

DEVELOPMENT CONTRIBUTIONS POLICY 2018-2021

PART 1: INTRODUCTION – FINANCIAL CONTRIBUTIONS POLICY AND DEVELOPMENT CONTRIBUTIONS POLICY

1 Introduction

The Long Term Plan (LTP) includes capital expenditure that Council expects to incur to meet the increased demand for community facilities resulting from growth in the City, for example from subdivision or non-residential building developments. Unplanned capital expenditure is also needed occasionally to accommodate changes to, or increased demand, from specific developments. The Council must make adequate and effective provision in its Community Plan to fund this expenditure.

In the interests of achieving financial equity between existing ratepayers and new developers, Council has decided that developers should pay the growth related capital expenditure costs of providing community facilities (network infrastructure, community infrastructure and reserves).

To achieve this equity, Council charges financial contributions as specified in its District Plan prepared under the Resource Management Act 1991 (RMA) and development contributions under the Local Government Act 2002 (LGA). **Financial contributions and development contributions are separate charges and are used to fund separate categories of expenditure by Council.**

This section is divided into three parts:

Part 1 (this Part) provides a summary of the Council's financial contributions and development contributions policies.

Part 2 sets out the 'operational' development contributions policy. This describes the kinds of development for which development contributions are payable, what they amount to, when they are assessed, and when they need to be paid etc. (see sections 2 to 4). Part 2 is all most people will

need to read if they wish to know how to calculate the development contributions payable for a specific development.

Part 3 sets out the 'substantive' development contributions policy. This describes the legislative framework, the process followed by the Council, the methodology followed to make the decision to use development contributions to fund growth related capital expenditure, and the relevant capital expenditure figures (see sections 5 to 12). Part 3 will mainly be of interest to people who want to know the details of how the policy was developed and how the development contributions payable under this policy were determined.

1.1 What are financial contributions?

Financial contributions are required where individual developments give rise to capital expenditure that is not included in the LTP and for reserves. In these cases, Council may impose a financial contribution as a condition of resource consent, specifically:

- Financial contributions for reserves.
- Financial contributions to which District Plan Rules 12.2.1 through to 12.2.1.6, and 12.2.2.1 apply.

A brief summary of these is provided below.

Reserve Contributions – Subdivision of land

There is a long history of requiring subdividers of land to provide land or money for the purpose of providing public open space as reserves. Reserves are generally required as part of the subdivision process as they provide open space and recreation facilities and opportunities necessary to cater for additional demand generated and also to protect and enhance amenity values. As communities continue to grow in size and population there is a need to provide recreation and open space to meet their needs and requirements.

As part of its evaluation under section 32 of the RMA, a number of options were assessed by Council and after considerable consultation with the

public, developers and other special interest groups, it was considered that reserve contributions should be set at a maximum of 7.5% of the value of each additional allotment. It was recognised that the maximum reserve contribution is not appropriate in all cases and this can be adjusted taking into account criteria specified in Rule 12.2.1.7(b) of the District Plan.

Reserve Contributions – Development of land

The District Plan also recognises that the development of land for business/commercial purposes can increase the number of people employed at a particular location and consequently there may be an increase in demand for open space and recreation areas. After considerable consultation with the public, property owners, developers and other special interest groups, and after evaluating various options, it was considered by Council that where commercial or industrial development will result in an increase or intensification of use of land, a reserve contribution in the form of money equivalent to 0.5% of the value of the development in excess of \$200,000 is appropriate. It was also recognised that the maximum reserve contribution is not appropriate in every case and the maximum could be adjusted based on criteria specified in Rule 12.2.2.2(b) of the District Plan.

Financial Contributions – Services

In the District Plan the developer of a subdivision or development is responsible for funding all work within its boundaries relating to services directly required for the subdivision or development. This approach has been in practice for a very long period of time. Two main methods for imposing financial contributions have been adopted in the District Plan, these being the recoupment impact fee (or sometimes called the recognised equity method) and the capital improvements programme fee.

In summary the District Plan requires financial contributions as follows:

- In subdivision or development of land the rules specify that the developer is responsible for all work within its boundaries relating to services directly required.
- The rules specify that where, as a result of subdivision or development of land, services in adjoining land which were previously adequate become inadequate, then the subdivider or developer should pay for the full and actual costs of upgrading services.
- Where subdivision or development takes place and the services in the adjoining land are already inadequate, then the rules specify that the subdivider or developer should pay a proportion of the costs of upgrading services.
- In cases where Council has upgraded services in advance of land being subdivided then the subdivider or developer should pay the full and actual costs of upgrading, taking into account the time value of money, when the land is subsequently subdivided or developed.

Financial Contributions – Traffic impact fee for retail activities and places of assembly in all residential and rural activity areas

The District Plan recognises that large scale retail activities exceeding 3,000 square metres in floor area and all places of assembly in residential and rural activity areas may have adverse effects on the surrounding roading network and on pedestrian circulation. In such circumstances the District Plan requires that the developer contribute to the upgrading and modification of the surrounding roads, intersections and footpaths.

However, it noted that changes introduced in the Resource Legislation Amendment Act 2017 mean that councils would not be able to charge financial contributions under the RMA from 5 years following its Royal Assent. Council will take this issue into account at the next 3 yearly review cycle for this policy.

1.2 What are development contributions?

Development contributions provide the Council with a method to fund planned infrastructure required as a result of growth, such as subdivision or workplace building developments.

Development contributions may be required in relation to a development if its effect is to require new or additional assets or assets of increased capacity and as a consequence the Council incurs capital expenditure to provide appropriately for network infrastructure or community infrastructure. This also includes infrastructure already built in anticipation of growth. The policy provides for the Council to impose development contributions on developments to fund growth related capital expenditure on:

- Network infrastructure, ie
 - water supply
 - wastewater
 - stormwater
 - transport and roading
- Community infrastructure

Note that legislative change in July 2014 means that **community infrastructure is limited to:**

- community centres or halls
- play equipment
- toilets for use by the public.

Hutt City will **not be taking development contributions to fund capital expenditure on community infrastructure (as defined above)** in the 2018 - 2021 period. It may decide to in the future, as determined through reviews of this Policy.

Development contributions are not payable at this stage for reserves (which are dealt with through financial contributions under the RMA).

1.3 Relationship between financial contributions and development contributions

The development contributions policy is distinct from and in addition to the provisions in the District Plan that provide Council with the discretion to require financial contributions under the RMA.

Development contributions are used to help fund planned and budgeted capital expenditure related to growth. Financial contributions are required for reserves and for where individual developments give rise to capital expenditure that is not included in the LTP, and therefore that expenditure is not included in Council's development contribution policy. In these cases, Council may impose a financial contribution as a condition of resource consent. The following table illustrates some examples of the types of infrastructure works which fall under either the Council's financial contribution requirements or the development contributions policy.

Infrastructure Type	Local Asset (Financial Contributions)	Planned Citywide Infrastructure (Development Contributions)
Connection of subdivision sewer to main system	✓	
New roads constructed as part of a subdivision	✓	
Intersection changes for management of increased traffic caused by new shopping centre	✓	
Open space reserve for subdivision	✓	
Increased diameter water main to allow for increased flow to service new properties created by subdivision	✓	
City wide traffic networks and/or safety improvements needed to cater for increased traffic from population and business growth		✓

Additional capacity at the wastewater treatment plant		✓
Stormwater network upgrade to provide increased capacity to cater for growth		✓
New reservoir to provide additional storage capacity for growth		✓

1.4 CBD and city development remissions

As part of a wider package aimed at helping stimulate development in Hutt City and revitalise the Hutt Central Business District, Council may remit reserve financial contributions or development contributions for certain types of development in the city. Further information, eligibility criteria and the process for remissions under this policy are detailed on Council's website.

Note: from this point onwards, this Policy deals only with development contributions (coverage of financial contributions is above).

1.5 Purpose and Principles of Development Contributions

Purpose of development contributions

The purpose of development contributions (effective from July 2014 under the Local Government Act 2002) is to "enable territorial authorities to recover from those persons undertaking development a fair, equitable and proportionate portion of the costs of capital expenditure necessary to service growth."

Principles of development contributions

Seven development contributions principles have been introduced to accompany the new purpose statement. They are:

1. Development contributions will only be required if the effects or cumulative effects of developments will create or have created a

requirement for Council to provide or to have provided new or additional assets or assets of increased capacity.

2. Development contributions are determined in a manner that is generally consistent with the capacity life of the assets for which they are intended to be used, and in a way that avoids over-recovery of costs allocated to development contribution funding.
3. Cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the assets to be provided (including the community as a whole) as well as those who create the need for those assets.
4. Development contributions will only be used—
 - a. for or towards the purpose of the activity or the group of activities that the contributions were required for; and
 - b. for the benefit of the district or funding service area that the development contributions were required for.
 - c. Council will make sufficient information available to demonstrate what development contributions are being used for and why they are being used.
5. Development contributions should be predictable and be consistent with the methodology and schedules of this policy.
6. When calculating and requiring development contributions, Council may group together certain developments by geographic area or categories of land use, provided that—
 - a. the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
 - b. grouping by geographic area avoids grouping across an entire district wherever practical.

Hutt City aims to administer this Policy in a way which is in keeping with the above purpose and principles.

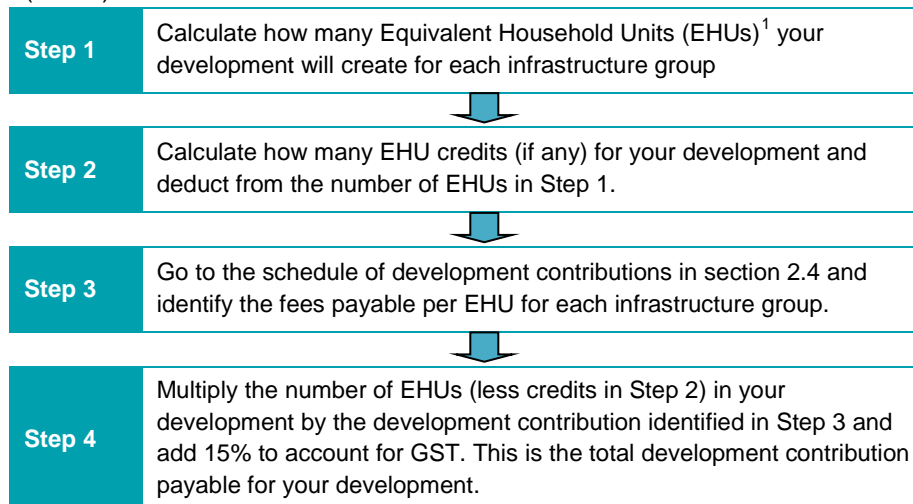
PART 2: OPERATIONAL POLICY

2 Application of the policy

This development contributions policy will apply to all resource consents, building consents and authorisations for service connections granted from 1 July 2012 (refer section 3.1 for assessment process). The previous policies shall continue to apply for all resource or building consents and authorisations for service connections granted before this date.

