating Development Contributions, a building with a number of separate self-contained areas will be treated as that number of residential units within any Residential Zone, unless the proposal meets minor residential unit requirements.

Multi-unit non-residential development – means a development involving more than one self-contained structure, either attached or separate from other structures on the same allotment that is designed to be used for non-residential activity.

Multi-unit non-residential developments will be treated for development contribution purposes as if subdivision had occurred. Each unit will attract the contributions equivalent to those to be paid for one HUE for the district-wide, District Plan Zone and DCA-specific

contributions, as well as relevant network infrastructure connections at the time building consents are lodged irrespective of location within the District. This includes unit title developments.

Notional lot – means an area of land within a site that meets the minimum lot area and dimensions for the Zone, and is shown by defined boundaries, legal or otherwise, which encompasses a proposed building platform for a household unit or an existing, minor residential unit or subsequent residential unit.

Reserve – means land that is vested in and managed by the Waimakariri District Council, under the *Reserves Act 1977*.

Residential non-standard activity – means a building or part of a building that is intended to be lived in that does not meet the definition of a household unit. This includes but is not limited to the portion of a retirement village or residential health care facility where 24-hour on-site medical support to residents is provided.

To assess the HUEs for residential non-standard activity, the number of people to be accommodated in the facility that meets this definition should be divided by the number of people per household that is used to determine the number of HUEs for Development Contributions purposes (2.5 people) for the 10 years under consideration.

Residential Unit - means a building(s) or part of a building that is used for a residential activity exclusively by one household, and must include sleeping, cooking, bathing and toilet facilities (National Planning Standard definition). A Residential Unit is subject to one Household Unit Equivalent (HUE).

Retirement village – means a managed comprehensive residential complex or facilities used to provide residential accommodation for people who are retired and any spouses or partners of such people. It may also include any of the following for residents within the complex: recreation, leisure, supported residential care, welfare and medical facilities (inclusive of hospital care) and other non-residential activities (National Planning Standard definition).

Run-off coefficient – the anticipated proportion run-off from impervious surfaces from an allotment and is the basis for assessing the impact that a development will have on the stormwater infrastructure. The average run-off coefficient for a 600m² Greenfields development is 55% and this is the basis for establishing the stormwater HUE.

Section 224 (c) certificate – means the certificate that is issued under Section 224(c) of the RMA to formalise the establishment of a new allotment. New allotments may also be created by way of Section 226 of the RMA.

Section 226 certificate – means the certificate that is issued under Section 226 of the RMA to allow an existing parcel defined on a deposited survey plan to be held under a separate record of title. For the purpose of this policy, where 224c is mentioned s.226 is also applicable.

Subdivision – definition as per Section 218 of the RMA (*Meaning of subdivision of land*)

Vehicle crossing – means an area of land from the carriageway up to and including the road frontage of any site or allotment that is used by vehicles to access a site or allotment from the carriageway.

Zoned – means the various areas identified as zones shown on the Waimakariri District Plan: District Plan Maps.

4.2 Types of Development Contributions charged

4.2.1 Contributions levied on new allotments anywhere in the District

The District-wide development contributions are based on assumptions about the increase in population anticipated over the period covered by the Policy and the number of additional “units of demand” that will be needed to accommodate the increased population. District-wide contributions are collected for roading and reserves.

When determining the amount to be paid in development contributions for roading to cater for growth, the Council also takes into account the amount of the total expenditure needed to meet any existing deficiency or shortcomings in the infrastructure. This means that not all the cost of a particular project is necessarily collected from development contributions.

This policy provides the Council with the ability to levy contributions for past growth related expenditure incurred during the previous 10 years, and growth-related spending over the next 10 years, except where a longer period is explicitly noted in Appendix three to allow for specific growth projects.

4.2.2 Balance lots

Balance lots created are to be serviced and will be subject to development contributions when subdivided from the underlying lot, with or without the intention of further subdivision in the future. This is the same treatment as any other additional lot created. If a balance lot is further subdivided, underlying credits will be made available to reflect the development contributions previously paid and the additional demand already accounted for.

4.2.3 Development Contribution Areas (DCA)

This Policy includes maps and details concerning the specific contributions that are payable for each of the DCAs. These contributions relate to infrastructure such as water, sewer, roading, and drainage that is provided specifically for a particular area, and are spread over the estimated number of new lots in each area. Development contributions for DCAs are levied in addition to other contributions.

Schedules and DCA maps accompany this Policy. Works schedules identifying the projects to be funded or part funded by development contributions are posted on the Council's website.

Infrastructure required to service a DCA may or may not be located within the map area shown for the DCA.

4.2.4 Outline Development Areas (ODA)

Development within an Outline Development Area (ODA) is subject to an additional contribution, in accordance with the maps included in this Policy. ODAs recognise the

costs of the development of infrastructural services that are unique to that particular area. Infrastructure required for a particular ODA is not limited to infrastructure that is specifically located within that area (map) and may be located outside of the area shown.

In determining how credits for standard development contributions are applied, any underlying lot (that is, the original lot that existed prior to development) that by right was able to have a dwelling established upon it, is eligible for credits for standard DCs as well as any applicable roading or drainage ODA DC upon further development.

If a proposed subdivision is located within a sewer or water ODA, and the underlying lot is not connected to either or both services prior to development, then upon connecting the underlying lot to reticulation, the subdivision is subject to standard DCs (e.g. Rangiora Water) and ODA DCs (e.g. North Rangiora Water).

4.2.5 Infill Development

Infill development is small scale development (generally 4 lots or less) or re-development within existing urban areas. Infill development is typically developed under the Comprehensive Residential Development (CRD) rules in the District Plan or as a multi-unit residential development under the Medium Density Residential Standard (MDRS). For water, sewer, drainage, roading and reserves infill development is regarded as being no different than any other type of development and is levied accordingly.

4.2.6 Section 226

Development completed under Section 226 is subject to development contributions.

4.2.7 Certificate of Acceptance (CoA)

Where a Certificate of Acceptance is issued for building work, where a Building Consent was not applied, development contributions will be payable in the same way if the works completed would have been subject to DC's had they been assessed under a Building Consent.

4.3 Reserves contributions

4.3.1 Introduction

The Council aims to develop a reserves network within the district to enable recreation activities to be undertaken, to retain areas with conservation value and to develop sports surfaces for the purpose of encouraging physical as well as passive activity.

4.3.2 Provision for reserves contributions

The use of reserves development contributions is for the land purchase and development of reserves.

The two main types of reserves are those that are used by the community as a whole (District Wide), and those that are used more often by people living in the immediate vicinity of the reserve (neighbourhood). For this reason, the reserves schedule is divided into neighbourhood reserves and District-wide reserves.

The Activity Management Plan - Community and Recreation sets out the Level of Service provided by the Council for Reserves. If a development is deemed by the Council to trigger additional demand on neighborhood reserves, it may be subject to neighborhood reserves

development contributions as well as District-wide reserves development contributions.

Typically, residents in urban areas will likely make the most use of neighbourhood reserves, people living in rural areas will be likely to make use of District-wide reserves. Accordingly, the formula for calculating contributions will consider the zone in which the residential development lies, however the nature of the development and expected demand on reserves infrastructure will also be considered rather than land zoning alone.

Development contributions payable for reserves are also subject to the statutory maxima set out in *LGA 2002* Section 203, namely that:

- “(1) Development contributions for reserves must not exceed the greater of –*
- (a) 7.5% of the value of the additional allotments created by a subdivision; and*
 - (b) The value equivalent of 20m² of land for each additional household unit or accommodation unit created by the development.*

For the purpose of Section 203(1)(a), the Council will assess the value of additional allotments created by a subdivision by reference to the land value recorded for similar allotments in the vicinity of the subdivision in the district valuation roll.

The Council will assess the value equivalent of 20 m² of land for the purposes of Section 203(1)(b) by reference to the value of reserve land (including all improvements thereon) in the vicinity of the subdivision. In each case, the assessment of value shall be the Council's discretion.

Open space within subdivisions that provides walkways/cycleways are regarded as road reserves and are excluded from calculations with respect to the development contributions payable for reserves.

4.3.3 Land in lieu of cash for reserve Development Contributions

The Council will generally take development contributions towards providing reserves for open space and recreation in cash. In some circumstances the Council may, at its sole discretion consider taking land in lieu of, or in addition to, cash. Where it does so, any land taken will be valued in accordance with the Council's land valuation policy, as described below.

