

Development &  
Financial  
Contributions

Section 102(4)(d) of the Local Government Act 2002 requires Hauraki District Council to state its policy on development contributions and/or financial contributions.

Section 106 of the Act sets out the requirements for the policy.

Section 108(9) of the Resource Management Act 1991 defines ‘financial contribution’ as ‘a contribution of—

- (a) Money; or
- (b) Land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Maori land within the meaning of the Maori Land Act 1993 unless that Act provides otherwise; or
- (c) A combination of money and land.

Section 10.2 of the Hauraki District Plan (Operative 1997), prepared in accordance with the Resource Management Act 1991, contains objectives, policies and rules for financial contributions.

**Objective**

To enable financial contributions to be taken in a manner and to an extent that people carrying out development/subdivision make a fair contribution to the provision of/development of infrastructure and services to meet the present and future needs of the community for their social, economic, environmental and cultural well being.

**Policy Outline**

This policy outlines the circumstances in which Council intends to require development or financial contributions. For statutory requirements, refer to section 106 of the Local Government Act 2002.

**Requirement**

The Local Government Act 2002 (hence referred to as ‘the Act’) requires Council to adopt a policy on development contributions or financial contributions. This applies regardless of whether it has decided to assess:

- development contributions under the Act; or
- financial contributions under the Resource Management Act 1991 (RMA).

Once adopted, this Policy may only be amended as an amendment to Council’s Long Term Council Community Plan.

## Policy

Council's policy is to take contributions pursuant to section 108 of the Resource Management Act (1991) (RMA), as incorporated in Section 10.2 of the operative Hauraki District Plan, and/or any relevant operative plan changes thereto, as described in the attached schedule.

Levies are currently payable in respect of the stormwater system, wastewater collection, water supply reticulation system, the roading network, and for community recreation facilities.

## Policy Review

This policy shall be reviewed within two years of the policy coming into force.

The review shall specifically consider whether Council will continue to take contributions under the RMA, and/or whether Council will take contributions under the Local Government Act 2002.

In reviewing the policy on development contributions or financial contributions, the following requirements for the policy in the Local Government Act 2002 will be considered. The policy will:

- Summarise the capital expenditure (identified in the long-term council community plan (LTCCP)) which Council expects to incur to pay for facilities to meet growth
- State what proportion of that capital expenditure will be funded by:
  1. Development contributions
  2. Financial contributions
  3. Other sources of funding
- Explain (see section 101(3) of the Act), why these funding sources will be used
- Identify separately each activity or group of activities for which a contribution will be required, and the total amount of funding to be sought by contributions

- If development contributions will be required, comply with sections 201 and 202 of the Act. This must:
  - First, include in summary form; the explanation and justification for the calculation method; significant assumptions underlying calculation of the schedule, including potential effects if there is significant uncertainty; conditions and criteria for remission, postponement, or refund of development contributions, or the return of land; the basis on which the value of additional allotments or land is assessed for section 203(1).
  - Second, contain a schedule specifying: the development contributions payable in each district, calculated in respect of reserves, network infrastructure, and community infrastructure, and the event (trigger) that will give rise to a requirement for a development contribution, whether that is a resource consent, a building consent, or an authorisation for a service connection. If different development contributions are payable in different parts of the district, the schedule must be done for each of those, and also be separately specified for each activity or group of activities for which separate development contributions are required.
- If financial contributions will be required, summarise the provisions that relate to financial contributions in the District Plan
- If development contributions are required, the full methodology demonstrating how the calculations for those contributions were made must be kept available for public inspection
- If financial contributions are required, the provisions of the District Plan relating to financial contributions must be kept available for public inspection

## Appendix Two

Hauraki District Plan (Operative 1997) – Section 10.2 Financial Contributions.