2.1 How to calculate your development contribution

The diagram below illustrates the process for calculating development contributions payable. Steps 1 to 3 are described in sections 2.2-2.4 (below).



¹ Refer to the Definitions section of this Policy for a definition of Equivalent Household Unit.

2.2 How to calculate the number of EHUs (Step 1)

Development contributions are payable for the number of EHU's created by each development. EHU's are applied as follows for all developments:

Infrastructure group	Residential	Non residential
Roading and traffic	1 EHU per household unit or allotment	Retail: 1 EHU per 10m ² GFA ² Commercial: 1 EHU per 50m ² GFA Industrial: 1 EHU per 30m ² GFA
Water supply		1 EHU per 250m ² GFA
Wastewater		1 EHU per 250m ² GFA
Stormwater		1 EHU per 200m ² impervious area

In some cases, a different EHU factor can apply for certain types of residential developments (refer 2.5 Modifications to assessments).

Different EHU factors can also apply for non-residential developments where a special assessment or self-assessment of EHUs is undertaken. See section 2.5 for more information.

2.3 Credit for EHUs for existing development (Step 2)

In some cases, credits may be used to reduce the development contribution payable. Credits will be expressed in EHUs for each infrastructure group. Credits will not be refunded, and can only be used for developments on the same site. Credits cannot be used to reduce the number of units of demand to less than zero.

A credit is given for the number of EHUs assessed for the existing or most recent prior use of the site. This is to recognise situations where the

² GFA stands for Gross Floor Area. Refer to the glossary on page 12 for a definition of Gross Floor Area.

incremental demand increase on infrastructure is not as high as the assessed number of units of demand implies.

The number of EHU credits available will be calculated by applying the criteria in the above paragraph except where:

- Residential allotments existing as at 1 July 2006 – these are deemed to have a credit of one EHU.
- Non-residential developments where a special assessment process is used – in this case, the special assessment process will also be used to determine any credits.

Examples where credits will arise are illustrated in the below table.

Type of existing development	Nature of credit(s)
Re-development of six residential allotments into a commercial office block	6 EHUs credits, i.e. one for each of the existing residential allotments
Infill residential subdivision of existing allotment into two allotments.	1 EHU credit, i.e. one for the original allotment. Development contributions payable on 1 EHU
Residential development of existing CBD site with 400 m ² GFA commercial building (200m ² footprint) into eight unit title apartments – no additional impervious area	Roading and traffic: 8 EHUs credits (400 m ² GFA / 50 m ² per EHU)
	Water supply: 1.6 EHU credits (400 m ² GFA / 225 m ² per EHU)
	Wastewater: 1.6 EHU credits (400 m ² GFA / 225 m ² per EHU)
	Stormwater: 1 EHU credit (200m ² impervious surface / 200 m ² per EHU)

2.4 Schedule of Development Contributions (Step 3)

The Schedule of Development Contributions is provided in **Appendix 2**.

This presents the dollar amount in development contributions a developer can expect to pay in each catchment of the city.

Appendix 2 shows the development contributions payable for the 2017/18 year. The development contributions payable will be re-calculated each year in accordance with the Producer's Price Index.

2.5 Modifications to assessments

Minor Household Units

A minor household unit, such as a rear section 'granny flat', shall be assessed at 0.5 EHU per additional unit. For the purpose of this policy, a minor household unit is defined as a residential unit with a maximum gross floor area of 65m² that is additional to a residential household unit already established on the allotment.

Development where there is no connection

For developments where there is no connection to water supply or wastewater reticulation systems, the Council will reduce the amount of the development contribution payable by the water supply or wastewater component. If a development is subsequently connected to the water and/or wastewater reticulation systems, the applicable contribution will be payable prior to connection.

Rural development and stormwater infrastructure

Development in non-urban areas where no stormwater systems are provided will not be charged the development contribution component related to stormwater.

Development agreements

A developer can request that Council enter into a contractual agreement with them to provide infrastructure as an alternative to paying all or part of a development contribution. Council can also make this request to a developer.

Council is now obligated to consider a request for a development agreement, and must provide written notice of its decision on the request, and the reasons for the decision, to the developer without unnecessary delay.

Further information on how development agreements will operate (including the obligations for Council) is outlined in sections 207A to 207F of the Local Government Act.

Self assessments and Special assessments for non-residential developments

The standard non-residential units of demand may be departed from where self assessment is sought by the developer or a special assessment is required by the Council.

Self-assessment

An applicant may apply for a self-assessment of the number of EHUs payable for a particular development as follows:

- The application must be made in writing before any development contributions payment in respect of the development becomes due.
- The assessment must relate to all infrastructure categories for which development contributions are payable under the policy.
- The onus is on the applicant to prove (on the balance of probabilities) that the actual increased demand created by the development is different from that assessed by applying the standard non-residential unit of demand. Actual increased demand means the demand created by the most intensive non-residential use(s) likely to become established in the development within 10 years from the date of application.
- The Council may determine an application made under this part at its discretion. In doing so the Council must take into account everything

presented to it by way of the written application, and may take into account any other matter(s) it considers relevant.

- Any application must be accompanied by the fee payable to recover the Council's actual and reasonable costs of determining the application. The fee will be assessed at the time of application. Council may levy additional fees to meet Council's actual costs, should the actual costs be materially higher than the initial assessment.

Special assessment

If the Council believes on reasonable grounds that the increased demand for roading and traffic, water supply, wastewater and stormwater assessed for a particular development by applying the standard non-residential unit of demand is materially less than the actual increased demand created by the development, it may require a special assessment to determine the number of EHUs as follows:

A special assessment must be initiated before any development contributions payment in respect of the development becomes due.

The assessment must relate to all infrastructure for which development contributions are payable under the policy.

The Council may request information from the applicant to establish the actual increased demand.

The Council must bear its own costs in relation to the special assessment.

Everything the Council intends to take into account when making a special assessment must be provided to the applicant for a written reply at least 14 days before the assessment is determined.

The Council may determine a special assessment made under this part at its discretion. In doing so the Council must take into account everything presented to it by way of a written reply, and may take into account any other matter(s) it considers relevant.

Assessment guidelines

Without limiting the Council's discretion, when assessing an application for a self-assessment, or a special assessment initiated by Council, the Council will be guided by the following:

Infrastructure Type	Usage Measure per EHU
Roading and traffic	10 vehicle movements per day
Water supply	567 litres per day
Wastewater	510 litres per day
Stormwater	200 m ² of impervious surface

2.6 When the Council will not require a development contribution

Provision of infrastructure

The Council is unable to require a development contribution for network infrastructure or community infrastructure if, and to the extent that:

- It has, under section 108(2)(a) of the Resource Management Act 1991, imposed a condition on a resource consent in relation to the same development for the same purpose; or
- The developer will fund or otherwise provide for the same local reserve, network infrastructure, community infrastructure in agreement with the Council; or
- Council has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance; or
- The Council has received or will receive funding from a third party.

Land use consent or unit title development

The conversion of an existing unit development into unit titles will not be assessed for development contributions, as the change does not generate a new demand for network infrastructure or community infrastructure. This does not apply to any building consents required as part of any changes to the existing unit development, which will still be assessed to determine if development contributions are applicable.

Minor non- residential additions

Development contributions for non-residential developments will not apply to an addition of less than 10m² of gross floor area to an existing building in any 12 month period.

Council developments

The Council's own developments are exempt from being liable to pay development contributions. For the avoidance of doubt, this exemption does not apply to developments undertaken by or on behalf of Council organisations, Council-controlled organisations, or Council-controlled trading organisations, as defined in section 6 of the LGA.

2.7 Where Council cannot require a development contribution

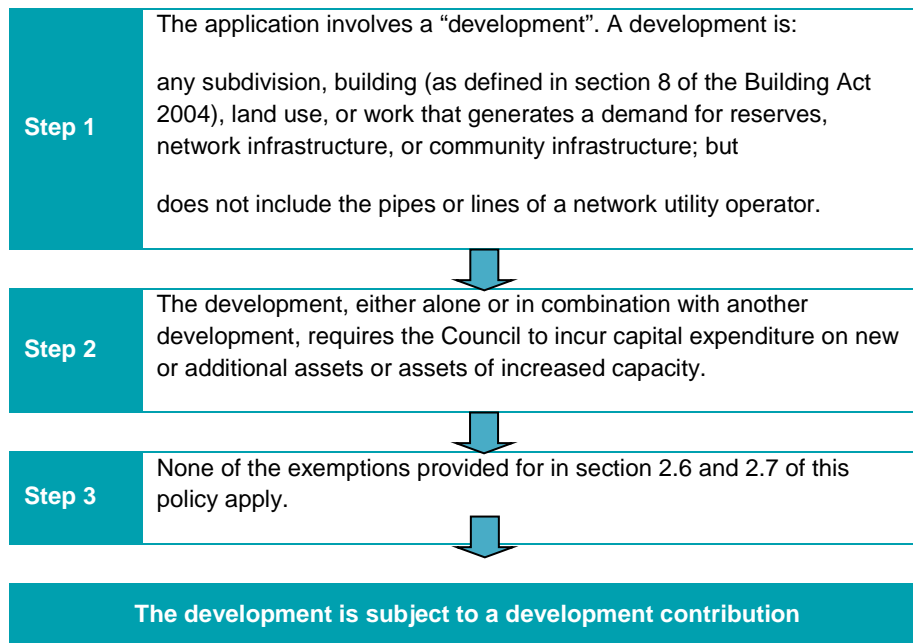
The law relating to development contributions is not binding on the Crown. However, the Crown will be invited to pay an amount equal to what might have been charged by way of a development contribution on any activities where a development contribution might otherwise have been required.

3 Assessment and Payment

This part of the policy sets out when a development will be assessed to determine if a development contribution is required and, if so, when payment is required.

3.1 Assessment and liability

Council may assess developments to determine if development contributions are payable. In making this assessment, the following stepped process is followed. Each step must be satisfied for a development to be subject to a requirement for a development contribution.



3.2 When the Council will assess if a development contribution is required

Generally, developments will be assessed for development contributions when:

- Resource consent is granted under the Resource Management Act 1991 for a development; or
- Building consent is granted under the Building Act 2004 for building work (including the grant of a certificate of acceptance); or
- Authorisation for a service connection is granted.

In most circumstances, Council will make the assessment at the earliest time any of the above apply. Council will then provide a quote on the basis of this assessment.

The development contribution payable upon assessment will apply for 12 months from the date of the assessment. If the Development Contributions is not paid within the 12 months of this date, Council will reassess the amount payable to take into account fee changes.

The following provides more information on when the Council will assess developments for development contributions for specific types of developments.

Subdivision of land (excluding unit title development)

A development involving a resource consent being granted under the RMA for the fee simple subdivision of land will be assessed when the subdivision consent is granted. Where a subdivision consent provides for its implementation in stages, the Council will apportion any development contribution assessed between each stage, on the basis of the number of EHU's generated by each stage.