4.3.4 Reserve land valuation policy

Land valuation for the purpose of assessing the value for land to be vested as reserves in lieu of cash development contributions will be determined by the Council on the basis of the market value of the land at the time the application for subdivision consent is lodged. A request for a reserve land valuation will be made by the Council to an independent valuer within 20 working days from the date the resource consent application is lodged with the Council.

The cost of the initial valuation will be met by the developer. The Council is not required to provide an updated valuation before the issue of a Section 224(c) certificate. The valuation of reserve land for vesting must be carried out according to the following principles:

- *the value of any improvements to the land will be excluded;*

- *an appropriate adjustment will be made on account of any easements or other rights to which the land is subject;*
- *where there are different density zonings within a subdivision or outline development plan, the value will be based on the lowest density zoning;*
- *the value will include any rights and configuration given by the consents already granted; and*
- *the value of the land will be assessed taking into consideration all existing or future restrictions to be imposed e.g. those imposed under the Reserves Act and planning restrictions. However, the valuation should also account for the “chance” likelihood (if any) of removing these restrictions and using the land for its highest and best use.*

Unless otherwise agreed in writing between the Council and developer, the valuation of reserve land will be based on evidence consistent with the *Public Works Act 1981* and relevant case law.

If the developer and the Council cannot agree on the valuation of the land to be vested, either party may, by written notice to the other party, refer the matter to independent valuation. If the parties do not agree on the valuer within five business days of either party giving a notice of valuation, either party may request that the Arbitrators' and Mediators' Institute of New Zealand appoint the valuer as soon as is reasonably practicable.

The onus on the independent valuer will be to seek the correct valuation rather than to mediate a mid-point answer. The findings of the independent valuation as to the value of the land will be the final determination of value for the purposes of this Policy.

The cost of this further valuation will be met equally by the developer and the Council.

The Council may notify the developer, at its discretion, that it chooses to take the development contribution for reserves in money rather than in land. If having received the final determination of the value of the land proposed to be vested, the Council determines that, at that price the land does not represent a prudent acquisition for the wider community and the Council's broader portfolio of open spaces.

If having received the final determination of the value of the land proposed to be vested, the developer determines that it does not wish to sell the land at that price, the developer may, at its discretion, notify the Council that it chooses to pay the development contribution for reserves in cash rather than in land.

Notices given by the Council or the developer, as referred to in the previous two paragraphs, must be given to the other party no later than 20 working days after the final determination of the value of land proposed to be vested is issued.

4.3.5 Circumstances for refunds or reductions for reserves contributions

In the event that planned reserve developments or alternative upgrades are not undertaken within a reasonable timeframe, then development contributions will be refunded, after allowing for the associated administrative costs.

Development contributions are being applied to general reserve purposes as specified under Section 205 of the LGA 2002 not for specific reserves under Section 210 of the LGA

2002.

If the Council does not use the land for reserve purposes within ten years of acquiring the land that has been vested to Council, it will be returned to the developer.

Note: a reasonable timeframe is 20 years, to align with the collection of development contributions.

4.4 Network infrastructure Development Contributions

4.4.1 Introduction

There are separate schedules for the assessment of development contributions for water, sewerage, drainage and roading but each schedule has been developed on the broad principle that costs associated with the development of assets, to meet the demands associated with growth of the population, should be spread as equitably as practicable among the beneficiaries of those developments.

The growth of the district and the resulting additional connections to the system will increase the demand on existing services. The Council considers it should be developing long-term sustainable solutions to cater for users of today and tomorrow, therefore any scheme it develops or extends will generally have a planned growth component within it.

4.4.2 Water

4.4.2.1 Introduction

The Council provides potable water to avoid or mitigate the risk of water-borne diseases affecting public health.

The Council operates several different water supply schemes. While the policies and methodology for calculating development contributions are the same for each scheme, the actual level of contribution varies because of different growth and planned expenditure.

The Policy differentiates between residential, non-residential and DCA developments and there is a different basis for assessing the development contribution payable for each type of development. Distinction is also made between those connected to restricted schemes, and those with a restricted supply connected to an on-demand scheme.

The Policy also provides for the levying of additional contributions where the size of the pipe, required to service a development, is larger than the standard 15mm water pipe. Provision is nevertheless made for the applicant to negotiate the connection rate where the applicant can show larger pipe size is required for firefighting or fire prevention.

Schedule 3 details the different amounts applicable to developments within each scheme.

4.4.2.2 Basis for assessment

Current users and future users benefit equally from the maximum capacity of a water supply system. Based on the assumption that one current user will consume the same amount of system capacity as a future user, they should equally share the cost of providing that maximum capacity.

Residential Zones:

The unit of demand relating to the water systems is the average number of litres per day consumed by a residential unit. Each additional residential unit increases the consumption of water by approximately 750 litres per day.

Growth in water consumption volumes and the system's maximum capacity has been translated into a HUE for the purposes of planning and calculating development contributions. Each new lot established with a standard sized connection will be charged one development contribution as per the accompanying schedule.

Any additional household unit established on the same lot will be assessed as one HUE and charged a development contribution as per the attached schedule.

Rural Zones:

The contribution is assessed on the same basis as for residential zones. The exception is where rural properties abut urban areas, and are able to connect to the urban water supply network.

In recognition of the reduced demand from a restricted supply as compared to a full on-demand connection, single unit (i.e. 1m³ per day) restricted connections are charged at 40% of the full residential development contribution, and a two unit restricted connection is charged at 80% of the full residential development contribution.

A minimum 2m³ of demand connection is required per lot, for restricted connections.

Business Zones (excluding Southbrook):

For these lots, the contribution is payable in two parts. Firstly, when each new lot is created, a contribution equal to the Residential contribution will be charged. If a larger than standard 15mm pipe connection is required, there will be an additional cost.

This contribution will be in direct relation to the size of the water inflow pipe. See Appendix 3 for the formula.

Southbrook:

For these lots, the contribution is assessed based on the area of the block being subdivided or developed less the area of land used for roading and stormwater utilities.

In calculating the area of lots being subdivided or developed, the total block being subdivided or developed shall be counted.

4.4.2.3 Circumstances for refunds or reductions for water contributions

In the event that planned system upgrades, or alternative upgrades, are not undertaken within a reasonable timeframe, then development contributions will be refunded, after allowing for the cost of investigating the upgrade options.

In the case of the Southbrook DCA development, where a subdivision results in a substantial balance block that is expected to be developed at a later date, the Council may defer charging water development contributions in respect of the balance block.

This would happen until such time further subdivision or building or connection occurs in respect of the balance block, whichever is the earlier. This discretion will only be available

where the area of the balance block is at least 50% of the area of the original block as at 1 July 2007.

Other than as detailed above, there will be no postponements of payments, reductions or remissions of payments.

4.4.3 Sewer

4.4.3.1 Introduction

The Council provides reticulated sewer treatment and disposal systems to achieve high quality public health and to minimise adverse effects on the receiving environment. There is an expectation from tangata whenua and the community that high environmental standards will be met.

The Council operates two different sewerage schemes (areas) - Eastern Districts, and Oxford. While the policies and methodology for calculating development contributions are the same for each scheme (and sub-parts of the Eastern Districts scheme), the actual level of contribution varies, and the number of years it is calculated over because of different growth inputs and the level of planned expenditure.

Appendix 3 details the different amounts applicable to developments within each area.

4.4.3.2 Basis for assessment for treatment and disposal costs and reticulation costs

Current users and future users benefit equally from the maximum capacity of a sewerage system. Based on the assumption that one current user will consume the same amount of system capacity as a future user, they should equally share the cost of providing that maximum capacity.

Residential Zones:

The unit of demand relating to the sewerage system is the volume of sewage to be treated and disposed of off the site from which it is generated. Each additional residential household adds approximately 675 litres of sewage per day. Growth in sewage volumes and the system's maximum capacity has been translated into the equivalent demand for the typical household.

Each new residential lot established will be charged one sewerage development contribution as per the attached schedule. Any additional household unit, or multi-unit development established on the same lot, will be subsequently charged additional sewerage development contributions as per the attached schedule depending on the number of additional dwelling units involved.

Rural Zones:

The contribution is assessed on the same basis as for residential zones.

Business Zones (excluding Southbrook):

For these lots the contribution is payable in two parts:

- (i) When each new lot is created, a contribution according to the formula for residential zone contribution will be charged.
- (ii) If a larger water inflow pipe is requested then a further contribution will be sought for

sewage disposal. This contribution will be in direct relation to the size of the water inflow pipe – see attached schedule for the formula.