Building consent

The Council will assess all developments requiring a building consent when the building consent is granted, unless already assessed when resource consent was granted under the RMA for the fee simple subdivision of land.

Service connection

Developments requiring a service connection, for which a development contribution has not been assessed and/or paid, will be assessed at the time of the application for service connection.

3.3 Payment

For developments subject to a development contribution, quotes will be provided from the time the resource consent, building consent or service connection is granted, and every 12 months thereafter. Except in the case where Council has agreed to accept a guarantee in accordance with section 3.4 below, payment of development contributions must be made prior to:

- Issue of certificates under section 224(c) of the RMA;
- Issue of code compliance certificate under section 95 of the Building Act 2004;
- Connection to services covered by this policy (where not already covered by the above);
- Commencement of the resource consent (where not already covered by the above).

3.4 Guarantees

An applicant may request that Council accept a guarantee for any development contribution payable in excess of \$50,000. This request must be made at the time a resource consent, building consent or service connection is granted. Guarantees shall:

- Only be accepted from a registered trading bank.
- Be for a maximum period of 24 months beyond the normal payment deadline, subject to any extension(s) as may be agreed by the Council.
- Will have an interest component added, at an interest rate of 2% above the Reserve Bank official cash rate on the day the guarantee document is prepared. The guaranteed sum will include interest, calculated on the basis of the maximum term set out in the guarantee document. If the Council agrees to an extension of the term of the guarantee beyond 24 months, the applicable interest rate will be reassessed from the date of the Council's decision and the guaranteed sum will be amended accordingly.
- Be based on the GST inclusive amount of the development contribution payable.

At the end of the term of the guarantee, the development contribution (together with interest) is payable immediately to Council. If the Council accepts a guarantee, all costs for the preparation of the guarantee documents will be met by the applicant.

3.5 Powers of the Council if development contributions are not paid

Until a development contribution required in relation to a development has been paid, the following will apply.

Development Type	Consequence of Non-Payment
Subdivision	Withhold a certificate under section 224(c) of the RMA
Building	Withhold a Code Compliance Certificate under section 95 of the Building Act 2004
Service connection	Withhold a service connection to the development
Other	Prevent the commencement of a resource consent under the RMA

Council will also register the outstanding development contribution as a charge on the subject land under the Statutory Land Charges Registration Act 1928.

3.6 Remission and postponement

The Council will not consider any request to postpone payment of a development contribution, except where a guarantee has been agreed (refer 3.4).

The Council may remit a development contribution at its complete discretion. The Council will only consider exercising its discretion in exceptional circumstances. Applications made under this part will be considered on their own merits and any previous decisions of the Council will not be regarded as binding precedent.

Any request for remission must be made in writing and set out the reasons for the request. The request must be made:

- within 15 working days after Council has advised the applicant in writing of the development contribution payable; and
- before the development contribution payment is made to Council.

The Council will not allow retrospective remissions of development contributions.

Council delegates to the CEO, in conjunction with the Chair of the Finance and Audit Committee, with authority to delegate to officers, the authority to make a decision on a request for remission.

When considering a request for remission, the matters taken into account will include:

- The purpose of the development contributions policy, Council's financial modelling, and Council's funding and financial policies.

- The extent to which the value and nature of the works proposed by the applicant reduces the need for works proposed by Council in its capital works programme.
- Whether the development contribution payable under this policy is manifestly excessive in relation to the impact of the development on the demand for infrastructure.
- Any other matter(s) that the Council considers relevant.

3.7 Refunds

Refunds of development contributions paid to the Council will be made where:

- Resources consents lapse or are surrendered.
- Building consents lapse.
- The development or building does not proceed.
- The Council does not spend the money on the purpose for which the development contribution was required.
- Previous overpayment has been made (for whatever reason).

The development contribution will be refunded to the consent holder or his or her personal representative or successor (less a fair and reasonable administration fee).

3.8 Development contribution remissions for City or CBD development

Council will also consider remissions to development contributions as part of its Council charges remissions policy for City Development or CBD development. Further information, eligibility criteria and the processes for remissions under these policies are detailed on Council's website.

3.9 Process for the reconsideration of a development contribution assessment

The Local Government Act 2002 Amendment Act 2014 formalises the process of requesting reconsideration on a development contribution assessment. Hutt City Council's procedure for handling reconsideration requests is set out below.

How a Reconsideration Request is lodged

A Reconsideration Request should be sent to Council at the following address: Divisional Manager (Environmental Consents), Hutt City Council, Private Bag 31 912, Lower Hutt 5040; OR emailed to:

developmentcontributions@huttcity.govt.nz.

The Reconsideration Request must be made:

- within 10 working days after the date on which the person lodging the request receives notice from the Council of the level of development contribution the Council requires.

If the Council believes further information is required from the applicant before it can make a decision, it will ask for this in writing as soon as possible after the Reconsideration Request is received.

No Reconsideration Request will be accepted by Council if it is received after the 10 day period above, or if an objection has already been lodged under section 199C of the LGA. The applicant will receive written notice if the request for reconsideration cannot be made for one of these reasons. The Council reserves the right to reconsider an assessment if it believes an error has been made.

Steps in the reconsideration process

Section 199A of the LGA provides that a request for reconsideration may only be made on the following grounds:

- the development contribution was incorrectly calculated or assessed under the territorial authority's development contributions policy; or
- the territorial authority incorrectly applied its development contributions policy; or

- the information used to assess the person's development against the development contributions policy, or the way the territorial authority has recorded or used it when requiring a development contribution, was incomplete or contained errors.

If the Reconsideration Request meets one or more of the ground(s) for reconsideration the Council will reconsider its development contributions assessment, and give written notice of the outcome of the reconsideration within 15 working days after the date all relevant information required by the Council (including any information that Council has requested under a "Further Information Request") is received.

Council delegates to the CEO, in consultation with the Chair of the Finance and Audit Committee, with authority to delegate to officers, the authority to make a decision on a Reconsideration Request.

Before reaching decision, the delegated officer will consider all of the information supplied by the applicant, and will consider and apply the requirements of Council's Development Contributions Policy, along with and any other information the delegated officer considers is relevant to the circumstances surrounding the grounds for the Reconsideration Request. The result of a reconsideration decision may confirm the original assessment or increase or decrease the amount required.

An application for reconsideration does not prevent the applicant from also filing an objection under section 199C of the LGA.

3.10 Objections process for a development contributions assessment

A new formal objections process has been introduced (in August 2014) under which a person who has been required to pay a development contribution can object to the assessed amount of the development contribution.

Objections cannot challenge Hutt City Council's Development Contributions Policy itself.

Objections will be decided by development contributions commissioners selected by Council from a register of commissioners appointed by the Minister of Local Government.

Under section 199D an objection can only be made on the grounds that a territorial authority:

- failed to take into account features of a development that, on their own or cumulatively with other developments, would substantially reduce the impact of the development on requirements for community facilities;
- required a development contribution for community facilities not required by, or related to, the objector's development;
- was in breach of section 200 (limitations applying to requirement for development contribution); or
- incorrectly applied its developments contributions policy to the development.

Objections are lodged with Council which is then responsible for administering the objections process and selecting and supporting the development contributions commissioners.

It should be noted that the Council has the ability to recover costs incurred by it from the objector, including the costs of:

- selecting, engaging, and employing development contributions commissioners;
- secretarial and administrative support of the objection process; and
- preparing for, organising and holding the hearing.

The decisions of commissioners are binding on parties, including territorial authorities. They can only be overturned by judicial review.

Objections should be lodged with Council in writing within 15 working days after the date on which the person received notice from Council of the level of development contribution required.

However, if a person has received notice of the outcome of a reconsideration under section 199B, the 15-working-day period begins on the day after the date on which the person receives the notice of the outcome.

The lodgement of an objection must:

- be in writing; and
- set out the grounds and reasons for the objection; and
- state the relief sought; and
- state whether the objector wishes to be heard on the objection.

A territorial authority may, in its discretion, allow an objection to be served on it after the 15-working-day period specified above), as the case may be, if satisfied that exceptional circumstances exist.

Further details around the procedure relating to development contribution objections can be found in Schedule 13A of the LGA.

4 Definitions

In this policy:

Actual increased demand means the demand created by the most intensive non-residential use(s) likely to become established in the development within 10 years from the date of the application.

Allotment has the meaning given to it in section 218(2) of the Resource Management Act 1991, and 'lot' has the same meaning.

Community facilities mean reserves, network infrastructure or community infrastructure for which development contributions may be required in accordance with section 199 of the LGA.

Community infrastructure* means:

- land, or development assets on land, owned or controlled by the Council to provide public amenities; and
- includes land that the Council will acquire for that purpose.

* Hutt City will not be taking development contributions for community infrastructure in the 2018 – 2021 period.

Development means:

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

Equivalent household unit (EHU) is a type of “unit of demand” used by the Council. One EHU equates to the typical demand for infrastructure generated by an average household.

Gross floor area (GFA) is the sum of all gross floor areas of all floors of a building or buildings on an allotment, or a proposed allotment, measured

from the exterior faces of exterior walls, or from the centre-lines of walls separating two buildings.

Household unit means a home or residence that is a self-contained unit includes kitchen and bathroom facilities of any nature and is physically separated, or capable of being separated, from any other household unit.

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

Network utility operator has the meaning given to it by section 166 of the Resource Management Act 1991.

Non-residential development means any development that falls outside the definition of residential development in this policy.

Residential development means the development of land and buildings for any domestic/living purposes for use by people living on the land or in the buildings.

Service connection means a physical connection to a service provided by, or on behalf of, the Council.

PART 3: THE SUBSTANTIVE POLICY

5 Introduction

This part of the policy outlines how the development contributions payable under this policy have been determined. It includes descriptions of:

- The process followed by Council to make the decision to use development contributions to fund growth related capital expenditure and an assessment of the extent to which growth costs should be funded through development contributions.
- The methodology used for determining the development contributions payable under this policy.
- Key assumptions used when determining the development contributions payable under this policy in the calculations.
- Summary details of the relevant capital expenditure figures and calculations used in determining the development contributions payable under this policy.

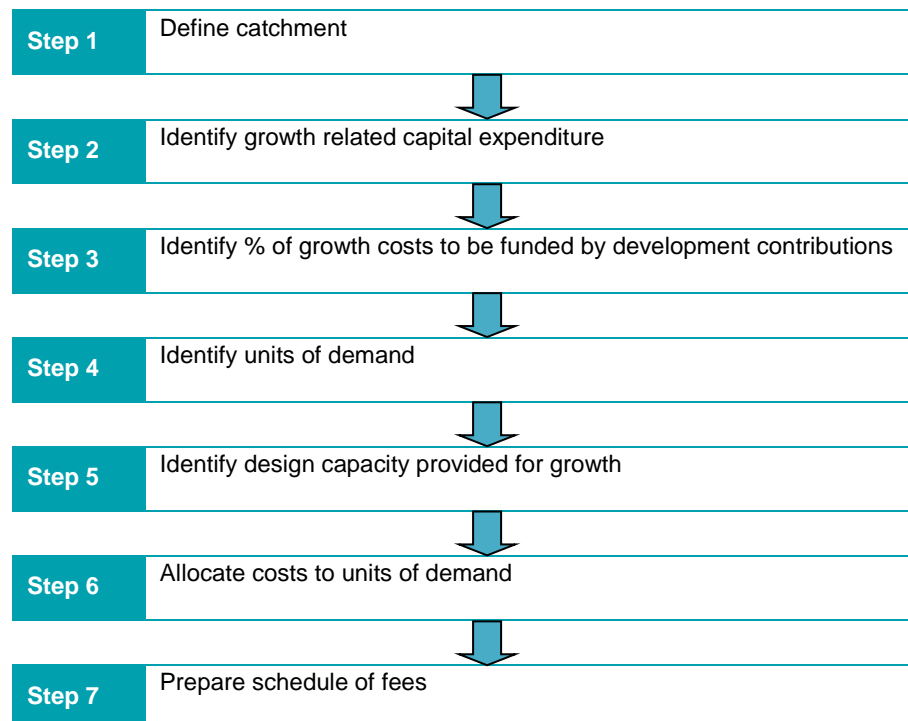
This section is mainly of interest to people who want to know the details of how the policy was developed and how the development contributions payable were calculated.

Readers should refer to Part 2 of this policy if they wish to know how to calculate the development contributions payable for a specific development.

6 How development contributions are calculated

This section outlines the methodology used for determining the development contributions payable for each infrastructure group. It also outlines some of key factors considered across all of the groups. The application of this methodology to each infrastructure group is covered in sections 8-12.

A summary of the steps applied in the methodology is provided below. A brief explanation of what is involved in at each step is described below in sections 6.1-6.7.



6.1 Define catchment (Step 1)

Principles (d) and (g) (s197AB) and s201A of the Act encourage councils to group developments across geographic areas or categories of land use and seek the avoidance of districtwide catchments wherever practicable.

The Council has decided to use geographic areas (or catchments) as a basis for the calculation of development contributions. A catchment is the area serviced by particular infrastructure.

The policy uses a limited number (7) of catchments. These catchments are:

- The Western Hills;
- The Valley Floor;
- Stokes Valley;
- Wainuiomata;
- Eastbourne;
- Rural; and
- Districtwide³.

The catchments and their boundaries are based on communities of interest (aggregating district suburbs), the geography of the district, the characteristics of the infrastructure and service it provides, the common benefits received across the geographical area supplied by the infrastructure, and judgments involving a balance between administrative efficiency and, fairness and equity. The boundaries of these catchments, excluding the Rural catchment, are defined by the aggregated suburb boundaries and the urban zoning in the district plan. The catchments are shown on the plan in **Appendix 1** (at end of this Policy).

Development occurring within these catchments will be required to pay contributions applicable in that catchment.

The rationale for the limited number of catchments is to:

- Keep the policy as simple as practicable;

³ Covers the entire urban part of the district and the historical cost for the Wastewater Treatment Plant and Outfall only. A districtwide catchment approach is considered appropriate because the benefits of wastewater treatment and disposal are considered to be equal for all users.

- Provide flexibility to deliver growth infrastructure where it is most needed; and
- Reconcile the contributions as closely as practicable to the areas where developments have generated the need for capital expenditure on new assets, or assets of increased capacity.

The infrastructure included within the catchments to which a development contribution will apply is:

- Stormwater;
- Public water supply;
- Wastewater collection, treatment and disposal; and
- Roads.

However, there are two exceptions to the above statement. These exceptions are for the Districtwide and Rural catchments.

The Districtwide catchment includes only the recovery of incurred costs for excess capacity built into the Wastewater Treatment Plant when it was constructed.

The Rural catchment includes only roading capital expenditure upgrade projects.

A capital expenditure project would generally be assigned to one catchment. However, these projects may be allocated across more than one catchment where they provide benefits across those catchments. The allocation of capital expenditure across the catchments would be assessed when the asset schedules in the Policy are reviewed and updated.

6.2 Identify growth related capital expenditure (Step 2)

The purpose of this step is to identify the total planned costs of capital expenditure for network infrastructure resulting from growth. These costs are identified in the Council's Long Term Plan (LTP), and in the case of historical costs, from previous years' accounts.

Growth costs (including capacity increases to cater for growth) can be funded in full or in part through development contributions. Generally, growth costs do not include costs associated with service level improvements and renewals that serve existing households. However, a proportion of these costs may be included where capacity for growth is provided for as part of a service level improvement or renewal (for example, where extra capacity to accommodate growth is provided as part of a stormwater renewal project).

Growth costs are essentially assessed in one of two ways:

1. Some projects have been specifically designed for capacity upgrade purposes. Once the proportion of capital cost related to the capacity increase is decided, that percentage is then adjusted to take account of the projects 'capacity life' (see section 7.7 for further information on capacity lives).

Examples of these projects include reservoir upgrades (Water Supply) and major Road & Traffic projects.

2. Other projects may not have been specifically designed to provide additional capacity for growth, but do include some allowance for capacity increase. For these projects, the proportion of capital cost deemed to be growth-related is the forecast growth in EHU's in the relevant catchment. This growth percentage is then adjusted for the part of the work's capacity life that elapses over the term of the Policy.

Examples of these projects include most stormwater works. Such projects are generally of lower capital cost, and more numerous, than those assessed in the way outlined first (above).

Council assesses whether an infrastructure project caters for growth by determining first, whether city growth has influenced the scope or scale of this project and second, whether growth will use, or benefit from, this project. If the answer to either question is "yes" then the project caters for growth.

6.3 Identify the percentage of growth costs to be funded by development contributions (Step 3)

The previous step (Step 2) determines the maximum amount that Council can seek if the full extent of growth costs were recovered through development contributions. However, for each infrastructure group, Council must consider a range of matters before determining whether to recover any or all growth costs, or only a portion, through development contributions. This is undertaken in Step 3.

The matters considered when making this assessment are:

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

These assessments can be found in each of the infrastructure sections (sections 8-12).

The Council has also considered the overall impact of any allocation of liability for revenue needs on the community, as required by section 101(3)(b) of the LGA. Council considers that allocating the full cost of growth to development is fairer to existing ratepayers, and helps ensure economic efficiency. By not imposing the burden of growth costs on existing ratepayers, rates income is also able to be used to advance Council's other activities. These activities contribute in a wide range of ways to improving current and future community outcomes.

In addition, the development contributions charges within this policy are not overly onerous or out of step with those required in other cities or districts. They are, therefore, not expected to divert private sector investment from Hutt City on any significant scale.

As a result of these assessments, Council has determined for each infrastructure group that 100% of the growth costs identified in Step 2 should be met by development contributions.

6.4 Identify units of demand (Step 4)

The unit of demand used in this policy is the equivalent household unit (EHU). This represents the demand on infrastructure resulting from one typical household. For green field developments, one EHU will be applied uniformly to all residential allotments regardless of size for reasons of administrative efficiency and because lot size is not considered to have a material impact on demand. For an infill development, one EHU applies to a residential dwelling as defined in the District Plan.

For non-residential developments, the level of demand for that type of development has been determined and converted to an equivalent household unit. The resulting EHU schedule applies:

Infrastructure group	Residential	Non residential
Roading and traffic	1 EHU per household unit or allotment	Retail: 1 EHU per 10m ² GFA ⁴ Commercial: 1 EHU per 50m ² GFA Industrial: 1 EHU per 30m ² GFA
Water supply		1 EHU per 225m ² GFA
Wastewater		1 EHU per 225m ² GFA
Stormwater		1 EHU per 200m ² impervious area

⁴ GFA stands for Gross Floor Area. Refer to the glossary on page 13 for a definition of Gross Floor Area.

In determining the above schedule, the usage measures below were used to assess demand equivalence for each infrastructure type. These measures are determined as part of the assessment for each infrastructure type.

Infrastructure Type	Usage Measure per EHU
Roading and traffic	10 vehicle movements per day
Water supply	567 litres per day
Wastewater	510 litres per day
Stormwater	200 m ² of impervious surface

6.5 Identify design capacity provided for growth (Step 5)

The design capacity varies considerably between different types of infrastructure. Larger projects are identified specifically as part of this process and a specific assessment is made of design capacity to be applied in this policy. In some cases, it is economically prudent to provide spare growth capacity considerably beyond current 10-year expectations of growth, as is the case with the wastewater treatment plant, and other works such as reservoir projects. Note that the full cost of infrastructure designed to cater for growth over and above that expected in the 10 year period will not be recovered within the 10 year period.

Other projects are smaller and more numerous, but have still been assessed for their design capacity (or capacity life). Growth rates applied to these projects over the 10 year period of the LTP have been altered to reflect the portion of their capacity lives that elapses in the 10 years.

6.6 Allocate costs to units of demand (Step 6)

The development contribution charge per EHU is calculated by dividing the total growth related capital expenditure to be recovered by development contributions (Steps 2 and 3) by the designed units of demand for growth (Step 5).

6.7 Prepare schedule of fees (Step 7)

A detailed *Schedule of Development Contributions* has been prepared to enable the development contribution to be calculated for each catchment, as well as by infrastructure type.

The **Schedule of Development Contributions** is provided in **Appendix 2**.

This presents the dollar amount in development contributions a developer can expect to pay in each catchment of the city.

Appendix 2 shows the development contributions payable for the 2017/18 year. The development contributions payable will be re-calculated each year in accordance with the Producer's Price Index.

7 Key assumptions

Several key assumptions have been made when making the assessments under the methodology described above. Some of the assumptions apply across all infrastructure types, while others are specific to certain types of infrastructure. The assumptions that apply across all infrastructure types are detailed below, while the infrastructure specific assumptions are listed in the infrastructure sections (8-12).

7.1 Growth impact on minor works

In addition to the larger specific projects identified as explicitly growth related, most infrastructure areas undertake a large number of smaller improvement, upgrade and renewal works that also increase infrastructure capacity and take account of the impact on infrastructure of continuing growth within the city over the next 10 years.

These minor projects (like for major works) have been assessed for the proportion of their total cost attributable to growth. The proportion that applies to each project is noted in the Schedule of Assets, and is based on discussions with relevant asset managers.

7.2 Application of costing methods

Average costs have generally been applied to the allocation of capital expenditure between existing and growth EHUs. Average costs reflect a fair allocation of capital infrastructure costs to newcomers. Additionally, in most cases, it is a difficult and complex exercise to determine incremental/marginal costs.

7.3 Cost of individual items of capital expenditure

The Council has used the best information available at the time of developing this policy to estimate the cost of individual items of capital expenditure that will be funded in whole or part out of development contributions. These reflect the estimates within the LTP and a reasonable estimate of the costs in the future, including inflation.

It is likely, however, that actual costs will differ from these projections due to factors beyond the Council's control, such as changes in the price of raw materials, labour, etc. and the time the works are undertaken. The Council will review its estimates of capital expenditure regularly and adjust the LTP as appropriate, including this policy.