Mandeville, Ohoka, Swannanoa Sewer:

For avoidance of doubt, additional lots developed within the Mandeville, Ohoka, Swannanoa Sewer Scheme area (Map MSO 1) wishing to connect to Council sewer, are subject to the Mandeville, Swannanoa, Ohoka 'new' development contribution charge. Any existing lot that is required to connect to the scheme (e.g. an existing dwelling upgrading from septic tank to a reticulated connection) that is within the 'existing' area mapped on Map MSO 1, is subject to the Mandeville, Swannanoa, Ohoka 'existing' development contribution charge.

Southbrook:

For these lots, the contribution is assessed based on the area of the block being subdivided or developed less the area of land used for roading and stormwater utilities.

In calculating the area of lots being subdivided or developed, the total block being subdivided or developed shall be counted.

The funding costs associated with the Southbrook DCA sewer scheme development are met from drainage rates.

4.4.3.3 Circumstances for refunds or reductions for sewer contributions

In the case of the Southbrook DCA development, where a subdivision results in a substantial balance block which is expected to be developed at a later date, the Council may defer charging sewer development contributions in respect of the balance block until such time as further subdivision or building or connection occurs in respect of the balance block (whichever is the earlier).

This discretion will only be available where the area of the balance block is at least 50% of the area of the original block as at 1 July 2007. Other than as detailed above, there will be no postponements of payments, reductions or remissions of payments.

4.4.4 Drainage

4.4.4.1 Introduction

The Council provides drainage systems to achieve high quality public health and to minimise adverse effects on the receiving environment. Effective drainage systems and networks remove a constraint on land development.

There is an expectation from tangata whenua and the community for high environmental standards to be met.

The Council operates five urban drainage areas and eight rural drainage areas. The methodology for calculating development contributions are the same for each scheme, but the actual level of contribution varies depending on the growth component. Appendix 3 details the different amounts applicable to developments within each area.

4.4.4.2 Basis for assessment

Current users and future users benefit equally from the maximum capacity of a drainage system. Based on the assumption that one current user will need the same amount of system capacity as a future user, they should equally share the cost of providing that maximum capacity.

Residential 1, 2, 3, 5, 6 and 6A Zones:

The unit of demand relating to drainage systems is the peak run off, measured in m³/s, needed to cope with a 1-in-5 year storm. Each additional household increases the potential run off into the reticulated drainage network by approximately 8L/s.

Growth in the system's maximum capacity has been translated into a 'per lot' equivalent for the purposes of planning and calculating development contributions. Each new lot established will be charged one HUE as per the accompanying schedule.

Rural and Residential 4 Zones:

No development contribution for drainage is being sought from new subdivisions in these zones on the basis that development will not significantly affect the level of run-off from the land.

Business Zones (excluding Southbrook DCA):

For these lots, the contribution is payable when each new lot is created, a contribution equal to the residential zone contribution will be charged.

Southbrook DCA:

For these lots, the contribution is calculated based on the area of the block being subdivided or developed, but excludes that part of a block that is assessed as having been developed.

4.4.4.3 Circumstances for refunds or reductions for drainage contributions

In the event that planned system upgrades, or alternative upgrades, are not undertaken within a reasonable timeframe, development contributions will be refunded, after allowing for the costs of investigating the upgrade options and associated administrative costs.

Other than as detailed above, there will be no postponements of payments, reductions or remissions of payments.

4.4.5 Rooding

4.4.5.1 Introduction

The Council provides for growth of the district roading network to ensure people have access, and to contribute to a healthy community.

The growth-related component of projected expenditure on strategic and arterial roads as set out in the Council's Long-Term Plan will provide the basis for calculating the general roading contribution.

4.4.5.2 Basis for assessment

There are two types of roading developments identified which will be funded by

development contributions. These are for the general contribution and developments in DCAs.

In recognition of the fact that some of these works will assist in remedying some existing deficiencies in the roading network and that there is a renewal component to some of these works, the Council has apportioned only part of the costs of each project to growth.

Appendix 3 details the different amounts applicable to developments within each DCA.

Business Zones (excluding Southbrook DCA):

For these lots, the contribution is payable when each new lot is created, a contribution equal to the residential zone contribution will be charged, this is known as the district roading development contribution.

Circumstances for refunds or reductions for roading contributions:

In the event that planned transport network upgrades, or alternative upgrades, are not undertaken within a reasonable timeframe, Development contributions will be refunded, after allowing for the costs of investigating the upgrade options and associated administrative costs.

Other than as detailed above, there will be no postponement of payments, reductions or remission of payments.

4.5 Community infrastructure Development Contributions

4.5.1 Introduction

Community infrastructure is essential to the ongoing economic, social, cultural and environmental wellbeing of the community. This infrastructure provides opportunities for members of the community and visitors to the district to participate in activities and recreation, to provide service to others and to participate in life-long learning experiences.

Community infrastructure for which development contributions may be levied is defined in LGA 2002 Section 197(2) as:

- (a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and*
- (b) includes land that the territorial authority will acquire for that purpose.*

Community infrastructure is those services under the control and management of the Waimakariri District Council, however, the levying of development contributions includes but is not limited to:

- *community centres and halls*
- *play equipment on neighbourhood reserves; public toilets*
- *cemeteries.*

4.5.2 Basis for assessment

Community Infrastructure provides benefits for future residents and the existing community. It is therefore equitable to share these between the owners of future and existing properties

and the costs will be allocated on a per household basis.

Each project has been assessed to ascertain the amount attributable to growth and the amount attributed to current household units.

4.5.2.1 Circumstances for refunds or reductions

In the event that planned community infrastructure upgrades are not undertaken, or alternative upgrades are not completed, then development contributions will be refunded, after allowing for the costs of investigating the upgrade options and associated administrative costs. Other than as detailed above, there will be no postponements of payments or remissions of payments.

Where the Council and a developer agree to the transfer of community infrastructure assets to the Council (which will have benefits to the community and which would have otherwise been provided for by way of community infrastructure development contributions), the Council may agree to a reduction in the community infrastructure contribution to acknowledge the benefit.

4.6 Administration

4.6.1 Basis for assessment

The detailed basis for assessment for development contributions is explained in the formula for each contribution (refer to Appendices 2, 3 and 4). There are two broad groups of formula:

- Those that apply to services and facilities for which benefit will accrue to the occupants of new allotments and/or new household units anywhere in the District. Costs are then apportioned across the whole district including roading and reserves.
- The second group has benefits for a defined group of users, for which the costs are apportioned to the direct beneficiary and includes sewer, water and drainage. These are set out in the respective schedules accompanying this Policy.

4.6.2 The application of household equivalent units

All new allotments irrespective of zone will attract development contributions payable for one household equivalent unit (HUE) at the time that the subdivision occurs. Assessments will be made of all development proposals either at the time that a resource consent or building consent is granted or a new or enlarged connection to an infrastructure service is approved.

This will ascertain if further development contributions are payable to take account of the additional demand that the development will place on one or more of the Council's infrastructure services. The basis for these assessments for water, sewer, drainage, roading and community infrastructure is set out in the respective schedules to this Policy.

Each new lot created, irrespective of zone and proposed activity, will attract the district-wide development contributions payable at the time of creation. Each lot in a DCA will attract the development contributions payable for the DCA in which it is located. New lots in an area serviced by water, sewerage and/or drainage systems will attract the development contributions or connection charges payable for each of these systems.

Any additional dwelling on an allotment that does not comply with the definition of a minor residential unit will attract development contributions, as will any minor residential unit that is subsequently subdivided off from its original allotment.

Any allotment, which is created as the result of a boundary adjustment involving an allotment the size of which is below the threshold to qualify for the construction of a household unit will attract development contributions. Specifically, the creation of such an allotment of a size that allows the construction of a household unit as a permitted activity under the District Plan will attract development contributions.

4.6.3 Reductions in Development Contributions

The developers of multi-unit residential developments may apply to the Council to seek a reduction in payment of roading and reserves development contributions. The matters that the Council will take into account when making its decision as to whether any reduction relief will be granted, will include (but are not limited to) the:

- number of units;
- size of the units;
- purpose of the development;
- future ownership arrangements proposed for the development and;
- anticipated vehicle movements confirmed by an independent traffic assessment.

No reduction relief will be granted that reduces the amount of development contributions payable for roading below the level equivalent of 0.5 HUE for each of these development contributions at the time that the application seeking a reduction is received by the Council. A maximum of 0.5 HUE reduction may be applied by staff where appropriate, based on the criteria set out in this Policy to an already adjusted HUE.