7.4 Financial assumptions

The following financial assumptions have been applied:

- For projects in the future, a discount rate (6%) is used to reflect interest gained on the sums paid early (also known as the 'time value of money').
- Income generated from rates will be sufficient to meet the operating costs of growth related capital expenditure into the future.
- All New Zealand Transport Agency subsidies will continue at present levels and that eligibility criteria will remain unchanged.
- The methods of service delivery will remain substantially unchanged.

7.5 Total Cost of Capital Expenditure

The total costs of capital expenditure are incorporated into this Policy's calculations of development contributions. That is, interest costs are added onto capital costs.

Interest has been applied at a rate of 4.6% (an approximation of Council's borrowing rate). Interest has been calculated over a 40 year repayment period, with interest amortised over a 25 year period. The resulting interest costs are seen to provide a fair approximation of actual borrowing costs.

[Note that the LGA allows for development contributions to capture the total cost of capital expenditure (including interest costs)].

7.6 Capacity Lives

The idea behind our 'capacity lives' approach is that DC's should only be charged on works at a growth percentage which reflects the 10-year timeframe of the DC's Policy. For example, if a project has a 10% growth component, and a capacity life of 80 years – then the growth percentage charged over the 10-year outlook of the current DC's Policy will be: $10\% / (80/10, \text{ or eight}) = 1.25\%$. This is in keeping with the development contributions principle that: *Development contributions are determined in a manner that is generally consistent with the capacity life of the assets for which they are intended to be used, and in a way that avoids over-recovery of costs allocated to development contribution funding.*

For this Policy, a **maximum capacity life of 50 years** has been assumed. This implies that replacements/renewals of infrastructure will be required 50 years after construction. Note that some projects identified in this Policy have capacity lives of less than 50 years.

7.7 Projects not deemed growth-related

Officers have not deemed works involving seismic upgrades to existing infrastructure as growth-related. Such works are done for risk and resilience purposes, rather than to cater for growth.

Also, cycling and walking projects under the Roding & Traffic heading are not included in this Policy. They relate to encouraging change of travel modes, rather than to servicing growth.

7.8 Hutt City growth

Residential

Growth assumptions are a key influence on the Council's asset management plans and capital expenditure budgets in the LTP for the period 2018 - 2028. Household growth assumptions are based on known and expected property developments, potential green field developments, properties expected to be removed for flood protection and major roading projects, growth in the CBD that is expected following Riverlink, changes from intensification opportunities, and general property improvements, over the next 20 years. These developments are then separated based on their catchment areas.

These assumptions are applied to the 2013 Census result number of households, to project household numbers out to 2025⁵

	Est 2018	Est 2028	Est growth
Households	39,678	43731	4053 [without intensification used]

These projections indicate that residential growth over the period 2018 - 2028 will be 4,122 households, or approximately 10.3% growth. (The above figures are subject to the progress of Riverlink and proposed District Plan changes.)

⁵ Does not include intensification proposed under Plan Change 43.

Non Residential

Non-residential growth is estimated in square metres of development and is broken down between industrial, commercial and retail segments. These estimates are based on previous years' growth and the medium term economic outlook.

	Est 2018 m ²	Est 2028 m ²	Est growth m ²
Retail	286000	296000	10,000
Commercial	149,000	152,000	3,000
Industrial	1,718,000	1,741,000	23,000
Total	2,153,000	2,189,000	36,000

These projections indicate that non-residential growth over the period 2018 – 2028 will be approximately 36,000 m², or approximately 1.7% growth. Industrial developments are expected to make up the major part of this growth.

These residential and non-residential growth estimates are factored in to the Excel workbooks officers use to calculate development contributions.

8 Rooding and Traffic

8.1 Introduction

The traffic and roading network comprises the city's main arterial routes and secondary roads, including bridges, walls and embankments, footpaths, walkways and cycleways, parking, and public transport access and shelters.

There are several major growth-related projects for which expenditure is forecast to occur over the 2018 – 2028 period. These appear on the *Schedule of Assets*.

8.2 Define Catchment (Step 1)

The following catchments have Rooding & Traffic projects within them: Districtwide and Wainuiomata, Eastbourne and Rural.

8.3 Identify growth related capital expenditure (Step 2)

Rooding & Traffic projects have been assessed to determine the percentage of capital costs to be funded through development contributions. These projects and their allocations can be seen in the *Schedule of Assets* of this Policy.

8.4 Identify the percentage of growth costs to be funded by development contributions (103(b) Assessment) (Step 3)

100% of the growth costs related to roading and traffic identified in Step 2 are to be recovered from development contributions. In making this determination, the following factors were considered by Council:

The community outcomes to which the infrastructure primarily contributes

The relevant community outcomes relating to roading and traffic are listed in the LTP. They describe a city which is safe, as well as connected and accessible. They describe a city where all modes are supported, a high level of service is offered and maintained, and investment is made to ensure growth is catered for. This growth is much better able to be accommodated if additional funding through development contribution is possible, rather than levelling all cost on existing ratepayers.

The distribution of benefits between the community as a whole, and any identifiable parts of the community, and individuals

The distribution of benefits between existing households and newcomers generally was taken into account at the time the growth component of capital expenditure was determined in Step 2.

For further workings on this, please see the **“Benefits Assessment for allocating growth costs” (Appendix 3)**.

The period in or over which the benefits are expected to occur

Roading and traffic infrastructure typically offers benefits over several years, and in many cases, decades. For this reason, capital investment in such assets is typically funded through borrowing and paying off the debt over a long period of time. This allows infrastructure to proceed that otherwise may not, and helps ensure intergenerational equity.

However, applying this model to growth related costs means that those growth costs are borne by everyone else in the community. Consequently, the advantages offered by paying for assets over time through borrowing, need to be weighed against the advantages of charging for growth cost up front, particularly equity (for other ratepayers) and economic efficiency.

On balance, Council considers that a greater good is achieved in this case by some growth costs being borne by those that create the costs, up front through development contributions, as well as through borrowing.

The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

Some works identified in the LTP are needed as a result of growth in particular areas of the city. Consequently, projects have been allocated into catchments, as described in section 6.1 of this Policy.

Financial contributions are required where individual developments give rise to capital expenditure that is not included in the LTP, and therefore that expenditure is not included in Council's development contribution policy. In these cases, Council can usually identify the individual or group involved and may impose a financial contribution as a condition of resource consent.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Council considers that greater transparency and economic efficiency is achieved by ensuring that costs associated with growth are explicitly

identified, and met by growth, rather than by the community through rates, and growth facing less than 100% of the costs it causes.

8.5 Identify units of demand (Step 4)

The unit of demand used in this policy is the equivalent household unit (EHU). For transport, this represents the demand on roading and traffic infrastructure assumed to result from 10 vehicle movements per day. For non-residential developments, the following conversion rates will apply:

- Retail: 1 EHU per 10 m² GFA
- Commercial: 1 EHU per 50 m² GFA
- Industrial: 1 EHU per 30 m² GFA

These demand estimates were determined from data from the New Zealand Trips and Parking Database Bureau.

8.6 Identify design capacity provided for growth (Step 5)

The design capacity is estimated for each catchment. For example, for the 'Western Hills - Road & Traffic' catchment, there are 482 forecast EHU's over the 10-year period 2018-2028.

8.7 Allocate costs to units of demand (Steps 6 and 7)

Fees are charged by dividing the present value of growth-related capital expenditure in a catchment by the total (discounted) design EHU's in that catchment.

9 Water Supply

9.1 Introduction

The water supply network comprises the city's 24 reservoirs, 677km of pipes, 13 pumping stations, 38,360 service connections, 4,417 fire hydrants, 113 water meters, 23 area meters, 6,995 valves and 22 pressure-reducing valves. Growth increases demand on the water supply and consequently on the demands of the whole water supply network.

There are several Water Supply projects which will be part-funded through development contributions. These appear on the *Schedule of Assets*. Several reservoir seismic strengthening projects are not included in this schedule as they are not deemed to be growth-related.

9.2 Define catchment (Step 1)

The following catchments have Water Supply projects within them: Western Hills, Valley Floor, Stokes Valley & Eastbourne. The network renewals work is districtwide.

9.3 Identify growth related capital expenditure (Step 2)

Water Supply projects have been assessed to determine the percentage of capital costs to be funded through development contributions. These projects and their allocations can be seen in the *Schedule of Assets* of this Policy.

9.4 Identify the percentage of growth costs to be funded by development contributions (103(b) Assessment) (Step 3)

100% of the growth costs related to Water Supply identified in Step 2 are to be recovered from development contributions. In making this determination, the following factors were considered by Council:

The community outcomes to which the infrastructure primarily contributes

The relevant community outcomes for water supply are listed in the LTP. They describe a city that provides good infrastructure and sustainably manages the city's environment, resources, and growth. This growth is much better able to be accommodated if additional funding through development contribution is possible, rather than levelling all costs on existing ratepayers.

The distribution of benefits between the community as a whole, and any identifiable parts of the community, and individuals

The distribution of benefits between existing households and newcomers generally was taken into account at the time the growth component of capital expenditure was determined in Step 2.

For further workings on this, please see the “**Benefits Assessment for allocating growth costs**” (Appendix 3).

The period in or over which the benefits are expected to occur

Water supply infrastructure typically offers benefits over several years, and in many cases, decades. For this reason, capital investment in such assets is typically funded through borrowing and paying off the debt over a long period of time. This allows infrastructure to proceed that otherwise may not, and helps ensure intergenerational equity. However, applying this model to growth related costs means that those growth costs are borne by everyone else in the community. Consequently, the advantages offered by paying for assets over time through borrowing, need to be weighed against the advantages of charging for growth cost up front, particularly equity (for other ratepayers) and economic efficiency.

On balance, Council considers that a greater good is achieved in this case by some growth costs being borne by those that create the costs, up front through development contributions, as well as through borrowing.

The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

Some works identified in the LTP are needed as a result of growth in particular areas of the city. Consequently, projects have been allocated into catchments, as described in section 6.1 of this Policy.

Financial contributions are required where individual developments give rise to capital expenditure that is not included in the LTP, and therefore that expenditure is not included in Council's development contribution policy. In these cases, Council can usually identify the individual or group involved and may impose a financial contribution as a condition of resource consent.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

Council considers that greater transparency and economic efficiency is achieved by ensuring that costs associated with growth are explicitly identified, and met by growth, rather than by the community through rates, and growth facing less than 100% of the costs it causes.

9.5 Identify units of demand (Step 4)

The unit of demand used in this policy is the equivalent household unit (EHU). For water supply, 1 EHU represents the demand on water supply infrastructure assumed to result from 567 litres being drawn per day. This results in an estimated 8176629 m³ of water being supplied to approximately 39301 occupied houses within Lower Hutt per year.

The metered water supplied to commercial, industrial and retail premises in Lower Hutt is 1994000 m³ per year. The total non-residential ground floor area in 2017 is estimated to be 2153000 m², suggesting water consumption of approximately 1 m³ per year per 1 m² of GFA (or 2.7 litres per day per m² GFA). This translates to a non-residential conversion rate of 1 EHU per 255 m² GFA.

9.6 Identify design capacity provided for growth (Step 5)

The design capacity is estimated for each catchment. For example, for the 'Western Hills – Water Supply' catchment, there are 432 forecast EHU's over the 10-year period 2018 - 2028.

9.7 Allocate costs to units of demand (Steps 6 and 7)

Fees are charged by dividing the present value of growth-related capital expenditure in a catchment by the total (discounted) design EHU's in that catchment.

10 Stormwater

10.1 Introduction

Flooding is an important issue within Hutt City as the city is situated on a flood plain, and much of the surrounding area is also prone to flood related issues such as slope stability and localised flooding. The city's stormwater network helps deal with stormwater and periods of heavy rain by shifting the water off and away from the surface, so that in most cases, flooding is avoided.

The stormwater network system comprises 548km of pipes, 24km of channels and canals, 27km of drains, 14 pump stations, 5 retention dams, 11,824 manholes, 2,247 inlets and outlets, and approximately 1,925 inspection points and other node types.

The development of vacant land generally leads to increased levels of impermeable structures and services such as buildings and pavement. Consequently, development growth increases the amount of surface water that needs to be shifted, raising the risk of flooding and increasing the demands on the stormwater network. Therefore it is imperative that the capacity of the stormwater network is maintained and current and future demands are provided for to ensure that the integrity of the network can be maintained.

There are several stormwater projects which will be part-funded through development contributions. They include: upgrading pipe capacity and installing and upgrading pump stations, and flood protection works. These works appear on the *Schedule of Assets*.

10.2 Define catchment (Step 1)

The following catchments have stormwater projects within them: Western Hills, Valley Floor, Stokes Valley, & Eastbourne, as well as network renewals districtwide.

10.3 Identify growth related capital expenditure (Step 2)

Stormwater projects have been assessed to determine the percentage of capital costs to be funded through development contributions. These projects and their allocations can be seen in the *Schedule of Assets* of this Policy.

10.4 Identify the percentage of growth costs to be funded by development contributions (103(b) Assessment) (Step 3)

100% of the growth costs related to stormwater identified in Step 2 are to be recovered from development contributions. In making this determination, the following factors were considered by Council:

The community outcomes to which the infrastructure primarily contributes

The relevant community outcomes for stormwater are listed in the LTP. They describe a city that provides good infrastructure and sustainably manages the city's environment, resources, and growth. This growth is much better able to be accommodated if additional funding through development contribution is possible, rather than levelling all costs on existing ratepayers.

The distribution of benefits between the community as a whole, and any identifiable parts of the community, and individuals

The distribution of benefits between existing households and newcomers generally was taken into account at the time the growth component of capital expenditure was determined in Step 2.

For further workings on this, please see the “Benefits Assessment for allocating growth costs” (Appendix 3).

The period in or over which the benefits are expected to occur

Stormwater infrastructure typically offers benefits over several years, and in many cases, decades. For this reason, capital investment in such assets is typically funded through borrowing and paying off the debt over a long

period of time. This allows infrastructure to proceed that otherwise may not, and helps ensure intergenerational equity.

However, applying this model to growth related costs means that those growth costs are borne by everyone else in the community. Consequently, the advantages offered by paying for assets over time through borrowing, need to be weighed against the advantages of charging for growth cost up front, particularly equity (for other ratepayers) and economic efficiency.

On balance, Council considers that a greater good is achieved in this case by some growth costs being borne by those that create the costs, up front through development contributions, as well as through borrowing.

The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

Some works identified in the LTP are needed as a result of growth in particular areas of the city. Consequently, projects have been allocated into catchments, as described in section 6.1 of this Policy.

Financial contributions are required where individual developments give rise to capital expenditure that is not included in the LTP, and therefore that expenditure is not included in Council's development contribution policy. In these cases, Council can usually identify the individual or group involved and may impose a financial contribution as a condition of resource consent.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

Council considers that greater transparency and economic efficiency is achieved by ensuring that costs associated with growth are explicitly identified, and met by growth, rather than by the community through rates, and growth facing less than 100% of the costs it causes.

10.5 Identify units of demand (Step 4)

The unit of demand used in this policy is the equivalent household unit (EHU). For stormwater, 1 EHU represents the demand on stormwater infrastructure assumed to result from 200 m² of impervious surface area. The conversion rate that applies to non-residential developments (retail, commercial and industrial) is 1 EHU per 200 m² impervious surface area.

10.6 Identify design capacity provided for growth (Step 5)

The design capacity is estimated for each catchment. For example, for the 'Western Hills – Stormwater' catchment, there are 429 forecast EHU's over the 10-year period 2018 - 2028.

10.7 Allocate costs to units of demand (Steps 6 and 7)

Fees are charged by dividing the present value of growth-related capital expenditure in a catchment by the total (discounted) design EHU's in that catchment.

11 Wastewater

11.1 Introduction

The wastewater supply network comprises the city's 681km of pipes, 45 pumping stations, 508 inspection points and 14,317 manholes and other nodes. Development increases demand on the water supply and consequently places extra demands on the wastewater network system.

The capital expenditure planned in the 2018 - 2028 LTP for the wastewater network comprises an ongoing programme of upgrading the pipe network, ongoing system maintenance and resource consent renewals for the local and trunk wastewater systems.. However, the Seaview wastewater treatment plant completed in 2002 is the major infrastructure recognised in the development contribution policy for wastewater. It was built with additional capacity to accommodate future growth. The network projects that are included appear on the *Schedule of Assets*.

11.2 Define catchment (Step 1)

The following catchments have Wastewater projects within them: the Valley Floor & Wainuiomata. There is also a 'Districtwide' catchment covering any development in any area of Hutt City. This Districtwide catchment includes several projects such as the Wastewater Treatment Plant, network renewals, and other developments.

11.3 Identify growth related capital expenditure (Step 2)

Wastewater projects have been assessed to determine the percentage of capital costs to be funded through development contributions. These projects and their allocations can be seen in the *Schedule of Assets* of this Policy.

11.4 Identify the percentage of growth costs to be funded by development contributions (103(b) Assessment) (Step 3)

100% of the growth costs related to wastewater identified in Step 2 are to be recovered from development contributions. In making this determination, the following factors were considered by Council:

The community outcomes to which the infrastructure primarily contributes

The relevant community outcomes for wastewater are listed in the LTP. They describe a city that provides good infrastructure and sustainably manages the city's environment, resources, and growth. This growth is much better able to be accommodated if additional funding through development contribution is possible, rather than levelling all costs on existing ratepayers.

The distribution of benefits between the community as a whole, and any identifiable parts of the community, and individuals

The distribution of benefits between existing households and newcomers generally was taken into account at the time the growth component of capital expenditure was determined in Step 2.

For further workings on this, please see the "Benefits Assessment for allocating growth costs" (Appendix 3).

The period in or over which the benefits are expected to occur

Wastewater infrastructure typically offers benefits over several years, and in many cases, decades. For this reason, capital investment in such assets is typically funded through borrowing and paying off the debt over a long period of time. This allows infrastructure to proceed that otherwise may not, and helps ensure intergenerational equity.

However, applying this model to growth related costs means that those growth costs are borne by everyone else in the community. Consequently, the advantages offered by paying for assets over time through borrowing,

need to be weighed against the advantages of charging for growth cost up front, particularly equity (for other ratepayers) and economic efficiency.

On balance, Council considers that a greater good is achieved in this case by some growth costs being borne by those that create the costs, up front through development contributions, as well as through borrowing.

The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

Some works identified in the LTP are needed as a result of growth in particular areas of the city. Consequently, projects have been allocated into catchments, as described in section 6.1 of this Policy.

Financial contributions are required where individual developments give rise to capital expenditure that is not included in the LTP, and therefore that expenditure is not included in Council's development contribution policy. In these cases, Council can usually identify the individual or group involved and may impose a financial contribution as a condition of resource consent.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Council considers that greater transparency and economic efficiency is achieved by ensuring that costs associated with growth are explicitly identified, and met by growth, rather than by the community through rates, and growth facing less than 100% of the costs it causes.

11.5 Identify units of demand (Step 4)

The unit of demand used in this policy is the equivalent household unit (EHU). For wastewater, 1 EHU represents the demand on wastewater infrastructure assumed to result from 510 litres per day. The conversion rate that applies to non-residential developments (retail, commercial and industrial) is 1 EHU per 225 m² GFA.

11.6 Identify design capacity provided for growth (Step 5)

The design capacity is estimated for each catchment. For example, for the 'Wainuiomata – Wastewater' catchment, there are 1114 forecast EHU's over the 10-year period 2018 - 2028.

11.7 Allocate costs to units of demand (Steps 6 and 7)

Fees are charged by dividing the present value of growth-related capital expenditure in a catchment by the total (discounted) design EHU's in that catchment.

PART 4: THE SCHEDULE OF ASSETS

This Schedule of Assets for Hutt City's Development Contributions Policy 2018 - 2021 uses financial information from our 2018 – 2028 Long Term Plan.

Note that the amounts allocated to capital projects can change each year through the Annual Plan / Long Term Plan process. This Schedule reflects the amounts allocated at the time the 2018-2028 LTP was released.

Council began using a "Catchment Approach" to collect development contributions (from 1 July 2015), so this Schedule of Assets reflects that. More information about this approach can be seen in section 6.1 of this Policy.

Notes:

There is no guarantee that the amounts shown in the "Amount from DC's" column in the tables below will actually be collected in their entirety. This is because collection is dependent on the level of development occurring, and the nature of individual developments.

THE SCHEDULE OF ASSETS

STORMWATER

Stormwater Assets / Work Programmes	Catchment	Estimated capital cost (2018 - 2028)	% from DCs ⁶	% from other sources	Amount from DCs
Hutt River works					
Hutt River Backflow (electrical automation project)	Valley Floor, S Valley, W Hills	\$545,331	7.5%	92.50%	\$40,900
Hutt River Floodplain (stormwater outlets to river)	Valley Floor, S Valley, W Hills	\$3,126,955	7.5%	92.50%	\$234,522
Hutt River Stormwater Flapgates / Pumping Stations	Valley Floor, S Valley, W Hills	\$6,093,689	7.5%	92.50%	\$457,027
Other Stream works					
Awamutu Stream works	Valley Floor	\$9,837,936	6.0%	94%	\$590,276
Pipe/Outlet upgrades					
Queen Street, Petone	Valley Floor.	\$2,023,243	6.0%	94%	\$121,395
Randwick Rd Stormwater Improvement, Moera	Valley Floor	\$203,711	6.0%	94%	\$12,223
Beach Stormwater Outlets	Valley Floor/ Eastbourne.	\$1,706,945	6.5%	93.50%	\$110,951
Dowse Drive Stormwater Improvement Project	W Hills	\$1,483,535	7.4%	92.60%	\$109,782
New pipework					
East Street, Petone	Valley Floor	\$239,502	6.0%	94%	\$14,370
Walter Rd Stormwater Renewal	Eastbourne.	\$418,773	7.3%	92.70%	\$30,570

⁶ The proportion recovered from Development Contributions relates to the capacity life of the asset and may be adjusted in the next review of the policy.