No reduction relief will be granted for water, sewer and stormwater development contributions. An assessment for the liability for stormwater development contribution will be made based on the anticipated proportion run-off from the site.

4.6.4 Remissions of Development Contributions

No remission relief will normally be granted for development contributions, however, elected members have delegated authority to grant a DC remission in appropriate circumstances. While Council staff currently have delegation to reduce a roading and reserves DC to 0.5 HUE, they do not have delegation to offer a wider remission without formal Council resolution.

Application for remission should be made by the Applicant, including justification as to why the remission is warranted, irrespective of zone. This will be followed by a formal deputation where the Applicant can present to Elected Members; a staff report will also be prepared..

4.6.5 Development of Māori land within Tuahiwi Reserve MR873 (Special Purpose Zone (Kāinga Nohoanga in the Proposed District Plan))

The Tuahiwi Reserve MR873 was granted to Te Ngāi Tūāhuriri iwi during the 1840's as part of the Kemp's Deed purchase of the South Island. The purpose of the reserve was for the mana whenua to have kāinga nohanga (a place of residence) and mahinga kai (cultivation and gathering of food). The Council believes it has a role to encourage owners of Māori land to retain that land and to develop it in ways that benefit its owners, their whanau, and their hapū.

The Council has established a development contributions remission scheme which applies to residential development on Māori land within the Tuahiwi Reserve MR873, which falls within the Special Purpose Zone (Kāinga Nohoanga) in the proposed District Plan. The remission provides that qualifying developments (those with descendancy based development rights and that meet District Plan requirements as a permitted or consented activity) do not pay development contributions.

The remission is funded through each specific development contribution scheme (e.g., the Woodend water scheme funds the Tuahiwi water and Woodend-Tuahiwi water development contribution remission).

This remission was originally based on projects that are in the 2023/24 development contribution schedules. Funding for additional infrastructure introduced later than 2023/24 required to service specific development areas will be subject to separate consideration. This remission is further based on infill cluster housing type development (approximately 20 units (or HUEs) over 5 years, and once these 20 HUEs of remissions are granted, further remissions will only be available upon specific decision by the Council who may revisit the volume of remissions beyond this initial allocation for developments of greater scale or density.

No application is required to be made to receive this remission other than demonstration of a qualifying development where one or more owners of the land provide written confirmation from Te Runanga o Ngāi Tahu Whakapapa Unit, confirming that they are a direct descendant of the original grantees of the land.

4.6.6 Timing of payment of contributions

Development contributions are levied on subdivision, resource consents, building consents and on requests for connection to infrastructure services.

Development contribution charges are invoiced in the following cases:

- a) A Section 224(c) application is received for a subdivision consent.
- b) When a building consent for a new residential or non-residential unit is uplifted.
- c) An application to connect to a Council network service is made.
- d) Council deems a change of property use has occurred resulting in an increased demand for network services.
- e) A Section 226 application is received for a subdivision consent.

Development contribution charges are payable by the earlier of:

- a) The 20th of the month following the invoice date; or
- b) Prior to the issuance of the Section 224(c) Certificate, Code Compliance Certificate, or approved connection application.

If an invoice remains unpaid outside of the terms of the invoice, Council will undertake normal legal action to enforce payment. In addition, if development contributions have not been paid, Council is able to withhold the following:

- a) A Code of Compliance Certificate;

- b) A connection to a Council network;
- c) A certificate issued under Section 224 (c) of the RMA; and
- d) Commencement of a resource consent under the RMA;

Development contributions assessed and advised on a subdivision consent shall have a lapsing period of 5 years to give effect to the consent [i.e. Section 223 certificate] and then 3 years to plan deposit [i.e. Section 224(c) certificate].

If a consent holder is granted an extension or a lapse period of greater than 5 years to give effect to the consent, the development contributions shall be re-assessed at the time a Section 224(c) certificate application is made if this occurs outside of the timeframes as stated above.

The LGA (s 198), provides for a development contribution assessment to be made at multiple points within the development process (subdivision consent, land use consent, building consent, certificate of acceptance or authorisation for service connection). The Council intends to make an assessment at the first opportunity, however, if there is demand created and an assessment is not made at the first opportunity, the Council reserves the right to make an assessment at a later opportunity, based on the year rate applicable at the time considered to have been the first opportunity under this policy. The Council's right to assess at a later opportunity is limited to the demand created at the first opportunity and any increase in demand between the first opportunity and later opportunity based on the development proposed.

4.6.7 Price indexation

For work that is forecast to be undertaken in the period of the LTP, the Council may apply indexation to the development contribution calculations based on the Producers Price Index Outputs for Construction as provided in LGA 2002 s 106(2B) and (2C). These provisions, however, exclude interest and financing costs from the adjustments for increases in this producer price index.

4.6.8 Holding costs

The Council will apply holding costs for growth-related expenditure that has been incurred prior to the commencement of the current financial year.

- (a) For past capital expenditure, other than for roading, where that expenditure contains a growth component, the Council will annually increase the relevant development contributions by the Council's cost of funding.
- (b) For past capital expenditure on roading, where the expenditure was incurred for the purposes of allowing development, the Council allocates the full interest cost and recovers the associated holding cost from the developers.
- (c) For past capital expenditure, where the expenditure is incurred for the purposes of allowing development in DCAs, the Council allocates the full interest cost to the development area and recovers the associated holding cost from the developers. The development contribution reflects both the capital cost and the holding cost.
- (d) Where funding costs are added to development contributions for historical expenditure in accordance with this clause, the Council will review the level of development contributions at least once every three years with regard to the impact that the inclusion of holding costs may be having on the development of the DCA. On completion of this review, if it is considered in the best interests of the Council and the

district to do so, then the Council may exclude some or all of the funding costs from the calculation of a contribution.

- (e) There are a small number of capital works for the purposes of enabling development in defined areas for which the Council has decided that the funding costs should not be funded by development contributions, for example Southbrook DCA drainage, where it is considered that there is district wide benefit arising from the works.

4.6.9 Historical capital expenditure

Where provided for in this Policy, development contributions may be charged in respect of historical capital expenditure, as well as for projected capital expenditure. This includes the calculation of development contributions incurred for capital expenditure beyond the term of the LTP as allowed for under Schedule 13 of the LGA 2002.

In determining when development contributions will no longer be charged for historical capital expenditure, a distinction is made between various types of historical expenditure with a growth-related component:

1. DCA-related expenditure;
2. General growth-related expenditure;
3. Very large projects where the denominator used for calculating development contributions in the LTP reflects growth which is likely to occur beyond the LTP period.

With DCA expenditure, it is possible to identify when historical costs have been fully funded. Development contributions will no longer be charged where the costs have been fully recovered or the asset has come to the end of its useful life (whichever is the earlier).

With general growth-related expenditure, development contributions will be collected for future expenditure within the period of the LTP and for historical expenditure incurred in the previous 10-12 years. The number of years of historical expenditure to be included will be 20 years less the number of years covered by the LTP.

Accordingly, in Year 1 of the LTP, development contributions will be charged for growth-related expenditure for both the next 10 years and the past 10 years. In Year 2, development contributions will be charged for growth-related expenditure for the next 9 years and the past 11 years, and so on.

The growth that has occurred in the DCA may also be considered to estimate costs, and may include historical expenditure and adjusted life expediency to differing collection.

The third category of expenditure identified above will continue to be part of the development contributions charge until the growth provided for in the development contributions denominator has eventuated, e.g. a certain number of household units have been developed. However, contributions will not be charged beyond the useful life of the asset.

4.6.10 Developer agreements

LGA 2002 s 207A(1) provides that territorial authorities may enter into a developer agreement if formally requested by a developer or the Council itself.

When a DCA is established the Council will work with the developer or developers of the area concerned to establish which party or parties will undertake various works. The Council will only charge development contributions for that DCA for infrastructure work that is undertaken and funded by the Council. The extent of the infrastructure work undertaken by the Council in each DCA will vary according to the nature of the development and the type of work involved.

It is the responsibility of the developer to provide infrastructure solutions for the area of the proposed development. In the event that the Council requires the provision of additional capacity in the infrastructure to be provided or improvements to existing infrastructure affected by the development, Council will fund the extra-over portion of the work.