Stormwater Assets / Work Programmes	Catchment	Estimated capital cost (2018 - 2028)	% from DCs ⁶	% from other sources	Amount from DCs
Cheviot Rd Stormwater Improvement Project	Eastbourne.	\$82,800	7.3%	92.70%	\$6,044
Heketara St/Pukatea St	Eastbourne	\$51,090	7.3%	92.70%	\$3,730
Percy Cameron St	Valley Floor.	\$376,000	6.0%	94%	\$22,560
Network Renewals	Districtwide	\$13,024,810	5.0%	95%	\$651,241
Melling Rd Stormwater construction	Valley Floor	\$49,500	10%	90%	\$4,950
Rutherford St Stormwater construction	Valley Floor, S Valley, W Hills	\$49,500	10%	90%	\$4,950
New Pumping Stations					
Melling Road Pump Station	Valley Floor, S Valley, W Hills	\$1,073,000	10%	90%	\$107,300
Rutherford St Pump Station	Valley Floor, S Valley, W Hills	\$1,073,000	10%	90%	\$107,300
Pump Station Minor Works	Districtwide	\$1,936,318	5%	95%	\$9,682
Flood Mitigation works					
SH2-Korokoro Catchment Flood Mitigation	Valley Floor, S Valley, W Hills	\$7,512,100	7.5%	92.50%	\$563,408
Stokes Valley Catchment Flood Mitigation	S Valley	\$14,300,000	10%	90%	\$1,430,000
Other works / Upgrades					
Upper Kelson Catchment	W Hills.	\$644,200	10%	90%	\$64,420
Victoria St/Humes St	Valley Floor	\$612,000	6.0%	94%	\$36,720
Waiwhetu Catchment	Valley Floor	\$2,682,500	6.0%	94%	\$160,950
Rutherford St	Valley Floor	\$1,073,000	10%	90%	\$107,300
Totals		\$70,219,438			\$5,002,571

WATER SUPPLY

Water Supply Assets / Work Programmes	Catchment	Estimated capital cost (2018 - 2028)	% from DCs ⁷	% from other sources	Amount from DCs
Reservoir Upgrades (new/upgraded capacity)					
Naenae Reservoir Construction	Valley Floor	\$6,500,000	24.0%	76%	\$1,560,000
Normandale Reservoir Upgrade	Western Hills	\$1,800,000	18.0%	82%	\$324,000
Eastern Bays Reservoir Upgrade Design/Consents/Construction	Eastbourne	\$4,250,000	35.0	65%	\$1,487,500
Sweetacres Reservoir Upgrade	Western Hills	\$1,848,657	25.0%	75%	\$462,164
Pipelines (replacements or upgrades)					
Sweetacres Watermain Upgrade	Western Hills	\$547,500	25.0%	75%	\$136,875
Network Renewals Water Supply	Districtwide	\$41,472,949	5.0%	95%	\$2,073,648
Gracefield/Pt Howard Link Main	Eastbourne	\$537,000	5.0%	95%	\$26,850
Holburn Booster Pump	S Valley	\$300,000	7.0%	93%	\$21,000
Totals		\$57,256,106			\$6,092,037

⁷ The proportion recovered from Development Contributions relates to the capacity life of the asset and may be adjusted in the next review of the policy.

WASTEWATER

Wastewater Assets / Work Programmes	Catchment	Estimated capital cost (2018 - 2028)	% from DCs ⁸	% from other sources	Amount from DCs
Wastewater treatment plant	Districtwide	\$45,000,000	10%	90%	\$4,500,000
Additional Storage Tanks	Valley Floor & Wainuiomata	\$5,350,000	6.5%	93.50%	\$347,750
Sewer Mains Upgrade	Valley Floor & Wainuiomata	\$9,016,000	6.5%	93.50%	\$586,040
Trunk DBO Asset Replacement Fund	Districtwide	\$23,094,695	5.0%	95%	\$1,154,735
Trunk DBO Network Cyclic replacement	Districtwide	\$9,210,554	5.0%	95%	\$460,528
Network renewals	Districtwide	\$63,669,435	5.0%	95%	\$3,183,472
Trunk DBO Type B Network Dev	Districtwide	\$42,298,986	7.0%	93%	\$2,960,929
Trunk main Outfall Pipeline Overflow Mitigation	Districtwide	\$13,750,000	7.0%	93%	\$962,500
Trunk Type Asset Development	Districtwide	\$29,305,950	7.0%	93%	\$2,051,417
Totals		\$240,695,620			\$11,359,620

Notes:

The Wastewater treatment plant serves the entire city.

It is included in Council's development contributions policy because Council will collect back some of the cost of the plant through DC's.

⁸ The proportion recovered from Development Contributions relates to the capacity life of the asset and may be adjusted in the next review of the policy.

ROADING & TRAFFIC

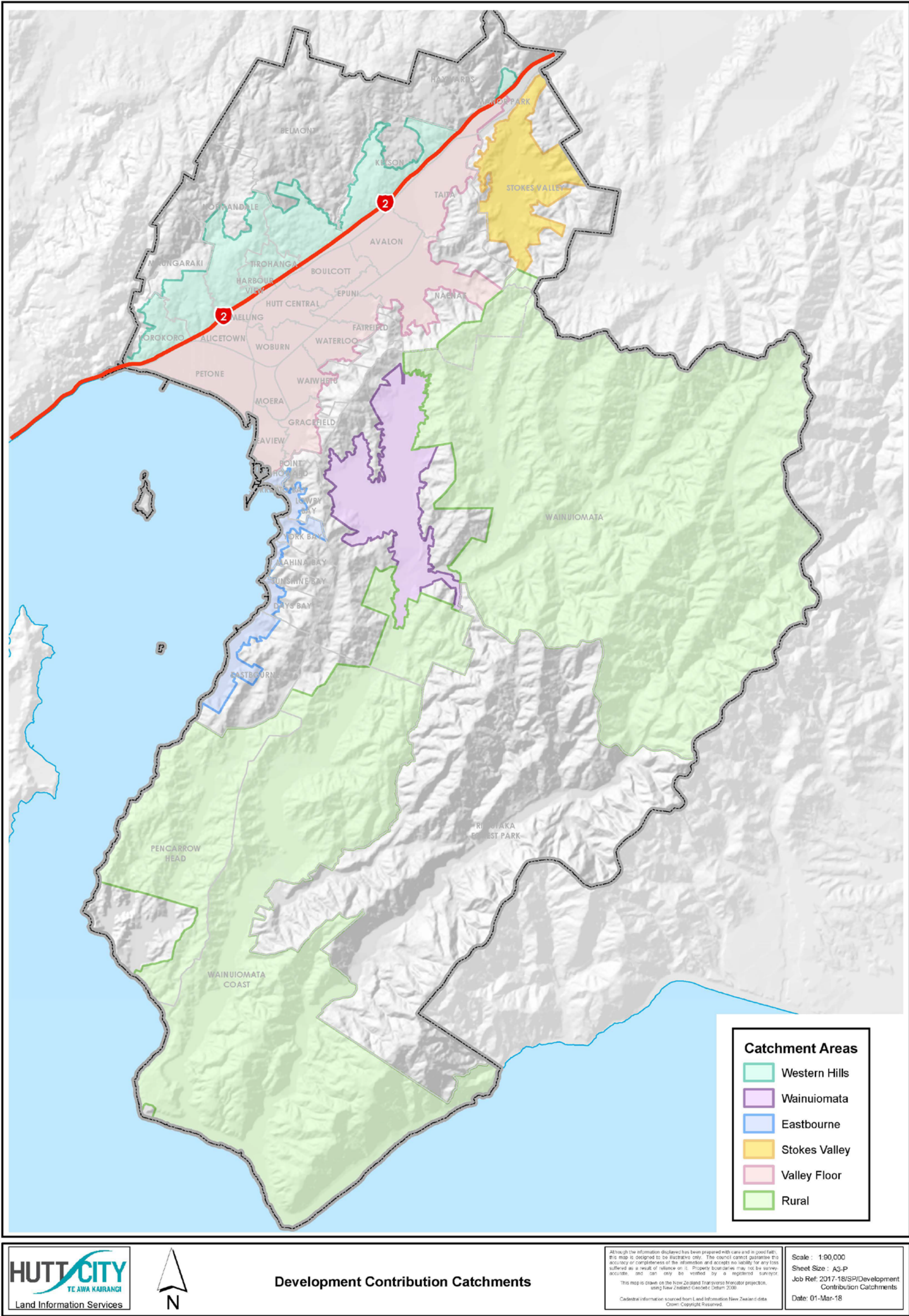
Road & Traffic Assets / Work Programmes	Catchment	Estimated capital cost (2018 - 2028)	% from DCs ⁹	% from other sources	Amount from DCs
East West Connection - Investigation/Design/Build (Subsidy 51%)	Districtwide	\$1,000,000	50.0%	50%	\$500,000
East Access Route	Districtwide	\$3,500,000	60.0%	60%	\$2,100,000
Urban Growth Strategy - Wise St Extension - On Site Development	Wainuiomata	\$900,000	80.0%	20%	\$720,000
Totals		\$5,400,000			\$3,320,000
Overall Total		\$373,571,164			\$25,774,228

Note:

The East West Connection and East Access Route Capital Expenditure noted in this policy include the costs related to the capacity life of the asset and may be adjusted in the next review of the policy. It is expected further costs will be included in any future review or update to this policy.

⁹ The proportion recovered from Development Contributions relates to the capacity life of the asset and may be adjusted in the next review of the policy.

Appendix 1 – Development Contributions Catchments



Appendix 2 – Schedule of Development Contributions

Development contribution per EHU 2017/2018							
	Western Hills	Valley Floor	Stokes Valley	Wainuiomata	Eastbourne	Rural	Districtwide
Roading and traffic	\$232	\$61	\$314	\$401	\$1,312	\$3849	\$0
Water Supply	\$1034	\$48	\$174	\$27	\$9,139	\$0	\$0
Wastewater**	\$0	\$33	\$0	\$32	\$0	\$0	\$3,551
Stormwater	\$402	\$175	\$982	\$24	\$965	\$0	\$0
Total	\$1,668	\$317	\$1,470	\$484	\$11,416	\$3,849	\$3,551
DC per EHU (\$) a development will pay in each catchment	\$5,218	\$3,867	\$5,021	\$4,034	\$14,967	\$3,849	N/A

Notes:

All figures above are exclusive of GST.

The total DC to be paid by a development comprises the relevant DC for their catchment, plus the Districtwide DC.

The DC's for the 2017/18 year are shown above. The DC's payable will be re-calculated each year in accordance with the Producer's Price Index.

Appendix 3 - Asset Register including Benefit Assessment for Allocating Growth Costs

(1) No project will have a capacity life greater than 50 years given the uncertainties inherent in such lengthy timeframes.

Road & Traffic Assets / Work Programmes	Date Project Entered	Original Total Project Cost	Updated cost (2018)	Life Capacity Assumption (years)(1)	Catchment	Benefits Assessment Funding				Catchment Allocation						Explanation
						Development Contributions			Other Current Users	Development Contributions						
						Future Users				Catchments						
						Districtwide	Catchment	Rest of District		Districtwide	Western Hills	Valley Floor	Stokes Valley	Wainuiomata	Eastbourne	
East West Connection - Investigation/Design/Build (Subsidy 51%)	2015	\$1,000,000		50	Districtwide	50%			50%	5%	30%	1%	10%	3%	1%	Allocation based on where the major use would be. It is assumed each trip would have an equal benefit
East Access Route	2015	\$3,500,000		50	Districtwide	40%			60%	7%	7%	7%	7%	7%	5%	Allocation based on where the major use would be. It is assumed each trip would have an equal benefit
Urban Growth Strategy - Wise St Extension - On Site Development	2015	\$900,000		50	Wainuiomata		80%		20%				80%			Project is in Wainuiomata and majority of the benefits considered to be received in that catchment

Wastewater Assets / Work Programmes	Date Project Entered	Original Total Project Cost	Updated cost (2018)	Life Capacity Assumption (years)(1)	Catchment	Benefits Assessment Funding				Catchment Allocation						Explanation
						Development Contribution			Other Current Users	Development Contributions						
						Future Users				Rest of District catchments						
						Districtwide	Catchment	Rest of District		Districtwide	Western Hills	Valley Floor	Stokes Valley	Wainuiomata	Eastbourne	
Wastewater treatment plant	2015	\$45,000,000		20	Districtwide	10%			90%	2%	2%	2%	2%	2%		Excess capacity at 2018 is 10 % (unchanged from 2001 due to changes in effluent characteristics - changes in industrial activity, and operational improvements at the WWTP)
Additional Storage Tanks	2015	\$1,605,000	\$5,350,000	50	Valley Floor & Wainuiomata	6.50%			93.50%		4.50%		2%			It is assumed the cost allocation equates to the growth in the catchment
Sewer Mains Upgrade	2015	\$1,932,000	\$9,016,000	50	Valley Floor & Wainuiomata	6.50%			93.50%		4.50%		2%			It is assumed the cost allocation equates to the growth in the catchment
Trunk DBO Asset Replacement Fund	2018		\$23,094,695	50	Districtwide	5%			95%	1%	1%	1%	1%	1%		Includes a small allowance for additional capacity
Trunk DBO Network Cyclic replacement	2018		\$9,210,554	50	Districtwide	5%			95%	1%	1%	1%	1%	1%		Includes a small allowance for additional capacity
Network renewals	2018		\$63,669,435	50	Districtwide	5%			95%	1%	1%	1%	1%	1%		Includes a small allowance for additional capacity
Trunk DBO Type B Network Dev	2018		\$42,298,986	50	Districtwide	7%			93%	1%	1%	1%	1%	1%		Includes a small allowance for additional capacity
Trunk main Outfall Pipeline Overflow Mitigation	2018		\$13,750,000	50	Districtwide	7%			93%	1.4%	1.4%	1.4%	1.4%	1.4%		Includes a small allowance for additional capacity
Trunk Type Asset Development	2018		\$29,305,950	50	Districtwide	7%			93%	1.4%	1.4%	1.4%	1.4%	1.4%		Includes a small allowance for additional capacity

Water Supply Assets / Work Programmes	Date Project Entered	Original Total Project Cost	Updated cost (2018)	Life Capacity Assumption (years)(1)	Catchment	Benefits Assessment Funding				Catchment Allocation						Explanation
						Development Contribution			Other	Development Contributions						
						Future Users			Current Users	Rest of District catchments						
						Districtwide	Catchment	Rest of District	Districtwide	Western Hills	Valley Floor	Stokes Valley	Wainuiomata	Eastbourne	Rural	
Reservoir Upgrades (new/upgraded capacity)																
Naenae Reservoir Construction	2015	\$740,000	\$6,500,000	50	Valley Floor	24%			76%		24%					Excess capacity (volume of storage). Designed to improve capacity
Normandale Reservoir Upgrade	2015	\$1,800,000		50	Western Hills	18%			82%	18%						Excess capacity (volume of storage). Designed to improve capacity
Eastern Bays Reservoir Upgrade Design/Consents/Co	2015	\$4,250,000		50	Eastbourne	35%			65%					35%		Excess capacity (volume of storage). Designed to improve capacity
Sweetacres Reservoir Upgrade	2015	\$1,803,000	\$1,848,657	50	Western Hills	25%			75%	25%						Excess capacity (volume of storage). Designed to improve capacity
Pipelines (replacements or upgrades)																
Sweetacres Watermain Upgrade	2015	\$547,500		50	Western Hills	25%			75%	25%						Excess capacity (volume of storage). Designed to improve capacity
Network Renewals Water Supply	2018		\$41,472,949	50	Districtwide	5%			95%	1%	1%	1%	1%	1%		Includes a small allowance for additional capcity
Gracefield/Pt Howard Link Main	2018		\$537,000	50	Eastbourne	5%			95%					5%		Includes a small allowance for additional capacity
Holburn Booster Pump	2018		\$300,000	50	S Valley	7%			93%			7%				Includes a small allowance for additional capacity

Stormwater Assets / Work Programmes	Date Project Entered	Original Total Project Cost	Updated cost (2018)	Life Capacity Assumption (years)(1)	Catchment	Benefits Assessment Funding			Other Current Users	Catchment Allocation						Explanation
						Development Contribution				Development Contributions						
						Future Users				Rest of District catchments						
						Districtwide	Catchment	Rest of District	Districtwide	Western Hills	Valley Floor	Stokes Valley	Wainuiomata	Eastbourne	Rural	
Hutt River works																
Hutt River Backflow (electrical automation project)	2015	\$430,000	\$545,331	20	Valley Floor, S Valley, W Hills	7.50%			92.50%	2.50%	3.50%	1.50%				It is assumed the cost allocation equates to the growth in the catchment
Hutt River Floodplain (stormwater outlets to river)	2015	\$2,430,000	\$3,126,955	50	Valley Floor, S Valley, W Hills	7.50%			92.50%	2.50%	3.50%	1.50%				It is assumed the cost allocation equates to the growth in the catchment
Hutt River Stormwater Flapgates / Pumping Stations	2015	\$1,783,000	\$6,093,689	40	Valley Floor, S Valley, W Hills	7.50%			92.50%	2.50%	3.50%	1.50%				40 years (Flapgates -30 years/ Pumping Stations - 50 years)
Other Stream works																
Awamutu Stream works	2015	\$5,678,100	\$9,837,936	50	Valley Floor	6.00%			94.00%		6%					(Awamutu Stream drains suburb of Moera, and is main tributary of Waiwhetu Stream).
Pipe/Outlet upgrades																
Queen Street, Petone	2015	\$816,000	\$2,023,243	50	Valley Floor	6.00%			94.00%		6%					It is assumed the cost allocation equates to the growth in the catchment
Randwick Rd Stormwater Improvement, Moera	2015	\$376,000	\$203,711	50	Valley Floor	6.00%			94.00%		6%					It is assumed the cost allocation equates to the growth in the catchment
Beach Stormwater Outlets	2015	\$1,867,800	\$1,706,945	50	Valley Floor/ Eastbourne	6.50%			93.50%		4.00%			2.50%		It is assumed the cost allocation equates to the growth in the catchment
Dowse Drive Stormwater Improvement Project	2015	\$1,073,000	\$1,483,535	50	W Hills	7.40%			92.60%	7.40%						It is assumed the cost allocation equates to the growth in the catchment
New pipework																
East Street, Petone	2015	\$102,000	\$239,502	50	Valley Floor	6.00%			94.00%		6%					It is assumed the cost allocation equates to the growth in the catchment
Walter Rd Stormwater Renewal	2015	\$419,000	\$418,773	50	Eastbourne	7.30%			92.70%					7.30%		It is assumed the cost allocation equates to the growth in the catchment
Cheviot Rd Stormwater Improvement Project	2015	\$107,000	\$82,800	50	Eastbourne	7.30%			92.70%					7.30%		It is assumed the cost allocation equates to the growth in the catchment
Heketara St/Pukatea St	2015	\$640,000	\$51,090	50	Eastbourne	7.30%			92.70%					7.30%		It is assumed the cost allocation equates to the growth in the catchment (capacity Pipes -100 years/ Pumping Stations - 50 years)
Percy Cameron St	2015	\$376,000		50	Valley Floor.	6.00%			94.00%		6%					It is assumed the cost allocation equates to the growth in the catchment

Network Renewals	2018		\$13,024,810	50	Districtwide	5.00%			95.00%	1%	1%	1%	1%	1%		Includes a small allowance for additional capacity
Melling Rd Stormwater construction	2018		\$49,500	50	Valley Floor	10.00%			90.00%		10%					Includes an allowance for additional capacity
Rutherford St Stormwater construction	2018		\$49,500	50	Valley Floor, S Valley, W Hills	10.00%			10.00%	3%	5%	2%				Includes an allowance for additional capacity
New Pumping Stations																
Melling Road Pump Station	2015	\$1,073,000		50	Valley Floor, S Valley, W Hills	10%			90.00%	3%	5%	2%				Pumping Stations - 50 years
Rutherford St Pump Station	2015	\$1,073,000		50	Valley Floor, S Valley, W Hills	10%			90.00%	3%	5%	2%				Pumping Stations - 50 years
Pump Station Minor Works	2018		\$1,936,318	50	Districtwide	5.00%			95.00%	1%	1%	1%	1%	1%		Includes a small allowance for additional capacity
Flood Mitigation works																
SH2-Korokoro Catchment Flood Mitigation	2015	\$1,609,500	\$7,512,100	50	Valley Floor, S Valley, W Hills	7.50%			92.50%	2.50%	3.50%	1.50%				It is assumed the cost allocation equates to the growth in the catchment
Stokes Valley Catchment Flood Mitigation	2015	\$3,900,000	\$14,300,000	50	S Valley	10.00%			90.00%			10%				Designed to improve capacity
Other works / Upgrades																
Upper Kelson Catchment	2015	\$644,200		50	W Hills	10.00%			90.00%	0.1						Designed to improve capacity
Victoria St/Humes St	2015	\$612,000		50	Valley Floor	6.00%			94.00%		6.00%					It is assumed the cost allocation equates to the growth in the catchment
Waiwhetu Catchment	2015	\$1,609,500	\$2,682,500	50	Valley Floor	6.00%			94.00%		6.00%					It is assumed the cost allocation equates to the growth in the catchment
Rutherford St	2018	\$1,073,000		50	Valley Floor	10.00%			90.00%		10.00%					Includes an allowance for additional capacity