If a developer desires to enter into a developer agreement with Council, the developer shall make an application to Council in writing. This application shall include the following information for consideration by Council:

1. Scale of the development. Typically, a development greater than 75 lots or with the value of infrastructure works exceeding \$250,000 will be considered for an agreement. Developments with fewer lots or lower value of infrastructure may be considered at Council's discretion;
2. Ownership of the development (i.e. joint venture partners);
3. Timeframe for development to be completed (all stages);
4. Works to be included in the agreement; and
5. Timeframe for the infrastructure works to be completed;

In considering an application for a developer agreement, the Council will consider the following:

1. The value of the works to be completed by the developer that have a wider Council benefit;
2. The degree of benefit to the wider community;
3. Options for completing the work;
4. Consideration of any increase in resilience to a Council infrastructure network;
5. Alignment of works with Council's level of service requirements;
6. Alignment of works with the Regional Policy Statement, Council's District Plan and strategic directions;
7. Risk to Council of development not proceeding as intended by the Developer;
8. Developer's credit worthiness; and
9. Council's intended funding of the infrastructure works to be included in the agreement.

If, as a result of these discussions, a decision is made to establish a formal development agreement under *LGA 2002*, this agreement shall set out the following as relating to shared works:

1. Methodology for determining the share of costs that are the responsibility of the Council;
2. Methodology for valuing land;
3. Effects of the completion of the proposed works on the Development Contributions

- payable under this Policy. Any departure(s) from the Council's Development Contributions Policy shall be explicitly stated within the agreement; and
4. Timeframe for validity of agreement.

Unless explicitly stated, developer agreements shall not alter the applications of development contributions under this Policy. Development contributions may be locked in for a period of 8 years from agreement to the issuance of the Section 224(c) certificate at the discretion of Council.

4.6.11 Requests for reconsideration of Development Contributions

LGA 2002 s 199A establishes the right for developers on whom the Council is proposing to levy Development Contributions to request a reconsideration of the amounts involved. The bases on which such requests can be based are that:

- *The amount was incorrectly calculated or assessed under the Council's Development Contributions Policy;*
- *The Council has incorrectly applied its Development Contributions Policy; or*
- *The information used to assess the development contributions payable by the person seeking reconsideration was incorrect, has been recorded or used incorrectly, or was incomplete or contained errors.*

LGA 2002s 202A(2) requires the Council's Development Contributions Policy to establish a process for addressing requests for reconsideration, which must indicate how these are to be lodged, and the steps that the Council will take in making its determination regarding the request for reconsideration.

The reconsideration process established under this policy will involve the delegation of responsibility for the determination of the outcome of the reconsideration to the Chief Executive. The process to be used to reach this determination is set out in Appendix A to this Policy.

5. LINKS to OTHER POLICIES and COMMUNITY OBJECTIVES

The Development Contributions Policy links to the following outcomes:

- There is a safe environment for all;
- Transport is accessible, convenient, reliable affordable and sustainable;
- There is sufficient clean water to meet the needs of communities and ecosystems;
- Businesses in the District are diverse, adaptable, and growing;
- Core utility services are provided in a timely, sustainable and affordable manner; and
- Public spaces and facilities are plentiful, accessible and high quality.

6. POLICY ADOPTION

The Development Contributions Policy was adopted by Waimakariri District Council on 3 June 2025.

7. REVIEW

A review is made every year in preparation for the Annual Plan or Long-Term Plan. A full review is undertaken every three years.

2025/26 DEVELOPMENT CONTRIBUTIONS POLICY - APPENDICES

APPENDIX A: RECONSIDERATION PROCESS

1. Requests for reconsideration of the development contribution which the Council requires must follow within 10 working days of the formal receipt of a notice of the sums involved from the Council. The Council will give formal notice of the development contributions payable as soon as it is practicable after:
 - the decisions have been made with respect to the servicing of a new subdivision, for contributions payable prior to the release of RMA Section 224(c) certificates;
 - the decision have been released with respect to the impact on Council infrastructure assets for contributions triggered by a land use consent; or
 - the plans for a new building have been assessed for a Project Information Memorandum (PIM).
2. Applications for reconsideration must be lodged on the prescribed form attached to this schedule, and must state which ground(s) for requests for reconsideration set out in LGA 2002 s199A apply to the application.
3. The Council will only accept applications for reconsideration that provide sufficient information to allow Council officers to fully evaluate the basis on which the reconsideration is sought, and the concerns of the applicant with respect to the Council's original process in assessing the contributions payable.
4. The Council reserves the right to suspend the time of 15 working days required to provide determination of its response to a request for a reconsideration set out in LGA 2002 s 199B(1) if, in order to ensure natural justice, further information is required from the applicant regarding the basis for the request for reconsideration.
5. The Council will make its determination of the application for reconsideration based on the information provided by the applicant and the original Council documentation setting out the basis for the original decision regarding the development contributions applicable and the sums to be levied.
6. The reconsideration decision will be made by the Chief Executive on advice from staff.
7. The Council's reconsideration process will not involve formal hearings or other representations in person for the applicant or parties representing the applicant.

2025/26 DEVELOPMENT CONTRIBUTIONS POLICY

Waimakariri District Council Notice of request for a reconsideration of Development Contributions Under S199A Local Government Act 2002

Name of person/company requesting reconsideration.....

Address.....

Phone.....

E-mail.....

Development contribution(s) for which reconsideration is sought

.....

Please quote the relevant notice number

Reasons for request for reconsideration (please tick the appropriate statutory reason(s))

(a) Incorrect calculation or assessment

☐

(b) Development Contributions Policy incorrectly applied

☐

(c) Information used incomplete or contains errors

☐

Please provide further information relevant to your request for reconsideration:

.....

.....

.....

..... (use additional paper if necessary)

Relief sought

.....

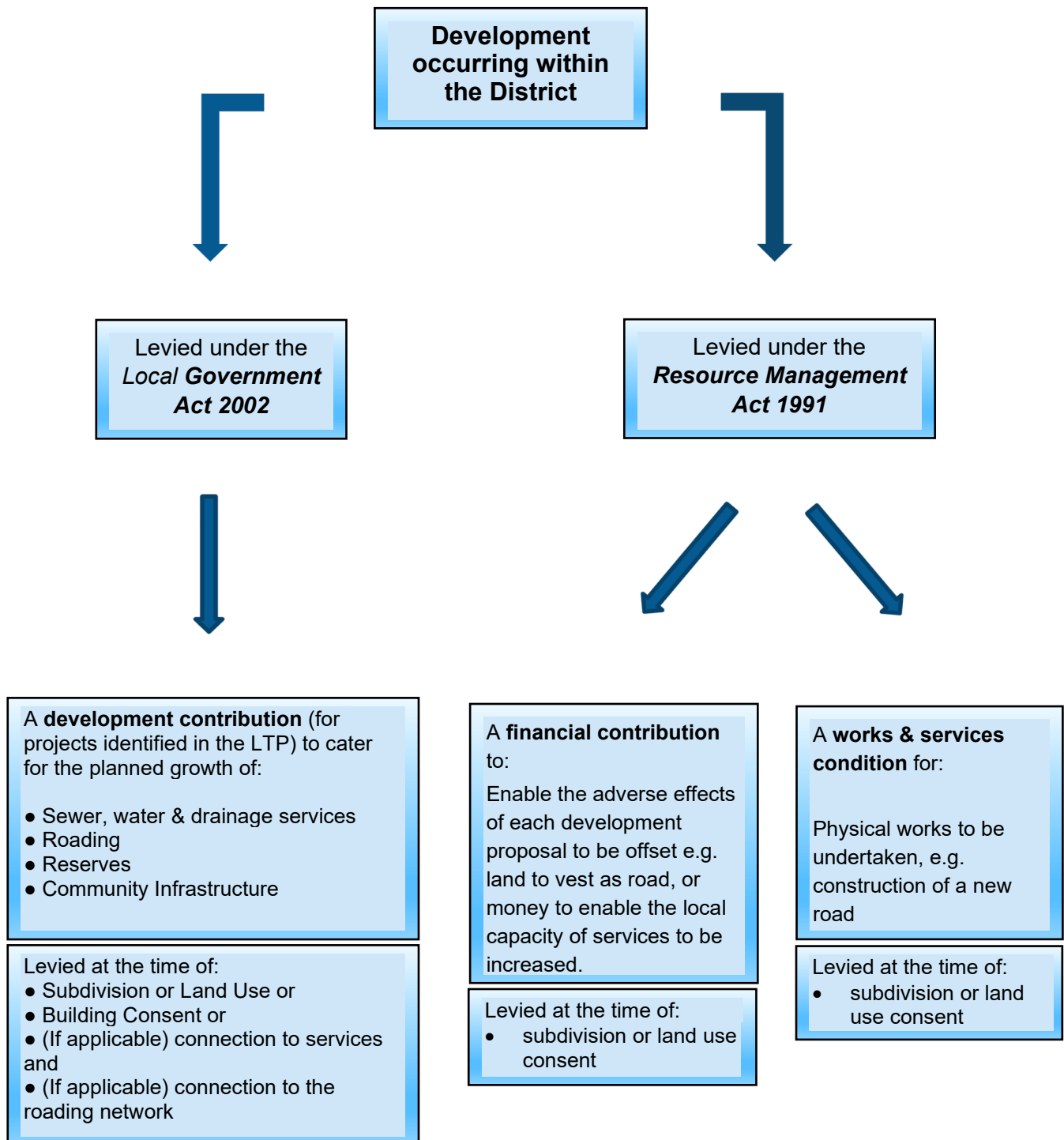
(To be signed by or on behalf of person/company making the request)

• *Signature* *Date:*.....

• *Name of signatory**(Please print)*

• *Status of signatory**(Please print)*

APPENDIX 1: FRAMEWORK FOR RECOVERING FINANCIAL AND DEVELOPMENT CONTRIBUTIONS



APPENDIX 2: RESERVES DEVELOPMENT CONTRIBUTIONS

2.1 Calculation of contributions

There are two reserves contributions – one for District-wide reserves applicable to all residential and rural developments and the other for neighbourhood reserves, which is only applicable to residential zoned subdivisions, and any other development which generates demand on neighborhood reserves when assessed against the Activity Management Plan – Community and Recreation.

The capital expenditure is divided into two categories:

1. Growth-related development: this applies to new developments that are needed to cater for the growth of the District.
2. Development of reserves: this category covers development of existing reserves to cater for future residents and for the changing needs of the community. It is therefore equitable to share these costs between future property owners and existing owners.

District and neighbourhood reserve contributions are levied at the lesser of either the maximum allowable contribution or the per lot contribution calculated on the cost of the capital expenditure associated with the development of reserves. The maximum allowable contribution is the greater of:

- *7.5% of the values of the additional lots created by a subdivision; or*
- *The market value equivalent of 20m² of land for each additional residential unit or accommodation unit created the development.*

2.1.1 Charges are levied

A charge is levied either:

- On each new residential or rural allotment, or
- On each second or subsequent dwelling, or
- On each residential or rural resource consent or building consent.

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

2.1.2 Rural and Residential 4 Zoned – subdivisions and second and subsequent household units

Where:

- cg = capital expenditure relating to growth for district-wide reserves
cd = capital expenditure relating to the development of existing reserves and facilities
s = subsidies, if any
h = total estimated number of additional household units in the District at the end of the LTP period
th = total estimated household units at the end of the LTP period
r_{t-a} = funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals the lesser of:

- i. the greater of 7.5% of the land value of the additional lot or notional lot or the value equivalent of 20m² of land **or**

ii. *For future expenditure:*

$$((cg - s) \times (1 / h)) + ((cd - s) \times (1 / th))$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((cg - s) \times (1 / h)) + ((cd - s) \times (1 / th)) \times (\text{a multiplier reflecting funding costs})$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

2.1.3 Residential 1, 2, 3, 5, 6, 6A Zoned Subdivisions, and Rural and Residential 4 Zoned Subdivisions where additional demand on neighbourhood reserves is generated

Where:

cg = capital expenditure relating to growth for district-wide reserves

cn = capital expenditure relating to growth for neighbourhood reserves

cd = capital expenditure relating to the development of existing reserves and facilities

s = subsidies, if any

h = total estimated number of additional household units in the District at the end of the LTP period

hi = total estimated number of additional residential zone household units in the District at the end of the LTP period

th = total estimated households at the end of the LTP period

r_{t-a} = funding rate applied in respect of each year from the time of the works being carried out

Contributions per lot equals the lesser of:

- i. The greater of 7.5% of the land value of the additional lot or the value equivalent of 20m² of land created by the development **or**

ii. *For future expenditure:*

$$((cg - s) \times (1 / h)) + ((cn - s) \times (1 / hi)) + ((cd - s) \times (1 / th))$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((cg - s) \times (1 / h)) + ((cn - s) \times (1 / hi)) + ((cd - s) \times (1 / th)) \times (\text{a multiplier reflecting funding costs})$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

2.1.4 Increased densities and multi-unit residential developments

Where:

vm = the value of 20m² of land

h = total household unit equivalents created by the development.

Contribution = vm x h

Multi-unit residential includes, but is not limited to, flats, town houses, retirement villages and traveller accommodation. As set out in LGA 2002 s 203, the formula may be applied at the discretion of the Council.

The formula is based upon the value equivalent of 20m² of land for each additional residential unit or accommodation unit created by the development, instead of 7.5% of the total land value.

APPENDIX 3: NETWORK INFRASTRUCTURE DEVELOPMENT CONTRIBUTIONS

3.1 Water

3.1.1 Calculation of contributions

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the system, subtracting:

- Any subsidies
- The total of the replacement cost of the existing asset (if any)
- The depreciation cost of the existing asset, then dividing by the number of household units that the area is planned to be capable of servicing, or the number of units of water that the scheme is planned to deliver within the LTP assessment period.

3.1.2 Charges are levied

A charge is levied either:

- On each new lot and/or connection granted, or
- On each second or subsequent residential unit or connection on a pre-existing lot
- Or resource consent, building consent or application for a larger service which will lead to additional demand on the water network, or
- On each second or subsequent connection or application for consent which will lead to additional demand on the water network.

Note: Developments in DCAs incur development contributions for the particular DCA area they are in, and in addition, incur development contributions for the large scheme area.

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

3.1.3 Calculation of contribution for water scheme projects other than new source projects:

Where:

- c = capital expenditure that includes a growth component
s = subsidies, if any
r = replacement cost of any infrastructure replaced
d = depreciated replacement cost of any infrastructure replaced
n = total estimated number of household units in the area planned to be serviced as at the end of the LTP period.
W = water connection size factor (for calculating water development contributions)
r_{t-a} = funding rate applied in respect of each year from the time of the works being carried out.

Contribution per lot equals:

In respect of future expenditure:

$$((c - s) - (r - d)) \times (1 / n) \times w$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times ((1 / n) \times w) \times a \text{ multiplier reflecting funding costs}$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

The significance of the adjustment for replacement cost and depreciated replacement cost is that some assets have years of useful life left but are only being replaced to cope with the demand for extra capacity resulting from new subdivisions.

The effect of this adjustment is that if a new asset is to be replaced, those causing the growth should pay for the cost of upgrading the asset as the existing asset would provide many years of future benefit and it is only being replaced because of the growth.

3.1.4 The water scheme development contribution (100% growth projects)

3.1.4.1 Developments outside DCAs:

Where:

c = growth component of capital

s = subsidies, if any

r = replacement cost of any infrastructure replaced

d = depreciated replacement cost of any infrastructure replaced

h = total estimated number of additional household units in the area planned to be serviced by the end of the LTP period.

W = water connection size factor (for calculating water development contributions)

r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out.

Contribution per lot equals:

In respect of future expenditure:

$$((c - s) - (r - d)) \times (1 / h) \times w$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / h) \times w \times a \text{ multiplier reflecting funding costs}$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

3.1.5 The Water Scheme Development Contribution

3.1.5.1 Water scheme new source projects

These include any water supply scheme with a water supply source upgrade and shall be levied over 35 years as below.

Where:

c = capital expenditure that includes a growth component

s = subsidies, if any

r = replacement cost of any infrastructure replaced

d = depreciated replacement cost of any infrastructure replaced

n = total estimated number of household units in the area planned to be serviced as at the end of a period of 35 years from the date of completion of the project.

w = water connection size factor (for calculating water development contributions)

r_{t-a} = funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

In respect of future expenditure:

$$((c - s) - (r - d)) \times ((1 / n) \times w)$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times ((1 / n) \times w) \times (\text{a multiplier reflecting funding costs})$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

For an existing asset, which is at the end of its useful life and due for replacement, people who connect in the future will only pay for the cost of increasing the system's size, not the full cost of replacing the existing asset.

3.1.6 Outline Development Areas

In addition to the above water scheme development contribution calculation, the DCAs have an additional contribution, for Outline Development Areas (ODA), which recognises the costs of the development of infrastructural services that are unique to that particular development.

3.1.6.1 The ODA Water Scheme Development Contribution (except Southbrook)

Where:

co = capital expenditure relating to growth in the DCA

f = funding costs in respect of historical expenditure, if any

s = subsidies, if any

pc = development contributions previously received, if any

- r = replacement cost of any infrastructure replaced
d = depreciated replacement cost of any infrastructure replaced
dca = estimated number of additional lots planned to be serviced in the development contribution area
w = water connection size factor (for calculating water development contributions)

Contribution per lot equals:

$$((co + f - s - pc) - (r - d)) \times (1 / dca) \times w$$

The schedule details the actual costs relating to each DCA.

3.1.6.2 The Southbrook DCA Water Scheme Development Contribution

Where:

- co = capital expenditure that includes a growth component
f = funding costs in respect of historical expenditure, if any
s = subsidies or income received from other sources, if any
r = replacement cost of any infrastructure replaced
d = depreciated replacement cost of any infrastructure replaced
m = area (m²) of lot(s) being subdivided or developed
a = total area of the Southbrook DCA area (m²) less the area dedicated to the stormwater retention pond less a 15% allowance for roading and reserves
w = water connection size factor (for calculating water development contributions)

Contribution per lot equals:

$$((co + f - s) - (r - d)) \times (1 / a) \times m \times w$$

The schedule details the actual costs relating to this Scheme.

3.1.7 Water Connection Size Factor (for calculating Water Development Contributions)

Water Connection Size (mm)	Development contribution multiplication factor
15mm	1.0 x Standard D.C.
20mm	1.5 x Standard D.C.
25mm	2.1 x Standard D.C.
32mm	3.2 x Standard D.C.
40mm	4.9 x Standard D.C.
50mm	7.8 x Standard D.C.

The connection rate may be negotiated where the applicant can show larger pipe size is required for fire-fighting or fire prevention.

3.1.8 Restricted Connections Supplied from On-demand Networks

Restricted connections supplied from on demand networks will pay a reduced development contribution in accordance with the following table.

Restricted connection demand	Development contribution reduction factor
1 Unit (1 m ³ per day)	0.4 x Standard D.C.
2 Units (2 m ³ per day)	0.8 x Standard D.C.

3.2 Sewer

3.2.1 Calculation of Contribution

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the system, less any subsidies, less the difference between the total of the replacement cost of the existing asset (if any), the depreciated cost of the existing asset, with the total then divided by the number of lots that are planned to be serviced by the scheme. For historical costs, an adjustment is made to reflect funding costs. The result is the cost that will apply to each new lot.

For the purposes of calculating the sewer development contribution the volume flows are calculated on the size of the water inflow pipe as the outflow of sewage from a property is proportional to the inflow of water.

3.2.2 Charges are levied

A charge is levied either on each:

- New lot and/or connection granted, or
- Second or subsequent dwelling or connection on a pre-existing lot, or
- Resource consent or application for a larger service which will lead to additional demand on the sewer network, or
- Second or subsequent connection or application for consent that will lead to additional demand on the sewer network.

Note: Developments in DCAs incur development contributions for the particular DCA area they are in, and in addition, incur development contributions for the large scheme area.

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

3.2.2.1 Sewer Scheme Development Contributions other than the Ocean Outfall Project and Oxford Wastewater Treatment Plant Upgrade Project (Partial Growth)

Where:

- c = capital expenditure that includes a growth component
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of lots in the area planned to be serviced as at the end of the LTP period
- w = water connection size factor (for developing sewer development contributions)
- r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

In respect of future expenditure:

$$((c - s) - (r - d)) \times (1 / n) \times w$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / n) \times w \times (\text{a multiplier reflecting funding costs})$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

3.2.3 The Sewer Scheme Development Contribution (100% growth projects)

3.2.3.1 Sewer Scheme Development Contributions

Where:

c = growth component of capital

s = subsidies, if any

r = replacement cost of any infrastructure replaced

d = depreciated replacement cost of any infrastructure replaced

h = total estimated number of additional lots in the area planned to be serviced by the end of the LTP period

w = water connection size factor (for calculating sewer development contributions)

r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

For future expenditure:

$$((c - s) - (r - d)) \times (1 / h) \times w$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / h) \times w \times \text{a multiplier reflecting funding costs}$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

3.2.3.2 Ocean Outfall Project and Oxford Wastewater Treatment Plant Upgrade Project

Where:

- c = loan outstanding amount that includes the growth component relating to capital expenditure
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of household units in the area planned to be serviced as at the end of a period of 35 years from the date of completion of the project.
- w = water connection size factor (for calculating water development contributions)
- r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

$$((c - s) - (r - d)) \times (1 / n) \times w$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / n) \times (w) \times (\text{a multiplier reflecting funding costs})$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

The significance of the adjustment for replacement cost and depreciated replacement cost is that some assets have years of useful life left but are only being replaced to cope with the demand for extra capacity resulting from new subdivisions.

The effect of this adjustment is that if a new asset is to be replaced those causing the growth should pay for the cost of upgrading the asset as the existing asset would provide many years of future benefit and it is only being replaced because of the growth.

Conversely, for an existing asset, which is at the end of its useful life and due for replacement, people who connect in the future will only pay for the cost of increasing the system's size, not the full cost of replacing the existing asset.

3.2.4 Amalgamated Mandeville, Swannanoa, Ohoka Sewer

Where:

- c = loan outstanding amount that includes the growth component relating to capital expenditure
- s = subsidies, if any

- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of additional household units in the area planned to be serviced as at the end of a period of 20 years from the date of completion of the project.
- w = water connection size factor (for calculating water development contributions)
- r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

$$((c - s) - (r - d)) \times (1 / n) \times w$$

The Mandeville Wastewater Pump Station (also known as Bradleys Road Pump Station, pipeline to Rangiora) Project services growth that is likely to occur over a period of greater than 10 years. This project was completed in response to growth with additional capacity for growth included.

3.2.5 Outline Development Areas

In addition to the above sewer scheme development contribution calculation, the DCAs have an additional contribution, for ODAs, which recognises the costs of the development of infrastructural services that are unique to that particular development.

There are two formulae – one for Southbrook and the other for all other DCAs.

3.2.4.1 The ODA Sewer Scheme Development Contribution (except Southbrook):

Where:

- co = capital expenditure relating to growth in DCA
- f = funding costs in respect of historical expenditure, if any
- s = subsidies, if any
- pc = development contributions previously received, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- dca = estimated number of additional lots planned to be serviced in the development contribution area
- w = water connection size factor (for calculating sewer development contributions)

Contribution per lot equals

$$((co + f - s - pc) - (r - d)) \times (1 / dca) \times w$$

The schedule details the actual costs relating to each Scheme.

3.2.4.2 The Southbrook DCA Sewer Scheme Development Contribution:

Where:

- co = capital expenditure which includes a growth component
- f = funding costs in respect of historical expenditure, if any (Council's

current policy is to fund these from rates rather than development contributions)

- s = subsidies or income received from other sources, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- m = area (m²) of lot(s) being subdivided or developed
- a = [total area of the Southbrook DCA area (m²) less the area dedicated to the stormwater retention pond] less a 15% allowance for roading and reserves
- w = water connection size factor (for calculating sewer development contributions)

Contribution per lot equals:

$$((co + f - s) - (r - d)) \times (1 / a) \times (m) \times (w)$$

3.2.6 Water Connection Size Factor (for calculating Sewer Development Contributions)

Water Connection Size (mm)	Development Contribution Multiplication Factor
15mm	1.0 x Standard D.C.
20mm	1.2 x Standard D.C.
25mm	1.6 x Standard D.C.
32mm	2.1 x Standard D.C.
40mm	2.9 x Standard D.C.
50mm	4.4 x Standard D.C.

The connection rate may be negotiated where the applicant can show larger pipe size is required for fire-fighting or fire prevention.

3.3 Drainage

3.3.1 Calculation of Contribution

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the system, less any subsidies, less the total of: the replacement cost of the existing asset (if any) less the depreciated cost of the existing asset and then divided by the number of properties that the area is capable of servicing. For historical costs, an adjustment is made for funding costs. The result is the cost that will apply to each new lot.

3.3.2 Charges are levied

(Exemptions: Utility Lots and Boundary Adjustments):

Residential Zones

On subdivision creating additional allotment/s and subsequently for each additional household unit on the same lot (when either resource consent or building consent is granted).

Business Zones

For business properties, on subdivision creating additional allotment/s or on additional connection or network load on the same lot (when either a resource consent or a building consent is granted or at the time of connection).

Note: developments in DCAs incur development contributions for the particular DCA area they are in, and in addition, incur development contributions for the large scheme area.

Accompanying this policy are the Schedules and related maps. The Schedules provide the basis on which various development contributions are calculated, the amounts budgeted and the amounts payable for each contribution for each scheme area and development contribution area across the District.

3.3.3 Drainage Contribution

Where:

- c = capital expenditure including a growth component
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- n = total estimated number of lots in the area planned to be serviced as at the end of LTP period
- r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

For future expenditure:

$$((c - s) - (r - d)) \times (1 / n)$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / n) \times \text{a multiplier reflecting funding costs}$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$

3.3.4 The Drainage Scheme Development Contribution

3.3.4.1 Drainage Scheme Development Contributions:

Where:

- c = growth component of capital
- s = subsidies, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- h = total estimated number of additional lots in the area planned to be serviced at the end of the LTP period
- r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out

Contribution per lot equals:

For future expenditure:

$$((c - s) - (r - d)) \times (1 / h)$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / h) \times \text{a multiplier reflecting funding costs}$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times (1 + r_{t-x})$$

The significance of the adjustment for replacement cost and depreciated replacement cost is that some assets have years of useful life left but are only being replaced to cope with the demand for extra capacity resulting from new subdivisions.

The effect of this adjustment is that if a new asset is to be replaced those causing the growth should pay for the cost of upgrading the asset as the existing asset would provide many years of future benefit and it is only being replaced because of the growth.

Conversely, for an existing asset, which is at the end of its useful life and due for replacement, people who connect in the future will only pay for the cost of increasing the system's size, not the full cost of replacing the existing asset.

3.3.5 Outline Development Areas

In addition to the above drainage scheme development contribution calculation, the DCAs have an additional contribution, for ODAs, which recognises the costs of the development of infrastructural services that are unique to that particular development.

3.3.5.1 The ODA Drainage Scheme Development Contribution (except Southbrook)

Where:

- co = capital expenditure relating to growth in the DCA
- f = funding costs in respect of historical expenditure, if any
- s = subsidies, if any
- pc = development contributions previously received, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- dca = estimated number of additional lots planned to be serviced in the development contribution area

Contribution per lot equals:

$$((co + f - s - pc) - (r - d)) \times (1 / dca)$$

The schedule details the actual costs relating to each DCA.

3.3.5.2 Rangiora / Southbrook Stormwater DCS Drainage Scheme Development Contribution

Where:

- co = capital expenditure due to growth
- m = area (m²) of that part of the lot(s) to be subdivided or developed less the area which is assessed as having been developed as at 1 July 2007
- a = $0.85X + 0.1 (Z - 0.85X)$
- X = area (m²) of all lots identified as Area X lots on Plan 2878, (those that are largely undeveloped) less the area of each of those lots assessed as developed at 1 July 2007
- Z = gross area (m²) of all lots within the DCA, less that area contributing to pond B shown on Plan 2878.

For **Subdivision** within the Southbrook Industrial Area, the m² development contribution rate is calculated as follows:

$$co \times m/a$$

3.3.6 Drainage Adjustment Factor

The stormwater HUE is based on the expected runoff from impermeable surfaces. A typical Greenfields residential development on a 600m² allotment is assumed to have a run-off coefficient (or anticipated proportion of run-off) of 55 %. Runoff coefficient assessments are based on the Compliance Document for New Zealand Building Code Clause E1 Surface Water, which provides a list of typical runoff coefficients. Adjustments for drainage contributions for non-residential activity will be made on resource consent or building consent.

In the case of developments outside of DCAs and special stormwater management areas such as Southbrook, the stormwater development contribution will be calculated on the basis of the run-off coefficient. If the run-off coefficient is greater than 55%, additional development contributions will be charged for development serviced by the District's reticulated stormwater collection systems.

3.4 Rooding

3.4.1 Calculation of contribution

The contribution is calculated on the cost of the capital expenditure associated with increasing the capacity of the network, less any subsidies. The value of any financial contribution taken with respect to a particular development and roading project is subtracted also, so the contribution relates to extra work in the system.

This value is then divided by the number of projected new household units in the District. For historical costs, an adjustment is made for funding costs. The result is the cost that will apply to each new lot.

The calculation of roading contributions for DCAs relates to the cost of construction of collector roads (if any) that are required to connect the DCA to the District-wide roading network. The development contribution payable for these DCAs is based on the estimated cost of the collector road divided by the number of new allotments to be created in that DCA.

3.4.2 Charges are levied

A charge is levied either on each:

- New residential or non-residential allotment, or
- Second or subsequent dwelling, or
- Residential land use resource consent or building consent.

3.4.3 Outline Development Areas

In addition to the above roading development contribution calculation, the DCAs have an additional contribution, for ODAs, which apportions the costs of the development of main trunk roads that are unique to that particular development.

3.4.3.1 The District Roding Development Contribution

Where:

- c = capital expenditure related to growth for that project
f = funding costs in respect of historical expenditure, if any
s = subsidies associated with the growth portion of the project, if any
pc = development contributions previously received in respect of that project
fc = financial contribution applicable to that roading project, if any
h = total estimated number of additional household units in the District over the remainder of the LTP period

Contribution per lot equals:

The sum of the following for each identified district roading project:

$$((c + f - s - pc) - fc) \times (1 / h)$$

3.4.3.2 The ODA Roding Development Contribution (excluding Southbrook)

Where:

- co = capital expenditure relating to growth in DCA
f = funding costs in respect of historical expenditure, if any
s = subsidies associated with the growth portion of the project, if any
pc = development contributions previously received in respect of that project
fc = financial contribution applicable to roading developments
dca = estimated number of additional lots planned to be serviced in the development contribution area

Contribution per lot equals:

$$((co + f - s - pc) - fc) \times (1 / dca)$$

3.4.3.3 The Southbrook DCA Roding Scheme Development Contribution:

Where:

- co = capital expenditure which includes a growth component
f = funding costs in respect of historical expenditure, if any (Council's current policy is to fund these from rates rather than development

- contributions)
- s = subsidies or income received from other sources, if any
- r = replacement cost of any infrastructure replaced
- d = depreciated replacement cost of any infrastructure replaced
- m = area (m²) of lot(s) being subdivided or developed
- a = [total area of the Southbrook DCA area (m²) less the area dedicated to the stormwater retention pond less a 15% allowance for roading and reserves

Contribution per lot equals:

$$((co + f - s) - (r - d)) \times (1 / a) \times m$$

3.4.3.4 The Red Lion Corner and Ashley Bridge Roading Development Contribution:

Where:

- c = capital expenditure related to growth for that project
- f = funding costs in respect of historical expenditure, if any
- s = subsidies associated with the growth portion of the project, if any
- pc = development contributions previously received in respect of that project
- fc = financial contribution applicable to that roading project, if any
- h = total estimated number of additional household units in the District over 25 years

Contribution per lot equals:

The sum of the following for each identified district roading project:

$$((c + f - s - pc) - fc) \times (1 / h)$$

3.4.4 Roading adjustment factor

The Council calculated the HUE for roading based on the typical number of vehicle movements generated by a development. A typical household is assumed to generate eight vehicle trips a day.

APPENDIX 4: COMMUNITY INFRASTRUCTURE DEVELOPMENT CONTRIBUTIONS

4.1 Calculation of contribution

The contribution is calculated on the cost of the capital expenditure relating to the development of community infrastructure to cope with growth of the District, less:

- Any subsidies
- The total of the replacement cost of the existing asset (if any)
- The depreciated replacement cost of the existing asset, and then divided by the total estimated number of household units in the District at the end of the LTP period.

For historical expenditure, an adjustment is made for funding costs. For 100% growth project, the calculation is based on the estimated number of additional household units projected for the LTP period.

4.2. Community Infrastructure Development Contribution:

Where:

- c = growth component of capital expenditure
s = subsidies, if any
r = replacement cost of any infrastructure replaced
d = depreciated replacement cost of any infrastructure replaced
n = total estimated number of rating units in the District as at the end of the LTP period.
 r_{t-a} = the funding rate applied in respect of each year from the time of the works being carried out.

Contribution per lot equals:

For future expenditure:

$$((c - s) - (r - d)) \times (1 / n)$$

Plus in respect of historical expenditure, for each year in which capital expenditure including a growth component has been incurred:

$$((c - s) - (r - d)) \times (1 / n) \times \text{a multiplier reflecting funding costs}$$

Where the multiplier is calculated along the following lines for each year in which historical expenditure occurred:

$$(1 + r_{t-1}) \times (1 + r_{t-2}) \times \dots (1 + r_{t-x})$$